

GENERAL TERMS AND CONDITIONS

1. Formation of the Contract of Sale

All orders are subject to our written confirmation. The contract of sale is not deemed to have been formed until such a confirmation has been made. Solely the contents of such a confirmation are decisive. If urgent orders are not confirmed in writing, any misunderstandings concerning arrangements made orally or by telephone will be at the expense of the purchaser. All supplies, performances and offers by our company are made solely on the basis of these General Terms of Business and Supply. These apply hereby for all future business relations, even if explicit agreement is not reiterated. We hereby oppose any other General Terms of Business deviating from those mentioned herein; they will not be recognized, nor will they become an object of contract unless we have agreed to this explicitly and in writing as an exceptional case. German law applies exclusively for the legal relationship between the purchaser and us resulting from the contract of sale. The conditions of the UN Sales Convention do not apply.

2. Acceptance of Goods

The costs of acceptance and shipment of goods ex works will be paid by the purchaser, provided that nothing has been agreed to the contrary. We are free to choose the shipment route and method, provided that nothing is stipulated to the contrary. Supply with carriage prepaid means prepayment to the place of destination, not to the address of the purchaser. Any increase in freight costs resulting from subsequent changes in the transportation route, the place of destination or other circumstances affecting the freight costs will be at the expense of the purchaser. Transport insurance and other insurance of goods will be paid by the purchaser.

3. Transfer of Risk

The risk is transferred to the purchaser as soon as the goods leave the manufacturing works, even if supply with carriage prepaid has been agreed. Any transportation damage must be reported to the carrier immediately on receipt.

4. Period for Delivery

The period for delivery begins on the date of dispatch of the order confirmation and ends on the date on which the goods leave the supplying works. If the purchaser requires changes to the order subsequent to issue of the order confirmation, the period for delivery does not begin until said changes have been confirmed.

5. Warranty and Complaints

We give a warranty for defects in our goods for 12 months from the date of delivery to the end consumer. In all cases, the warranty is limited only to actual defects and does not include defects resulting from normal wear and tear or caused by improper use. We reserve the right to specify how and through whom the defects are to be remedied. If the goods are sent to our works for rectification and transport damage is incurred due to poor packaging, the purchaser shall pay the costs incurred. If the goods still prove to be defective after rectification, the purchaser has the right to require either a reduction in the purchase price or supply of perfect goods in exchange for the return of the goods supplied. No further warranty claims are permissible. Compensation damages will only be paid if the supplier caused damage intentionally or due to gross negligence.

6. Acts of God

If events occur preventing the supplier from supplying the goods, such as acts of God, strike, war, for which the supplier is not responsible, the supplier's obligation to supply the goods ceases to apply for as long as the reason for failure to supply the goods continues to exist. In such a case, the supplier also has the right to rescind the contract, either in whole or in part, with immediate effect. In such a case, the purchaser cannot claim any damages of any kind from the supplier.

7. Delay in Acceptance by the Purchaser

If the purchaser is in default with acceptance of duly supplied goods, the supplier can, after allowing a reasonable extension of not less than 14 days, rescind the contract or claim damages for non-fulfilment.

8. Deterioration in Purchaser's Solvency Status

If the purchaser's solvency status should deteriorate in the period between receipt of order confirmation and supply of the goods, the supplier has the right to hold back the outstanding consignments. If the purchaser refuses to eliminate the risk of non-payment of the purchase price by payment or lodgement of security, the supplier has the right to rescind the contract.

9. Payment

Invoices are payable as agreed. If no period of payment has been agreed, invoices are payable as stated on the same. Agreed dates of payment must be kept even if warranty claims have been made. If the period of payment is exceeded, the supplier has the right to require, without the dispatch of any further reminder, the payment of interest on arrears at the statutory rate but not less than 8% annually above the appropriate base interest rate of the European Central Bank, beginning on the date on which payment for goods became due.

10. Payment of the Purchase Price

The risk and the costs of transferring the invoiced amount to the supplier or to the place of payment named by the same are borne by the purchaser.

11. Retention of Title

The goods supplied remain the property of the supplier until all monies - both principal and subsidiary - which are owed to the supplier as a result of the business relationship with the purchaser have been paid in full. Subject to a right of revocation, the purchaser is entitled at any time to process the supplied goods in the course of due business or to combine them with others. Such processing or combining is performed for the supplier who acquires a title to the items produced by processing or combination. To the extent that the supplier's title to the goods is lost through the processing of the goods, the purchaser today already assigns to the supplier the title to the new item resulting from processing.

Subject to a right of revocation, the purchaser is entitled at any time to resell the goods in the course of due business. Prior to this, said purchaser today already assigns to the supplier his receivables from resales. If the goods are the property of the supplier and third parties, the purchaser assigns to the supplier the proportion of receivables from resale corresponding to the ratio of the supplier's joint title.

The purchaser is not entitled to dispose of the goods subject to reservation of ownership in any other way. The purchaser is entitled and under obligation to collect debts assigned to the supplier for as long as the supplier has not expressly revoked authorisation to do so.

The purchaser must keep the goods carefully and insure them adequately against theft and fire at his own expense.

12. Place of Performance and Jurisdiction

The place of performance is Asbach-Bäumenheim, Germany.

The place of jurisdiction is Augsburg, Germany.

13. Nullity of Individual Clauses

If any clauses in these General Terms of Business and Supply should be or become ineffective, the effectiveness of the rest of said Terms remains unaffected by this.