

General terms and conditions of business (Conditions of sale)

1. Area of application

The following conditions apply to contracts we conclude with our customers. They apply to contracts with business people, corporate bodies under public law and special assets under public law. Different terms and conditions of business of our customers shall only apply with our written approval.

Insofar as these conditions do not contain any regulations, the subject terms of the contract shall comply exclusively with the statutory provisions of the Federal Republic of Germany. The United Nations Convention on Contracts for the International Sale of Goods is explicitly excluded.

2. Conclusion of contract

Our quotations are subject to change and without engagement. Orders that we deliver immediately shall not require written confirmation. Applications and orders shall otherwise only become binding following our written confirmation.

Alterations to delivery times, prices, assurance of features and variations from these general terms and conditions of business shall only apply if they have been confirmed in writing.

Orders shall only be processed for standard packagings and quantities. For small orders valuing less than 100.00 euros an additional fee of 10.00 euros will be charged.

We reserve the right to differences in shapes, appearance, design and dimensions of our standard products due to necessary technical or legal amendments and improvements. Unless agreed otherwise with the customer, call orders shall be valid for a maximum period of one year. The call order must be delivered within this period or we shall be entitled to make delivery respectively.

3. Delivery

The delivery time shall apply as almost agreed. Agreed delivery times shall begin upon forwarding of the confirmation of order, but not before clarification of all technical details and receipt of an advance payment that may have been agreed.

If manufacture of initial samples is agreed, these shall be examined immediately by the buyer. Requests by the buyer for modifications or additions extend the delivery time accordingly. The delivery time can be delayed by circumstances that cannot be influenced by the seller, e.g. strike, lock-out, shortage of raw materials etc.

The delivery time shall be regarded as adhered to when the delivery item leaves the factory or notice of readiness for shipment has been given. Delivery shall be made via a despatch route that is favourably priced for the buyer.

We will inform the buyer and state the reasons if it is foreseeable that the delivery time cannot be adhered to. The buyer shall only be entitled to withdraw from the contract if a reasonable additional respite has elapsed to no avail.

We shall be entitled to make partial deliveries. In the event of delivery of special parts the contract shall also then be executed if there has been overdelivery or shortshipment of up to 10%.

4. Prices, conditions of payment

Unless agreed otherwise our prices shall be understood ex factory in euros plus VAT. We shall charge for packaging and shipment at cost price. The buyer shall pay these costs.

An appropriate agreement shall be required for the deduction of discount. The maximum payment target shall be net 30 days without deductions. We will charge default interest in the amount of the interest on a current account customary in banking in the

event of delays in payment. In the case of default of payment we shall be entitled to notify our credit insurer and can discontinue our delivery commitments until payment is made.

The buyer shall only be able to offset our purchase price claims or assert the right of retention if the counterclaim of the buyer is beyond dispute.

5. Liability for defects

Any defect must be reported in writing within a time-limit of 5 working days. We shall be given the right to examine the goods for defects and request return delivery if applicable.

If the goods we delivered are defective the buyer shall only be entitled to rectification of defects or replacement delivery instead of the legal liability for defects. The buyer shall only be able to demand abatement of the purchase price or withdrawal from the contract if rectification of defects or replacement delivery has failed.

We shall only be liable for professional production if goods are manufactured according to construction plans or drawings of the customer. If claims are made against us by third parties for goods of this kind on account of causes that do not come within our area of production, our customer shall already now indemnify us from claims of this kind.

6. Reservation of title

The delivered goods shall remain our property until payment of all accounts receivable has been made in full (date of encashment in the case of cheques) including all incidental claims. Sale shall only be permissible in the customary course of business before payment has been made in full.

In the case of combination or mixture of goods we delivered with other movable property we shall acquire co-ownership of the new item. This shall also apply if the buyer sells supplied and coupled goods to third parties.

We shall be informed immediately in writing in the case of attachments or other confiscations.

7. Transfer of risks

The buyer shall bear the risk of shipment. It shall transfer to him when the goods leave the factory. The risk shall transfer to the buyer upon notification by the seller in the case of goods ready for shipment that are not collected by the buyer or his forwarding agent.

8. Industrial property rights

The buyer shall be obligated to investigate possible infringements of industrial property rights and to bring these to our attention. The buyer shall accept liability for possible damages that may come about due to the claims of third parties.

9. Place of performance and jurisdiction

Altena is the place of performance for respective responsibilities. The Local Court of Altena has jurisdiction for all disputes.

10. Handling fee

We shall charge 10% of the net value of the goods for expenses involved following the return of goods that were ordered and delivered according to specification.

C. Hohage GmbH & Co. KG, Altena
Altena, July 2013