

General Terms and Conditions of Delivery, Payment and Warranty of Gebr. Horst Gummiwarenfabrik GmbH & Co. KG

1. General/Applicability

1.1 Our terms and conditions of sale shall apply exclusively; contradictory or deviating conditions of the Buyer will not be accepted by us, unless we explicitly agreed in writing to their applicability. Our terms of sale shall apply even if we, being aware of the Buyer's contradictory or deviating conditions from our sales terms, render delivery to the Buyer without any reservations.

1.2 All agreements between us and the Buyer shall not be binding unless they have been confirmed by us in writing. In the event of framework agreements, the individual suborders shall be exempt from the requirement of the written form.

1.3 Our terms and conditions of sale shall also apply to all future business transactions with the Buyer.

2. Conclusion of Contract/Quotation Documents

2.1 An order shall only be deemed to have been accepted, if it has been confirmed by us in writing.

2.2 The transmission of offers, price lists, circular letters or general proposals shall not be considered to be binding offers pursuant to § 145 of the Civil Code.

2.3 We shall retain the property rights and copyrights of all cost estimates, drafts, drawings and other documents, they must not be made available to third parties.

3. Prices/Terms of Payment

3.1 Unless not otherwise provided in the order confirmation, our prices shall apply „ex works“. Packaging will be charged at cost price.

3.2 We reserve the right to amend our prices correspondingly, if after conclusion of the contract cost increases occur, in particular due to collective wage agreements or increased costs of raw material. At the Buyer's request, we shall provide proof of price changes.

3.3 With small orders, we shall have to charge minimum amounts which will take into account the special expenses involved in their handling.

3.4 The invoice amount shall be payable free of postage and fees within 30 days from the date of invoice. Should the purchaser be in default of payment, we are entitled to charge default interests at a rate of 8 percent above the respective base lending rate. If we are able to prove higher damages due to the delay, we are entitled to assert claims for such damages.

3.5 We shall grant a 2% discount for payments received within 14 days of the date of invoice and if all payment obligations due from previous deliveries have been cleared. There shall be no discounts for invoices referring to moulds or tools.

3.6 Claims on interest for advance payments resp. down payments shall be excluded.

3.7 The Buyer shall only be entitled to offset payments, if his counterclaims have been legally confirmed, undisputed and acknowledged by our company. The Buyer shall have no right of retention on account of disputed counterclaims either.

3.8 Bills of exchange shall not be accepted by our company, cheques shall only be accepted on condition of fulfillment. Any additional expenses and other fees shall be charged to the Buyer.

4. Delivery/Delivery Schedules

4.1 Should we be in default with our deliveries for reasons for which we bear responsibility, our liability for damages in the case of ordinary negligence is excluded. We shall, more particularly, not be responsible for cases of force majeure, the latter shall release us from delivery or performance in due time and shall moreover entitle us to suspend our deliveries without setting an additional delivery period.

4.2 If after we are already behind schedule, the Buyer sets us an appropriate extension of the deadline with a threat to refuse performance, he shall be entitled to withdraw from the contract after this grace period has expired without results; the Buyer is entitled to claims for compensation due to non-performance to the amount of foreseeable damage only insofar as the default was due to intent or gross negligence.

4.3 Partial deliveries shall be permitted.

4.4 The compliance with our delivery commitment presupposes the timely and orderly fulfillment of the Buyer's contractual obligations.

4.5 In the event that the financial situation of the client deteriorates in such a way that his ability to meet payments is in doubt, we shall be entitled to immediately discontinue the delivery and provision of services and to set to the buyer a deadline for payment, advance payment or the furnishing of collaterals. After fruitless expiry of the deadline, we shall be entitled to withdraw from the contract.

5. Warranty for Defects

5.1 The warranty rights of the Buyer shall require that he has duly met his obligations to inspect the goods and to give notice of defects according to § 377 of the Commercial Code.

5.2 If the delivered goods have defects which are covered by warranty, we shall have the option either to remedy the defect or make a replacement delivery. In the event that we seriously and definitely refuse performance of the

contract or that rectification of the defect or provision of a replacement is unsuccessful, the Buyer may either withdraw from the contract in accordance with the legal provisions or reduce the purchase price.

5.3 Unless specified in the following, additional claims of the Buyer – irrespective of the legal title upon which they may be based – shall be excluded. Therefore, we shall not be liable for damages which have not occurred to the delivered goods themselves; in particular we shall not be held liable for loss of profit or other financial losses of the customer.

5.4 The abovementioned exemption from liability shall not apply if the damage results from intentional or gross negligence. This exclusion of liability shall not apply either if we have assumed a guarantee for a specific condition of a delivery item or any other kind of guarantee. .

5.5 In the event of a slightly negligent breach of major contractual obligations, our liability for damages shall be limited in its amount to the foreseeable damage typical of the contract.

5.6 The warranty period shall be 12 months as of the passing of risk.

6. Total Liability

6.1 Any more extensive liability for compensation than that specified in section 5 shall be excluded irrespective of the legal nature of the claim asserted.

6.2 This provision shall not apply to claims under the product liability law. To the extent that our liability is excluded or limited, this shall also apply to the personal liability of our employees, factory workforce, staff members, representatives and agents.

7. Reservation of Title

7.1 We shall reserve all title of the goods delivered up to receipt of all payments deriving from the business relationship with the Buyer. In case of the Buyer acting contrary to the contract, in particular in the event of default of payment, we shall be entitled to repossess the goods and to immediately withdraw from the contract. On taking back the delivery items, we shall be entitled to realise their value, the realisation proceeds are to be deducted from the Buyer's liabilities – minus reasonable utilization costs.

7.2 The Buyer shall be obliged to treat the goods with care, in particular to comply with the relevant DIN standards.

7.3 The processing or modification of the goods by the Buyer shall always be carried out for us. If the goods are processed together with other objects not belonging to us, we shall acquire ownership of the new object at the ratio of the value of our goods to the other processed objects at the time of processing. The same rules shall apply for the items produced through processing as for the goods delivered under reservation of title. If goods are inseparably mixed with other items which are not our property, we shall acquire co-ownership of the new goods in the ratio of the value of the goods to the value of the other mixed items at the time of mixing. If mixing is performed in such a manner that the item of the Buyer is to be regarded as the principal item, it is agreed that the Buyer shall transfer proportional co-ownership to us.

7.4 The Buyer shall be entitled to resell the goods within the regular course of business; however, he hereby already assigns to us all claims in the sum of the final invoice amount which shall accrue from the reselling to his purchasers or third parties, irrespective of whether or not the goods are resold after processing or without processing. The Buyer shall remain authorized to enforce such claims even after he has assigned the claim to us. Our right to collect the receivables ourselves shall remain unaffected hereof. Should we make use of this entitlement, we may require the buyer to provide us with all information which is necessary for the purpose of collection, to submit the related documents and to notify the debtors/third parties of the assignment.

7.5 In the event of seizure of the goods or other interventions by third parties, the Buyer must immediately notify us in writing.

8. Passing of Risk

Unless otherwise indicated in the confirmation of order, the parties agree on a delivery „ex works“.

9. Place of Jurisdiction and Performance/Applicable Law

German law shall apply to the exclusion of the UN-sales law..

Should one or more provisions of these terms and conditions be completely or partially ineffective, the validity of the remaining provisions shall not be affected.

The place of jurisdiction for all claims resulting from this business relationship is Gelnhausen. The place of performance is Gelnhausen.