

General Terms and Conditions of Purchase and Delivery of HCM Kinzel GmbH

Felix-Wankel-Straße 9/1
Tel: 07046 / 98 2-0
email: info@hcm-kinzel.eu

D-74373 Zaberfeld
Fax: 07046 / 98 2-16
www.hcm-kinzel.eu



I. Application of the Terms and Conditions

These General Terms and conditions of Purchase and Delivery (GTC) apply to all legal business transacted between HCM Kinzel and companies and other entities in the sense of § 310 BGB (German Civil Code). They apply to all business transacted exclusively by us. Any Terms and Conditions of Business that deviate from these shall only apply if they have been expressly agreed by us in writing, even in the event that we, despite being aware of the other Terms and Conditions of our contract partner, carry out the legal business readily and unconditionally.

II. Terms and Conditions of Purchase

1. Orders and Confirmation of Orders

- 1.1 Only orders made in writing shall apply. Verbal agreements require our written confirmation.
- 1.2 Our orders must be confirmed immediately and accepted as we have presented it. In the case of our getting no written confirmation within one week we are no longer tied to carrying out the order.

2. Prices, Payment and Discounts

- 2.1 In the lack of any agreement to the contrary the prices and discounts named in our order shall be fixed prices, which include delivery free to domicile including packaging.
- 2.2 We settle payments within 10 days with a 3% discount and within 30 days net.

3. Delivery Term and Transfer of Risk

- 3.1 The time mentioned in the order is binding.
- 3.2 The supplier bears the risk until acceptance of the goods by us or our contractors at the location at which the goods are to be delivered.

4. Warranty

- 4.1 Our inspection obligation is limited to volume and transport damages. Furthermore the legal regulations shall apply.
- 4.2 Liability easements or limitations are ineffective. The legal regulations shall apply.

5. Product Liability, Protection Rights

- 5.1 Insofar as the supplier is responsible for damage to a product, he must exempt us from any possible claims by third parties and pay all costs and expenses including any legal prosecutions or product recalls.
- 5.2 The supplier shall ensure that no rights of third parties are breached in respect of his deliveries. If claims are made against us by third parties on grounds of breach of rights, the supplier is obliged to exempt us immediately from such claims and any resulting expenses in this connection.

III. Terms and Conditions of Sale

1.

Offer, Order, Contract Conclusion and Minimum Order Value

- 1.1 Our offers are without obligation and unbinding unless the obligations are expressly declared. The orders place on our offers as well as acceptance declarations and all orders of our clients shall only be binding if confirmed in writing by us, insofar as nothing else is expressly determined.
- 1.2 If our confirmation of order differs from the client's order the client is obliged to oppose our order immediately, that is to say by the deadline of 3 days in writing, otherwise lack of this is deemed to be acceptance of the deliveries and services as listed in the confirmation of order under the conditions set forth therein.
- 1.3 Agreement made by our employees or other side-agreements shall only be valid if they have been confirmed by us in writing.
- 1.4 The minimum order value is €100.00 net.

2. Delivery and Service Term

- 2.1 Delivery deadlines and terms are only binding if we have expressly agreed them to be binding in writing and we are in possession of all the necessary documentation and authorisations necessary for the delivery.
- 2.2 The delivery and service term shall be increased in circumstances we are not responsible for, such as strikes, for example and lock-outs or supply difficulties of the manufacturer.
- 2.3 We are entitled at any time to request partial and advance deliveries, unless a uniform delivery provision is expressly determined.

3. Transfer of Risk and Dispatch

- 3.1 The risk shall transfer to the client as soon as the products have been delivered to the person responsible for the transport or have left our works for the purpose of dispatch or Willingness to dispatch has been announced, even if freight-free delivery has been agreed.
- 3.2 An insurance against transport damages shall only be concluded on special order of the client in his name and for his account.
- 3.3 We reserve the right to amend or improve items ordered for an important reason without advance notification.

4. Prices and Terms and Conditions of Payment

- 4.1 The prices we have set forth are net ex works. From an order value of € 300.00 we deliver free of charge within Germany.

- 4.2 The purchase price is due upon delivery. On payment with 10 days after delivery we grant a 2% discount. No discount or rebate is payable on discontinued lines and sale items.

- 4.3 A price increase is permitted if the product purchase costs increase between the time of acceptance of the order and delivery of the order or exchange rate fluctuations influence the purchase price. Invoicing shall take place at the prices valid on the day of delivery.

- 4.4 In the case of direct debit and advance payment we grant a discount of 3%.

- 4.5 New clients or clients who have not ordered from us for more than 18 months shall be invoiced for advance payment on a once-only basis.

- 4.6 Set-off or counter claims of the client against claims from us are excluded, unless the counter-claim is accepted, legally determined or concerns claims that have arisen from incomplete or defective fulfilment of an order.

5. Retention of Proprietary Rights

- 5.1 We retain ownership of our goods until receipt of all payments from the contractual relationship with our clients.

- 5.2 The client is entitled to process and sell the reserved goods in the course of orderly business transactions, as long as he is not in delay with payment. Pledging or transfers by way of security are forbidden. Claims regarding the reserved goods, which the client purchases from a legal onward sale or on other legal grounds, shall be assigned to us at this point already as a precaution in their full extent.

- 5.3 The client must take the necessary steps to observe our retention of proprietary rights. On access to the reserved goods by third parties the client shall inform them of our ownership and immediately report this to us.

- 5.4 If the client breaches the contract, in particular with payment delays we are entitled to take back the reserved goods. The take back of the reserved goods does not mean withdrawal from the contract, unless we had specifically declared this in writing. After taking back the goods we are entitled to exploit them; the income from the exploitation shall be set off against the liabilities of the client – less appropriate exploitation costs.

6. Claims on Defects, Liability and Statutory Limitation, Complaints

- 6.1 Our liability is limited to malicious intent and gross negligence, unless we are responsible for the breach of a significant contract obligation. Significant contractual obligations are obligations that are necessary for the protection of specific interests according to the contract, on compliance with which our client may rely and such that for us remain within the limits of reasonable liability, such as the transfer of good free from material and legal defects, the ownership provision and the conference of ownership after payment in full.

- 6.2 On delivering our products our liability is limited to the envisaged and contract-typical damages at the time of conclusion of the contract.

- 6.3 The liability limitations shall not apply to damages from harm to life, body or health or pursuant to the product liability law.

- 6.4 With exception of the cases in § 438 sub-section 1 No. 2 BGB and § 634 a sub-section 1 No. 2 BGB all defect claims against us shall be under statutory limitation after a year following delivery of the goods to the clients.

- 6.5 The client must inform us of obvious defects within a deadline of 1 week after delivery. Any defects that are not initially obvious must be reported to us within 1 week of their discovery.

- 6.6 We shall only accept the return of rejected goods after prior agreement.

- 6.7 A return of products that are still in perfect condition (suitable for resale, packaging not opened or damaged) is permitted. In this case a processing fee in the amount of €9.00 and a re-storage fee of €0.60 per item are due. The return transport is for the client's account.

IV. Final Provisions

1. We reserve all rights concerning copyrights, in particular with regard to technical presentations such as drawings, plans, maps and sketches. These shall be used only in the interests of those entrusted with them and otherwise treated with confidentiality.

2. If individual clauses in this contract should be ineffective or should become ineffective this shall not affect the effectiveness of the remaining clauses. Insofar as this contract contains gaps, the legally effective regulations shall be deemed agreed to fill these gaps that the contract partners would have agreed pursuant to the financial targets of the contract if they had foreseen the gaps in the regulations.

3. The law of the Federal Republic of Germany shall apply to all our legal business transactions. Application of the UN-Purchase Law of 11.04.1980 is excluded.

4. If our contract partner is a merchant, a legal entity under public law or a public-law special fund the local venue of jurisdiction for all disputes concerning the legal relationship between us is our headquarters.