



## GENERAL TERMS AND CONDITIONS

### 1. Scope

- 1.1. These General Terms and Conditions apply to all transactions and agreements (Agreements) between Hampiðjan and any customer for the purchase of goods and services, including sales offers, unless otherwise agreed to in writing. Further specific terms and conditions may apply within identified areas of Hampiðjan's business and services.
- 1.2. A negotiated discount does not apply in case the customer has been provided with special offers for any goods or services.
- 1.3. Purchases of goods and services by consumers are governed by the provisions of Act no. 48/2003 on Consumer Purchases, Act. no. 16/2016 on Consumer Contracts, Act No. 42/2000 on Consumer Purchases of Services and Act no. 30/2002 on Electronic Commerce and other Electronic Services, if the provisions of these acts are more favourable to such parties than these General Terms and Conditions.
- 1.4. If not provided for in these General Terms and Conditions, an Agreement or customary business practices between the parties, the purchase of goods shall be governed by Act no. 50/2000 on the Sale of Goods.
- 1.5. Processing of personal data shall be in accordance with Act no. 90/2018 as further detailed in Hampiðjan's privacy policy which is published on company website, [www.hampidjan.is](http://www.hampidjan.is).
- 1.6. Hampiðjan unilaterally reserves the right to amend these General Terms and Conditions as it deems appropriate.
- 1.7. These General Terms and Conditions are effective as of 17.12 2020.

### 2. Remuneration and payment terms

- 2.1. Remuneration for goods and/or services shall be determined in accordance with the general price list for each product and/or service provided by Hampiðjan at any given time, unless otherwise provided for in an Agreement. The prices are stated without value added tax, unless clearly stated otherwise. Goods and/or services shall generally be paid by cash transaction. Other methods of payment than those specified on payment slips or invoices are considered inadequate.
- 2.2. In case of an Agreement between the parties on other payment-means than cash transaction, Hampiðjan will issue invoices for sold goods and/or services. The due date and the final due date shall be specified on the invoice. Penalty interest will be calculated on invoices that are paid after the final



due date in accordance with Act No. 38/2001 on Interest and Price Indexation. In case of overdues, penalty interest will be charged from the due date until the payment date.

- 2.3. Objections to issued invoices must be submitted to Hampiðjan within 30 days of the date of issuance. In the event of a dispute concerning the amount of an invoice, the customer may only defer payment of the amount in actual dispute.

### **3. Obligations and responsibilities of the customer**

- 3.1. Risk relating to goods is transferred from Hampiðjan to the customer on delivery. Goods are considered delivered upon the customer's receipt. The customer carries the risk relating to the goods from its receipt. Should the customer not be able to receive or collect the goods on account of events relating to himself, then the risk will be transferred to the customer as soon as receipt was possible or at the latest three days after the customer was notified that the goods were ready for delivery.
- 3.2. The customer is obliged to inspect goods upon their delivery. The customer shall submit a complaint to Hampiðjan within 8 days from the delivery of the goods if he considers the goods and/or services not in accordance with the parties' Agreement. The customer's claim shall be sent to Hampiðjan in a verifiable manner and without any delay from the point in time when the customer became aware of the complaint matter or should have been aware. The customer is considered to have forfeited his right to make such claim if he does not comply with his obligations according to this clause.
- 3.3. The customer undertakes to follow the manufacturers' instructions regarding the correct handling and maintenance of the goods and to carry out regular inspections of the goods.
- 3.4. The customer is responsible for guidelines and instructions that Hampiðjan is provided with, by the customer and/or as appropriate the customer's employees. Moreover, the customer is responsible for information that the customer and/or, as appropriate, the customer's employees provide Hampiðjan with, being correct.

### **4. Hampiðjan's obligations and responsibilities**

- 4.1. Hampiðjan is responsible for ensuring that goods and services are satisfactory and in accordance with the Agreement between the parties, with limitations as follows. Responsibility is dependent on the use of goods being in accordance with the specifications of the relevant manufacturer and/or, as the case may be, Hampiðjan. If the service and/or goods are not in accordance with the parties' Agreement, Hampiðjan may fulfil its obligations with a new delivery of the service and/or goods or by repairing the delivered goods within a reasonable timeframe.
- 4.2. With new delivery Hampiðjan will have fully complied with all its obligations towards the customer concerning the defective goods. Hampiðjan has, without exception, the right to attempt to repair the product. Under such circumstances, the customer is responsible for the cost of delivering the product



to Hampiðjan. Delivery is not considered to have occurred correctly until Hampiðjan receives the goods at the Hampiðjan facility specified in the original sales invoice for the goods.

- 4.3. In the event that the goods and/or services are not in accordance with the parties' Agreement for reasons beyond Hampiðjan's responsibility, such as consequences of incorrect treatment of the goods, their assembly, their use or the goods have been altered in a manner inconsistent with instructions and/or description for the goods, Hampiðjan may, under such circumstances, invoice the cost relating to remedying such deficiencies, regardless of their success.

## **5. Online transactions**

- 5.1. Electronic distance agreements are equivalent to written agreements.
- 5.2. Subject to the following conditions a customer, who is a consumer, i.e. a party not engaged in commercial operations, is entitled to return the purchased goods, free of charge, within 14 days from their receipt: (i) the goods are returned to Hampiðjan; (ii) seals on the goods are not broken; (iii) the goods are not damaged and are in its original packaging; and (iv) the goods are not a special order or specially designed.
- 5.3. The customer is responsible for the shipping costs relating to online purchases.
- 5.4. The customer is responsible for and shall pay all costs of shipping when returning a product. If the shipping cost was included in the purchase price of a product, such cost will be deducted from the amount refunded. In the event that goods are returned to Hampiðjan, the customer must use the original packaging or other such adequate packaging that ensures that the goods will not be damaged during transport. Furthermore, if possible, the customer shall insure the goods against transport damages. The customer is responsible for returned goods from when they are shipped until the returned goods have been received by Hampiðjan.

## **6. Limitations of liability**

- 6.1. In Hampiðjan's transactions with customers engaged in commercial operations, the warranty period for defective goods and/or services is 90 days, cf. however provisions 3.2. on the customer's inspection and notification obligations. For consumer purchases, i.e. purchases made by parties not engaged in commercial operations, the warranty period is 2 years in accordance with Act No. 48/2003 on Consumer Purchases. A different warranty period than provided for in this clause must be specifically agreed upon in an Agreement between the parties or provided for in a sales receipt.
- 6.2. When assessing whether a sales item is defective, notice must be taken of the point in time when risk was transferred to the customer, even if the defect is not discovered until later. Unless otherwise established, a defect discovered within 90 days from the date that risk was transferred, shall be considered to have been present at the time of transfer of risk. This does not apply, if such a conclusion is incompatible with the nature of the defect or the product.
- 6.3. Hampiðjan's liability, towards a customer, for any damage, loss or claims, whether due to or relating to breaches of the parties' Agreement, defects in the product or for any other reason, shall be limited to



the value of the goods sold to which the aforementioned claim relates and compensation for defects can never exceed the purchase price of the goods in question, in each instance.

- 6.4. Hampiðjan's liability is in any event conditional on the customer having fulfilled his obligations in other respects, observed his duty of care and arranged the transaction in full accordance with the instructions of laws, regulations and, as the case may be, according to the rules or terms of the relevant manufacturer or other competent third party.
- 6.5. Hampiðjan can only be held liable for the direct loss by a customer of the sold goods.
- 6.6. Hampiðjan can under no circumstances be held liable for damages resulting from goods and/or services, operating losses of the customer and/or third parties, or any other form of loss/damages, whether other direct loss/damages, indirect, consequential or incidental loss/damages of such parties whatsoever, including but not limited to loss of profits, inherent gains, savings, operating losses, loss of estimated savings, impairment of goodwill, punitive damages, regardless of whether such loss or damage can be traced to defects, damages or the destruction of the purchased goods or to other circumstances. Hampiðjan is not responsible for damage caused by a customer or any third party unrelated to Hampiðjan.
- 6.7. The customer has no claims against Hampiðjan based on a product's properties or lack thereof, as the customer had the opportunity to familiarise himself with the features and limitations of the purchased product by reading instructions or descriptions which accompany the purchased products or are generally accessible, e.g. from the manufacturer of the purchased products. Hampiðjan does not warrant any specific results from the use of goods and/or services.
- 6.8. Normal wear and tear of the products will not be compensated, provided that the lifetime of the product is in accordance with what may be expected.
- 6.9. Other than provided for in these General Terms and Conditions, Hampiðjan does not accept any liability for any loss or damage caused to persons, property, vessels and chattels/movables, attributable to goods or services sold, procured or provided by Hampiðjan. If the limitation of liability according to these General Terms and Conditions are considered to go beyond what is permitted by law, these terms shall apply to the extent permitted by law.

## 7. Indemnity

- 7.1. Customers undertake to comply with Icelandic laws and the decisions of public authorities. Furthermore, customers undertake to respect the rights of third parties and to refrain from violating such rights, irrespective of whether such rights involve copyrights, ownership rights, right of use or any other form of rights. Customers agree to fully indemnify Hampiðjan for any loss or damage caused by



breach of the above or as a consequence of other behaviour/inactivity that causes Hampiðjan loss or damage to any extent.

## **8. Uncontrollable events – Force Majeure**

8.1. Hampiðjan shall not be responsible for any loss or damage that the customer may suffer and is caused by uncontrollable or unforeseen events that are not present when the Agreement was entered into, including but not limited to labour disputes, wars, revolution, natural disasters, amendments to regulations issued by governmental authorities, intervention by governmental authorities, trade restrictions, blockades, general transport obstacles, energy shortages and comparable uncontrollable events.

## **9. Confidentiality – Intellectual property rights**

9.1. The sold goods and/or service are protected by one or more patents and/or patent applications. In instances where Hampiðjan sells its own products and/or services, Hampiðjan remains the owner and sole proprietor of copyrights and any other form of intellectual property rights, including but not limited to trademark rights, design rights, patent rights, ownership rights to professional secrets, know-how or other such rights regardless of what they may be called. All information, such as drawings and/or oral and written information that the customer receives from Hampiðjan and relates to the product sold, its function, technology used in its production as well as design and shape is confidential between the customer and Hampiðjan and the customer shall not disclose any such information during the Agreement period and this duty of confidentiality remains after the Agreement ends. An Agreement does not imply the transfer of such rights in any way other than what is explicitly stated in the Agreement. Breach of this obligation by the customer, shall be subject to his payment of liquidated damages in the amount of ISK. 350,000 for each day of any breach continues to exist. Hampiðjan's authority to demand liquidated damages does not in any way limit the company's other rights or remedies it may seek to rely on.

## **10. Event of default**

10.1. Any breach of these General Terms and Conditions and the Agreement between Hampiðjan and the customer, including a payment default, shall constitute an event of default. Hampiðjan reserves the right to halt or cancel services, as well as the delivery of goods.

10.2. Hampiðjan reserves the right to charge penalty interest on the outstanding amount resulting from a payment default, from the due date of an invoice until payment date in accordance with Act no. 38/2001 on interest and indexation.

10.3. In case of a substantial default by the customer, Hampiðjan reserves the right to take any or all of the following measures without any notice: (i) the unilateral rescission of an Agreement; (ii) to take



possession of goods and equipment; (iii) to collect all due and undue payments; or (iv) apply other default measures as appropriate.

## **11. Bankruptcy**

11.1. An Agreement is automatically terminated in the event of the customer entering into bankruptcy proceedings. If the customer is granted an authorisation to enter into financial reorganisation or to seek a composition of creditors, the Agreement may be terminated with a one-month notice until the financial reorganisation of the party in question has been completed formally. If a customer is granted authorisation to enter into financial reorganisation or to seek composition from his creditors, Hampiðjan may require guarantees for the secure performance of the Agreement during the period in which the financial reorganisation of the customer takes place.

## **12. Assignment of rights**

12.1. The customer may not assign rights under an Agreement to a third party without the written consent of Hampiðjan.

## **13. Discrepancy**

13.1. The provisions of specific terms and conditions, agreements, agreement appendices and accepted offers shall take precedence over these General Terms and Conditions.

## **14. Laws and legal venue**

14.1. Icelandic laws shall apply to these General Terms and Conditions, Agreements, agreement appendices and, as appropriate, offers tendered by Hampiðjan to its customers. Hampiðjan and its customers shall endeavour to amicably resolve any disputes arising in relation to an Agreement. In the event a dispute cannot be resolved, it shall be brought before the District Court of Reykjavík.