



General Sales Conditions

1. General

All deliveries and services made by us (the Vulkanfiber Krüger) are carried out according to the below conditions, as far as no other explicit deviating agreements have been made in writing. By ordering, the purchaser acknowledges expressly the validity of our General Sales Conditions also for all further contracts with us. Own general sales conditions of the purchaser are not valid, even if it was expressly contradicted. Deviating conditions of the purchaser do not change our Sales Conditions. Should a particular term be or become null and void, the remaining terms are unaffected. Changes are only valid for the business it is agreed for. All arrangements made by our representatives become valid only after being confirmed in writing.

2. Quotations and Prices

- (1) All quotations are non-binding, unless they are explicitly marked as fixed. Verbal agreements are only valid after being confirmed in writing.
- (2) Orders become binding only after the supplier has confirmed the order, this also refers to changes and supplements.
- (3) If not otherwise stated our prices are ex works, packing and other costs excluded. Packing will be charged at self-costs and will not be taken back.
- (4) The final price shall be calculated by weight of inspected and released parts if the agreed method of price determination is by weight of parts.
- (5) The supplier is not bound to previous prices in subsequent orders (follow-up orders).

3. Delivery

- (1) The delivery date in our order confirmation refers to the date of despatch of the goods. As long as the supplier does not cause the delay, the supply deadline is considered fulfilled upon receipt of the delivery advice note, even when the actual delivery is delayed or has become impossible.
- (2) Delivery schedules commence with the receipt of all necessary documentation, down payment or the timely provision of materials, if such were agreed to.
- (3) If a delivery deadline is not kept the purchaser should give the seller an appropriate extension. Compensation, cancellation or further demands due to a delay in delivery will not be accepted. Costs for possible reminders will not be paid.
- (4) If the purchaser is behind schedule with accounts receivable (payments) from this or other contracts, we are entitled to hold back all deliveries until all payments have been fulfilled or to resign the contract.
- (5) Occurrences of force majeure release us to fulfill the contract wholly or in part for the duration of the difficulties. Occurrences of force majeure are accidents and all other causes which subsequently lead wholly or in part to a stoppage of work, as e.g. a shortage in raw material etc., transport difficulties, war, strikes or lockouts, a breakdown of operations in our premises or at our sub-suppliers. The purchaser's obligation to accept our deliveries even with delay remains.

4. Packing, Despatch, Risk Transfer and Acceptance Delays

- (1) If not specified otherwise, the supplier chooses packing, mode of transport and transport route.
- (2) The transport risk is transferred to the customer at the time the goods leave our works, even if delivery is free ex works. If the customer delays a delivery, the risk already transfers to the customer after the issue of the despatch advice note.
- (3) When requested in writing by the customer the goods will be insured at cost to the customer for the risk coverage requested.

5. Payment Conditions

- (1) Payment is to be made in EURO and has to be paid to the supplier only.
- (2) If not otherwise agreed the purchase price for supplies or other services is payable within 14 days with 2% cash discount or 30 days net starting from the date of invoice. Any cash discount applied presupposes the due settlement of all undisputed outstanding previous accounts. Any payment made by cheque does not attract a discount.
- (3) Payment by cheque or notes of exchange may be refused. If cheques or re-discountable bills of exchange are accepted as due payment all associated bank charges are to be met by the customer.

6. Tools

- (1) Tools have to be paid immediately, without discounts and will not be amortized.
- (2) The price for tools also contains the once-off costs for the making of patterns, but does not contain the costs for test and processing procedures, nor costs incurred by customer initiated alterations. Any further patterns required by the supplier are at his own costs.
- (3) The supplier has and retains ownership of all tools made by the supplier for the customer or by a contracted third party, unless agreed to differently. The tools are only to be used for contracts of the customer for as long as the customer discharges his payment and receipt obligations promptly. The supplier is obliged to replace the tools free of charge only when the required production quantity necessitates its replacement. The supplier's requirement to store the tools are extinguished two years after the last delivery of parts produced with the said tools and after the customer has been duly notified.
- (4) As per contract, forms and tools become the property of the customer after full payment of their purchase price. The transfer of forms and tooling to the customer is replaced by the storage of the said forms and tooling with the supplier in favour of the customer. Independent of the legal right of surrender the customer has, and the life of the forms and tooling the supplier is entitled to exclusive possession and use of same until the end of the contract period. The supplier must mark forms and tooling as 'outside property' and insure said property at the customer's request and expense.
- (5) The liability of the supplier in respect of storage and care and maintenance of forms and tooling owned by the customer as per clause 4 above or forms and tooling loaned by the customer to the supplier is restricted to like treatment of proprietary property. Costs incurred in care and maintenance and insurance are the responsibility of the customer. The obligations of the supplier cease when, after completion of the contract and a corresponding request by the supplier, the customer fails to collect the forms and tooling within an appropriate period. The supplier has the right to withhold forms and tooling as long as the customer has not complied with his contractual duties to the fullest extent.

- (4) The re-sale of reserved ownership goods by the customer is only permissible as part of normal commercial practice and on condition that the customer reaches an agreement with the supplier regarding reserved ownership goods as defined in clauses 1 to 3. The customer is not entitled to take any other action in respect of reserved ownership goods, in particular pawning, mortgaging or using the goods as security.
- (5) The customer relinquishes herewith all claims, which may result from the re-sale of goods and all other justifiable claims, including associate rights on his customers to the supplier. The customer is duty-bound to inform the supplier immediately and supply all necessary documentation to secure the rights of the supplier against the customers of the customer.
- (6) When reserved property is re-sold by the customer after further processing action in combination or addition with other goods, not owned by the supplier, as outlined in clause 2 and 3 above the customer cedes all purchase price claims according to clause 5 to the account value of the reserved ownership goods of the supplier.
- (7) Should the value of the securities held by the supplier exceed the total billed value of the goods by more than 10% the supplier must release such securities to a commensurate value; the supplier may nominate the securities to be released.
- (8) The supplier must be notified without delay of any confiscation or seizure of reserved ownership goods by a third party. All associated costs due to such intervention are to be born by the customer in as much as costs are not born by third parties.
- (9) Should the supplier, taking action according to the above clauses, make use of his right to take back the reserved ownership goods, the supplier is entitled to an unencumbered sale or auction of said goods. Laying claim to restricted ownership property and in particular the a request of surrender represents a cancellation of the contract. The value of the returned reserved ownership goods shall be as sold or auctioned and no higher than the agreed contract price. Further claims for compensation, in particular compensation for loss of earnings, are reserved.

8. Warranty for Material Defects

- (1) Relevant for the quality and finish of all goods are the extrusion samples, which the customer makes available to the supplier for examination and reference as requested. Any reference to technical standards is an aid to define product quality and is not to be interpreted as a definition of product integrity.
- (2) When the supplier has advised the customer beyond his contractual obligation, he only warrants the functionality and suitability of the supplied goods after prior express assurance.
- (3) Defects are to be notified without delay, at least within 10 days after delivery, hidden defects are to be noted immediately after discovery. In either case the warranty only extends to one year after risk transfer, unless agreed to differently or if the statutory limit of § 438 para. 1 clause 2, § 479 para. 1 and § 634a para. 1 clause 2 of the German Common Law (BGB) proscribes longer warranty periods as mandatory.
- (4) The supplier must re-supply if the warranty claims are found to be justified – in which case the production samples released by the customer determine the expected quality and finish. The customer is entitled to reduce the purchase price or rescind the contract if the supplier does not fulfil his duty to re-supply within a reasonable period or replacements fail repeatedly. Further claims, in particular claims for loss or damages due to defective supplies or subsequent resulting damages are regulated by section VII. Replaced parts are to be returned to the supplier at his request and cost.
- (5) Unauthorized re-working and improper handling of defective parts result in the loss of any right to claims for compensation due to defective parts. The customer is entitled, after prior consultation with the supplier, to repair defective parts to avoid much larger damage or if the supplier fails to make good the defects and to demand compensation for appropriate costs.
- (6) Normal wear and tear caused by contractual usage does not imply any rights to make warranty claims.
- (7) Rights to referred warranty provisions according to §§ 478, 479 of Federal Common Law (BGB) only allow the consumer to make claims within the scope of the legislation and do not regulate the understanding of good will provisions with the supplier and assume that any party with referred warranty rights will duly observe their duty, in particular the duty to report defects.

9. General Limitations of Liability

In all cases, which differ from the conditions outlined above, and to which the supplier is obligated by reason of contractual or legal liability to pay compensation or reimbursement, his liability is limited only to cases in which he, his employees or sub-contractors are guilty of culpable intent, gross negligence or injury to life, limb and health. The statutory product warranty is unaffected independent of any blame as well as any liability in respect of the legal fulfilment in regard of any product integrity warranty; as is the liability for culpable negligence of major contractual duties and obligations, which are, however, limited to typical damages as may be predicted in such contract situations, except for cases outlined in clause 7.1 above. However, the above rule does not imply a reversal of the onus of proof, putting the customer at a disadvantage.

10. Supply of Materials

- (1) When the customer supplies production materials, said materials are to be delivered at the customer's own cost and risk, on time and in good order and in quantities in excess of at least 5%.
- (2) If the above provision is not complied with, the delivery deadline shall slip accordingly. The customer has to bear any additional costs, including extra costs incurred due to breaks in production, except in the case of Force majeure.

11. Commercial Protection and Legal Limitation

- (1) For all deliveries based on models, patterns or parts supplied by the customer the customer guarantees that the commercial rights of third parties in the country for which the goods are being manufactured are not injured. The supplier will advise the customer of any rights known to him. The customer has to release the supplier from any claims of a third party and pay compensation for any resulting damage. The supplier is entitled to stop all work – without any further examination of the legal position - until the legal position has been clarified by the customer and the third party involved after an injunction covering the supply or production of the goods to protect the commercial rights of the third party has been issued. If the continuation of the contract should become untenable to the supplier, the supplier may rescind the contract.

7. Reserved Ownership

(1) Deliveries remain the property of the supplier until all claims of the supplier on the customer have been met; even when the purchase price for specially marked claims has been met. For account customers the reserved property rights to the delivered goods (reserved ownership goods) are in force as security for the supplier until the balance has been paid in full. If payments are made by means of a bill of exchange, then reserved ownership is not transferred until the bill of exchange has been cleared.

(2) Further processing or treatment of supplied goods by the customer may only be carried out by excluding the ownership rights of the customer according to § 950 BGB (Federal Common Law of Germany) as contracted by the supplier. The supplier becomes co-owner of the thus produced goods to the proportional value of the net manufacturing cost to the net post-manufacturing processed cost of the thus produced goods, which serve as reserved ownership goods to secure the property claims of the supplier as per clause 1.

(3) Further processing (in combination or addition) by the customer with other goods not owned by the supplier, §§ 947, 948 BGB (Federal common Law of Germany) are applicable, resulting in proportional co-ownership by the supplier in the resulting goods, which are now considered reserved ownership goods.

(2) Any drawings and patterns that had been made available to the supplier, but did not eventuate in a contract will be returned if requested; else the supplier is entitled to destroy the same three month after the issue of the quote or tender. The same obligation applies to the customer. The party entitled to dispose by destruction must inform the other party of the intention prior to doing so and in good time.

(3) The supplier retains all copyrights and applicable rights to commercial protection, in particular the rights of utilization and exploitation (usufruct) of models, forms, tooling, designs and drawings made by him or for him under contract by a third party.

(4) For all other legal product limitations section 8 applies.

12. Place of performance and court of jurisdiction

The place of performance is Geldern, the court of jurisdiction is Geldern, Kleve or Krefeld.

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