

# General Delivery and Payment Terms and Conditions for the Purchase of Goods

## 1 General

- 1.1 The existing legal relationship with the Buyer for purchasing the products of Südpfalzwerkstatt gGmbH is exclusively based on the General Delivery and Payment Terms and Conditions below. Deviating General Terms and Conditions of the Buyers will not be accepted.
- 1.2 Our offers are subject to alteration. An agreement is brought about first if we accept the order by written confirmation or by delivering the goods.
- 1.3 Third-party industrial property rights should be observed when using the supplied goods.

## 2 Delivery

- 2.1 Delivery periods run from the date of the confirmation of the order; however not before all design details have been clarified. Notwithstanding our rights arising out of the Buyer's default, our delivery periods are extended by the period, by which the Buyer does not meet his obligations to us. This does apply to delivery dates accordingly.
- 2.2 If we get in default with our services, the Buyer should grant a reasonable additional period of time. After such period of time has expired futile, the Buyer may withdraw from those volumes and services that have not been announced as ready for dispatch until the additional period of time has expired. The Buyer is entitled to withdraw from the entire contract only if the services rendered are of no interest to him.

## 3 Calculation

- 3.1 In the absence of any different agreements, our deliveries are EXW exclusive of packaging, freight and VAT.
- 3.2 The prices applicable on the day of delivery do always apply to the calculation. If such are higher than on the day the agreement was made, the Buyer shall be entitled to withdraw from the contract in respect of the volumes not yet accepted within fourteen (14) days following the notice of such increase in prices.
- 3.3 In case of a possibly agreed carriage-paid delivery, the prices stated by us are plus the freight charges and supplementary fees applicable at the time of delivery.

## 4 Force Majeure

Cases of force majeure (as such are considered circumstances and occurrences that cannot be prevented by the diligence of proper business management) suspend the parties' contractual obligations for the time of the interruption and to the extent of its effect. If delays resulting from this exceed the period of six weeks, then both parties to the contract are entitled to withdraw from the contract regarding the affected scope of services. Any further claims are excluded.

## 5 Payment

- 5.1 Our invoices are due and payable net off commission immediately after the invoice date. The place of payment is 76877 Offenbach. The arrival of the payment with us is considered as timely payment.
- 5.2 The presenting of bills of exchange requires our approval; the charges and costs for such as well as the risk of timely presentation and protesting shall be fully borne by the Buyer.
- 5.3 In the event of delay in payment or if there is reasonable doubt in the Buyer's ability to pay or in his credit standing, we shall be (notwithstanding our other rights) entitled to require securities or advance payments for pending deliveries and to make all claims from the business relationship due for prompt payment.
- 5.4 Only undisputed claims or such that have become res judicata shall entitle the Buyer to set-off or retention.

## 6 Dispatch / Place of fulfilment

- 6.1 In case of dispatch at the Buyer's request, the place of fulfilment shall be the place where we hand over the goods to a carrier or haulier. Loading and dispatch are made uninsured at the Buyer's risk.
- 6.2 We shall endeavour to consider the Buyer's requests and interests regarding the type and route of transport; the Buyer shall pay for any additional costs caused by this even if carriage-paid delivery has been agreed.

## 7 Warranty

- 7.1 All details on suitability, workmanship and application of our products, on the technical support, and other details are given to the best of our knowledge, but they do not release the Buyer from performing checks and tests of his own.
- 7.2 The Buyer should promptly examine (to the extent possible even by test processing) the supplied goods on arrival for defects regarding their condition and purpose of use, otherwise the goods are deemed as accepted.
- 7.3 Complaints are considered only if made (promptly after the goods have been received, in case of hidden defects after such have been detected, however, one year after the goods have been received at the latest) in writing by attaching any supporting documents.
- 7.4 If the purchased product has any defect, we shall at our option be entitled to supplementary performance in form of remedy or to deliver a new product free from defects. If such supplementary performance fails, the Buyer shall be entitled at his option to require withdrawal or reduction in price.

## 8 Compensation

Südpfalzwerkstatt gGmbH is not obliged to compensation in case of negligent breach of duty, even if such breach has been caused by our legal representatives or agents. In case of damages that are based on the breach of material rights and duties, the fulfilment of which make the proper performance of the contract possible at all, and the compliance of which the party to the contract may always rely on, there is a limitation on liability for the aforesaid damages, but not for typically developing damages. Damages causing injury to life, to the body or to health and other damages that are caused by gross negligent or intentional breach of duty are excluded from limitation on liability.

## 9 Retention of title

- 9.1 The sold goods shall remain our property until our claims resulting from the business relation with the Buyer are paid in full. The Buyer is entitled to dispose of the purchased goods in the proper course of business.
- 9.2 The retention of title does even cover the products coming into being by processing, mixing or combining our goods in proportion to the goods' value compared with the goods' value of other suppliers. Should the ownership of a third party remain at a processing, mixing or combining, then we do acquire co-ownership at the proportion of the values of such processed goods at the time the processing, mixing or combining starts.
- 9.3 For security purposes, the Buyer does already now assign to us in total or up to the amount of a possible co-ownership share (cf. Clause 9.2) the claims against third parties arising out of the resale or of any other legal ground. He is authorised to collect such claims for our account until further notice or until he ceases his payments to us. The Buyer is not entitled either to assign such claims for the purpose of collecting debts by way of factoring, unless the factor's obligation to perform the consideration amounting to our part of the claim is established as long as we do have any claims against the Buyer.
- 9.4 The Buyer should notify us promptly by registered letter about an attachment of third parties to goods and claims that belong to us.
- 9.5 The goods and the claims replacing them should neither be pledged to third parties nor be transferred or assigned for security purposes until all our claims have been paid in full.
- 9.6 Should the value of the securities exceed our claims by more than 20%, then we shall release securities at our option as far as that is concerned at the Buyer's request.

## 10 Legal venue

If the Buyer is a full businessman then the legal venue shall be Landau or a general legal venue at our option.

Offenbach, 01.07.2011