

01. All contractual relationships are exclusively subject to our General Business Terms and Conditions [GBTC] whose validity is recognised by our contracting partner on receipt of the order confirmation. Previously used GBTC are invalid. Any differing provisions of our contracting partner's GBTC do not become a subject of this agreement, even if we have not explicitly contradicted them.
02. All offers are subject to confirmation and are not binding unless something else is expressly specified.
03. Contracts with our company are only deemed concluded on receipt of the written order confirmation; this also applies to all agreements with our field sales force and for notifications which we receive verbally or via electronic means of communication.
04. The customer is not entitled to a delivery or service in the event of a lack of delivery willingness caused by force majeure, work disputes, delivery delays on the part of our suppliers and other events for which we are not responsible. In this case, both parties are entitled to withdraw from the contract. Claims for damages are excluded unless we are culpable of gross negligence. Insignificant changes to the models on the part of our supplier do not substantiate a reason to withdraw from the contract or for any claims for damages.
05. Delivery dates stated by us are not binding. Fixed dates must be expressly confirmed by us. We must be given a reasonable grace period after the expiry of a delivery date. In the event that we exceed the delivery date for reasons for which we are not responsible, we are entitled, at our discretion and in terms of our GBTC, to either withdraw from the contract either in whole or in part or to deliver at a later date. If the delayed delivery is accepted without objection it is deemed to have been delivered on time. The customer's claims for damages as a result of delayed deliveries or non-delivery are excluded unless we are culpable of wilful intent or gross negligence.
06. Prices stated in our purchase price list are shown in local currency and exclude value added tax [VAT]. VAT is charged at the legally applicable rate. As far as no other agreements have been made, invoices are issued at the valid price in local currency as per the date of delivery. Unless otherwise agreed to, prices are stated delivery free domicile to the customer's premises; otherwise delivery free German border.
07. The company will be charged interest on arrears at the legally applicable rate for invoices not settled by the due date stated in the invoice. Further claims arising from such arrears remain unaffected.

Cheques are only accepted on account of performance. We are not obliged to accept cheques; an acceptance is not considered an extension of time for payment. Bills of exchange are not accepted.

08. A delay in the payment of only one of our invoices entitles us to take action in terms of Section 321 BGB [Bürgerliches Gesetzbuch = (German) Civil Code] with regard to all business transactions. Furthermore, all claims arising from the business relationship become due immediately.
09. We must be notified in writing of any claims for defects on the part of the end customer without delay; however, no later than the expiry of 5 working days following the notification by the end customer otherwise such claims for defects or recourse claims shall be excluded.

We must be given the opportunity to fulfil the legal claim for subsequent performance and to carry out the rights arising from Section 439 Para 3 BGB vis-à-vis the end customer.

However, the customer's rights of recourse against us in terms of Section 478 BGB do not exist as far as he has reached an agreement with the end customer in which the legal claims for defects are exceeded.

The customer's claims with regard to the purpose of the expenditure required for the subsequent improvement, in particular transport costs, road costs and material costs, are excluded as far as there is an increased expenditure because the delivery item was subsequently moved to another place than the customer's branch unless the movement corresponds to its designated use.

Within the scope of recourse in terms of Section 478 BGB no liability is assumed for lost earnings or other financial losses. A credit note will be issued for any reimbursement of expenses due by us.

Claims for damages by the end customer against our customers can only be asserted if we are culpable of gross negligence. Claims for damages which are pursued by the end customer based on a withdrawal according to Sections 439, 440, 323 BBGB cannot be asserted. In particular, no liability is assumed within the scope of recourse in terms of Section 478 BGB for lost earnings or other financial losses. The customer's entitlements for the reimbursement of out-of-court expenses which are due to him in terms of Section 478 Para 2 in conjunction with Section 439 Para 2 BGB [Bürgerliches Gesetzbuch / (German) Civil Code] remain unaffected herefrom.

Proceedings directed at ending a legal dispute - in particular settlement agreements or acknowledgements - which are carried out by our customer in legal proceedings are only binding on us if we have given our prior written agreement for this action.

Equally, out of court settlement agreements are only binding on us if these have been agreed to in writing.

In the aforementioned cases, reimbursement towards our customer takes place exclusively by way of a credit note and only in the amount stipulated in the legal dispute between the customer and the end customer. In this case, judicial as well as out of court expenses are not refunded and must be paid by the customer.

10. We reserve the proprietary right to all delivered goods up until the fulfilment of all claims from the business relationship - including balance claims as per the current account. The customer may only dispose of the goods in the normal course of business and only for as long as he does not exceed a payment term. Claims may not be ceded or assigned. As a precaution, the customer already now assigns the entire claims arising from the resale of the goods supplied under the reservation of title including all balance demands as per the current account. We irrevocably authorise the customer to collect the assigned claims for our account in the customer's own name. In the case of Clause 3 of our General Business Terms and Conditions, the collection authorisation can be revoked. It ends in any case with the cessation of payment or the application of insolvency proceedings on the customer's assets.

In the event of an attachment of goods supplied under the reservation of title, the customer will point out our ownership and notify us without delay. The cost of third party action against execution is borne by the customer in an internal relationship. To secure all current and future claims arising from the business relationship, the customer transfers the entire paid and unpaid goods originating from us and currently situated in his business rooms and warehouses to us. We mutually agree that the customer stores these goods for us. He shall treat these goods as his own and insure them against theft and loss and only resell them insofar as it is assured that the assigned profit from the resale flows to us. We undertake to release the securities to which we are entitled in terms of the aforementioned provisions at our discretion in as far as their value exceeds the claims to be secured by more than 20 percent.

In the event that payment is delayed by only one claim, we are entitled to assert our rights of reservation or security rights with regard to all those goods in our possession, to take back all the delivered items and to either independently utilise these to the best possible extent for customer's account and risk or to take them over as security. No withdrawal from the contract can be derived from this without an explicit declaration from our side.

11. The following supplementary provisions shall apply to deliveries of goods which are destined for further processing: Our ownership extends to the new object created through the processing of the goods supplied under the reservation of title. The buyer creates and stores the new object for us under the exclusion of his own property acquisition. No claims against us can be derived from this. When processing our goods supplied under the reservation of title with goods belonging to another supplier, whose right of ownership then also continues in the new object, we - under the exclusion of the co-ownership of the buyer - jointly with the supplier acquire co-ownership in the new object at its full value. Such co-ownership shall include the added value according to the invoice value of our goods supplied under the reservation of title in relation to the total invoice value of all co-processed goods supplied under the reservation of title. If a component is not initially included in the right of retention because other suppliers have not extended the reservation of title to the added value by the buyer, our co-ownership is increased by this remaining share. However, if other suppliers have also extended their reservation of title to include this remaining share, we will only be entitled to that portion of the remaining share that arises from the invoice value of our goods subject to retention of title in relation to the invoice values of the incorporated goods of those other suppliers.
12. Any offset against our claims is excluded unless the claim to be offset is undisputed or has been legally determined.
13. Documents relating to offers and sales remain our property. They may not be submitted or otherwise made accessible to other suppliers. Any material provided must be returned to us on first demand free of charge and under the exclusion of a right of retention. Explanations, notes and reservations stated in the catalogues and price lists are an integral part of these GBTC.
14. We store personal data for our own purposes (note according to Section 33 Para 1 BDSG [Bundesdatenschutzgesetz = Federal Data Protection Act]).
15. The inclusion and the interpretation of these GBTC as well as the conclusion and interpretation of legal business transactions with the actual customer is exclusively subject to the laws of the Federal Republic of Germany. The application of the Uniform Law on the International Sale of Goods, the Uniform Law on the International Sale of Goods of the United Nations Contracts is excluded. The ineffectiveness of individual provisions of this agreement or its components does not affect the effectiveness of the other regulations. In terms of reasonableness, the parties are obliged in good faith to replace an ineffective provision with an effective regulation equivalent to the economic success as far as this does not result in a significant change in the contractual content; the same shall also apply should any content requiring regulation not be expressly regulated. As far as permissible according to Section 29 Para 2 ZPO [Zivilprozessordnung = Code of Civil Procedure], the place of jurisdiction and the place of performance is Rheda-Wiedenbrück. We consider the District Court Rheda-Wiedenbrück or the Regional Court Bielefeld to be exclusively competent.

Status: April 2008