

General Terms and Conditions of Business of Rehart GmbH, Ehingen

§ 1. General information

(1) For business relations between Rehart GmbH and the purchaser the following articles of agreement shall exclusively apply. Conditions of the purchaser deviating herefrom shall not be acknowledged by Rehart GmbH, unless Rehart GmbH has expressly agreed to this validity in writing.

(2) Any agreements deviating from these General Terms and Conditions of Business must be in written form.

§ 2. Offers and prices

(1) Our offers are – insofar as not otherwise specified – subject to change. The prices specified are – insofar as not otherwise specified – quoted plus the statutory value added tax.

(2) Prices always refer only to the basic supply and administration price. Should the customer wish dispatch or transport the packaging and transport costs shall be invoiced additionally at the current rates.

§ 3. Delivery and dispatch

(1) We shall be entitled to meet contractual obligations in partial payments.

(2) In the case of delay in payments claims for indemnity shall be exclusively conform with the stipulation of § 7.

(3) In the case of culpable overrun of the agreed term of delivery a default in delivery is only in place after an appropriate period of respite has been issued.

(4) In the case of a refusal of acceptance of correct consignments delivered within a reasonable time we shall invoice the costs incurred (dispatch costs, working time and expenses).

(5) The delivery of goods or processed components shall be carried out at the risk of the purchaser or orderer (customer).

§ 4. Technical descriptions

All technical drafts, sketches, measurements, performance data, standards and other descriptive information in brochures, pamphlets, data leaflets, drawings or other similar print material are non-binding, insofar as we have not expressly warranted these.

§ 5 Warranty claims of the purchaser

(1) For the rights of the purchaser in the case of material defects and defects of title (including wrong or short delivery or faulty assembly instructions) the statutory provisions shall apply, insofar as no other agreements have been made.

(2) Our liability for defects is based on the agreement concluded on the goods. Insofar as the specifications were not agreed there will be no legal defects, if the goods are suitable for the intended use.

(3) The warranty claims of the purchaser presuppose that he complies with the statutory obligation to examine and complain (§ 377 HGB – *German Commercial Code*). Should the examination (or later) disclose a defect, this must be reported without delay. Without delay is the communication of the defect within two weeks. The purchaser must report obvious defects (including incorrect or short deliveries) immediately upon receipt of goods. Both communications must be made in writing. Should the purchaser fail to report the defect, our liability for the non-reported defect shall be excluded.

(4) Should the item supplied be deficient and the deficiency has been notified, we can choose first whether to choose supplementary performance or subsequent supply. The purchaser shall grant us the time and opportunity required for supplementary performance owing. Should the supplementary performance have failed or the period to be set by the purchaser expired in vain or is dispensable pursuant to statutory provisions, the purchaser shall be entitled to withdraw from the sales agreement or reduce the purchase price. The right of withdrawal shall not be applicable to a negligible deficiency. The purchaser's claims for compensation shall only exist pursuant to § 7.

§ 6. Lien, set-off right

The customer may only assert a lien or set-off warrant when his counterclaims are undisputed or legally asserted.

§ 7. Claims for damages

(1) We will only be liable for ourselves and our vicarious agents if contractual or non-contractual obligations are wilfully or gross negligently breached, limited to the contract inherent damage which is foreseeable upon conclusion of contract.

(2) The aforesaid exemption shall not be applicable to infringements of life, body and health, in case of culpable breach of material contract obligations and in case of mandatory liability according to the Product Liability Act.

§ 8. Payment

(1) All invoices shall be due without deduction within a period of 30 days. If payments are made within a period of 10 days of the invoice date a cash discount of two per cent shall be allowed.

Cheques and bills of exchange will always be accepted on account of performance only. If cheques or bills of exchange are accepted, the customer shall bear the bank discount and all expenses. If cheques or bills of exchange are accepted, the bills receivable are directly due for payment, when the customer's financial circumstances change for the worse.

(2) If the customer defaults for more than 2 weeks, we shall be entitled to withdraw from further contracts with the customer, which have not been performed so far.

§ 9. Retention of title and assignment of claim

(1) The delivered goods remain our property until they have been paid in full and all claims from the business relationship have been settled.

(2) The customer shall be entitled to dispose of the purchased goods in the proper course of business. The customer shall – already now – assign to us for hedging claims vis-à-vis a third party arising from the resale as a whole or to the amount of our possible co-ownership share. He shall be entitled to collect these claims for our account until he cancels or stops his payments.

(3) The customer shall immediately inform us about possible levies of execution or other interventions by third parties.

(4) The processing or modification of the purchased goods by the customer shall always be performed on our behalf. If the goods purchased from us are processed with items which we do not possess, we will acquire the co-ownership of the new item in the ratio of the value of the purchased item compared to the processed goods at the time of processing.

(5) The goods and the claims in lieu thereof may not be pledged nor assigned or transferred to a third party as collateral, before all our claims have been settled in full.

(6) We shall undertake to release the securities we are entitled to as far as their value exceeds the claims to be secured – insofar as these have not been settled – by more than 20 %.

§ 10. Final provision

(1) Ehingen is agreed on as place of performance.

(2) Ehingen is agreed on as place of legal venue.

(3) For the legal relationship between the contracting parties the law of the Federal Republic of Germany shall be exclusively applicable to the exclusion of all international and supranational (contract) legal systems, in particular the UN Convention on Contracts for the International Sale of Goods.