

**General delivery- and payment conditions (GDC)**  
**applicable between business entities, judicial persons and statutory bodies and entities of public law („Purchaser“) and Hannabach GmbH („Supplier“)**

**1.      Ambit – Subject of agreement**

(1) These GDC's are valid for the supply of movable items based on the agreement concluded between the supplier and purchaser.

(2) All agreements which deviate from and conditions or agreements which were concluded in addition to the under mentioned with a representative or employee require a written confirmation by the supplier.

(3) Only these GDC's apply. Contradictory conditions are hereby expressly excluded.

(4) The purchaser waves the right to his own purchasing conditions. These also do not become part of the contract by delivery of the supplier.

**2.      Conclusion of the contract – Offer documentation - Catalogue**

(1) The order by the purchaser is a binding offer. Previous offers by the supplier are subject to change. The contract only becomes effective with the acceptance of the order by the supplier.

(2) Images, illustrations, calculations and other documents remain the property of the supplier and the supplier reserves the intellectual property rights of these. For transfer to third parties the purchaser must obtain the explicit written permission by the supplier.

(3) The reprinting of parts of the catalogue of the supplier as well as the replication of the utilized printed material is prohibited and will be judicially enforced. The catalogue is not transferable and remains the property of the publisher and supplier who can reclaim it at any time.

**3.      Delivery – Time of performance**

(1) Deliveries are carried out „ex Works“ at the risk of the purchaser.

(2) In the event of the non stipulation by the purchaser of the required mode of transport at the time of placing the order, the supplier reserves the right to determine the mode of transport and delivery at the cost and risk of the purchaser.

(3) The supplier endeavours to meet agreed upon delivery times under the precondition that no interferences by strikes, an Act of God (force majeure) or deliveries by his suppliers occur. In these mentioned cases the supplier reserves the right to cancel the contract partially or completely or if it is only due to a temporary delivery problem, to postpone the delivery date for a short while without giving the purchaser the right to cancel or withdraw from the contract or to put forward any other demands or claims.

(4) As far as the enforceability (assertion) of rights of the purchaser requires a certain time, this will amount to at least two weeks.

(5) The supplier reserves the right, in case of order quantities differing from Hannabach-packing units (P/U), to supply quantities that under the recognition of the P/U's will adequately meet the ordered quantities by the purchaser.

(6) Should the purchaser become in arrears to the supplier, the latter is entitled without special announcement and without liability to withhold deliveries for the whole duration of time until all outstanding amounts have been paid in full.

#### **4. Prices**

(1) The prices are calculated „ex Works“ Hannabach without purchase tax and excluding freight and packaging. Calculation is based on the prices valid at the day of delivery.

(2) All price listings in catalogues, brochures and similar illustrations are guideline prices without obligation and are subject to change.

#### **5. Payment**

(1) The invoices of the supplier within the territory of the Federal Republic of Germany are to be paid within 30 days net without deduction or within 10 days with 2% discount and with bank debit memo with 3% discount. Invoices can only be discounted if the purchaser is not in arrears with other invoices from the supplier.

(2) With payment delays, default interest of 8% above the prime lending rate of the civil law will be levied.

(3) Unknown purchasers will only be supplied with goods on a cash payment- or advance payment- or cash on delivery basis (cod).

(4) For foreign purchasers the payment terms as printed on the invoice apply.

(5) The summation of the claims of the supplier is not valid as long as the claims of the purchaser are not beyond dispute or legally binding.

#### **6. Defects, Liabilities**

(1) Claims on received deliveries ex works Hannabach will only be accepted within 10 days, in foreign consignments within 15 days from date of delivery. This does not free the purchaser from the payment responsibility. If the notice of defects does not occur within the mentioned deadline, the warranty claim expires. This does not apply where the supplier has taken over a guarantee for appearance and workmanship of the goods.

(2) In case of an agreed defect, the supplier reserves the right of choice for supplementary performance.

(3) The guarantee is two years.

(4) The liability of the supplier for contractual breach of duty as well as misdemeanour is limited to intent and gross negligence. This does not apply to injury to body or health of the purchaser and claims regarding the breaching of cardinal obligations. As far as damages are concerned that did not result from the injury to body and health of the purchaser, the supplier is only liable for the typically resultant damage.

(5) As far as the liability for damages, that are not based on injury to body and health of the purchaser but where slight negligence can not be excluded, are concerned, these claims expire within one year beginning with the origin of the claim or in the case of claims for damages due to a defect from date of delivery of the item.

(6) As far as the claim for damages against the supplier towards the purchaser is excluded or limited, this also applies in view of personal liability claims for damages of employees, representatives, factors, servants and assignees.

## **7. Returns**

(1) Returned goods can only be processed if:

- The purchaser has taken up contact with the supplier and clarified the return with the relevant responsible sales person,
- The articles are new and in their original packaging,
- A copy of the Hannabach invoice is included.
- Returned to the supplier at own cost (In case of supplementary performance according to § 439 BGB (German law) the cost for the return is carried by the supplier.)

If the above-mentioned conditions are not met, the supplier reserves the right to refuse the return consignment. All agreements that were not concluded with the responsible sales person can unfortunately not be recognised.

In guarantee or warranty cases an explanatory letter is required in addition to the goods return form and invoice copy.

(2) In the case of custom made articles a guarantee for perfect fitting can only be accepted if the original instrument is sent in to our workshops.

(3) For accepted returns that have not fulfilled preconditions as set out in Paragraph 7(1) a processing fee of € 20,00 will be levied. In the case of non acceptance the goods will be returned at the cost of the purchaser.

## **8. Special orders and custom made articles**

(1) Special orders and custom made articles must be ordered in writing and are non returnable.

(2) Equally excluded from exchange and non returnable are bags and cases made from a sketch or drawing.

## **9. Right of ownership**

(1) The supplier retains ownership of the delivered goods until all conditions in the delivery contracts have been fulfilled by the purchaser; even if the goods have already been paid for.

(2) The purchaser is not entitled to provide these goods as surety to others, to pawn or in any other way negatively influence the ownership of the supplier.

(3) The purchaser is entitled to resale only within the framework of his normal business activities and under the precondition that he only transfers ownership to his customer when the purchase price has been paid for in full. Only then can the supplier approve and acknowledge the transfer of ownership to a third party. In the case where the goods are resold in another payment form than cash, the purchaser, by concluding the purchase from the supplier, already transfers his future purchasing price claims for surety to the supplier without making a session agreement for each resale occurrence. At the same time the purchaser takes over the responsibility to provide the supplier upon request with the names of the third party garnishee and the amounts of the claim. The purchaser is entitled with tacit consent until further notice by the supplier to accept and claim the ceded purchasing price from his customer.

The rights of the purchaser under this clause 9. (3) can be cancelled by the supplier if the purchaser does not fulfil his contractual obligations towards the supplier correctly especially if he becomes in arrears with his payments.

(4) If the supplied goods are attached by a third party, the purchaser is obliged to inform the executory officer of the reservation of title by the supplier. He is furthermore obliged to immediately inform the supplier by registered letter with the inclusion of the bailiff's return and a sworn statement (affidavit) of the contents that the attached goods which were supplied by the supplier under extended property rights are identical to the supplied goods which have not been paid for in full. Ensuing costs will be borne by the purchaser.

(5) Goods, which are subject to retention of title and which are changed or combined with another item also immediately become the property of the supplier. These goods are then considered to be those under which the supplier has retention of title.

(6) The purchaser is obliged in the event of a payment stop due to payment inability to immediately separate the supplied goods and the goods on which a retention of title exists and the ceded outstanding amounts and to convey a detailed list to the supplier.

#### **10. Packaging and dispatch**

(1) The dispatch ensues at the risk of the purchaser (see clause 3. (1)). The goods are commercially and well packaged and dispatched. Packaging is invoiced at approximate cost price and is non returnable.

#### **11. Limitation of own claims**

The claims by the supplier for payment expire differently than listed in the German customary law of clause § 195 BGB in five years. Regarding the commencement of the limitation expiry, the clause § 199 BGB is relevant.

#### **12. Legal format**

Legal notices or statutory explanations that the purchaser has to submit to the supplier or third party, have to be in written form.

#### **13. Place of performance – choice of legal basis – legal domicile**

(1) The business premises of the supplier are the place of performance for delivery. Only the location of Eggkofen is responsible for payments.

(2) The law of the Federal Republic of Germany applies for all contracts between the supplier and purchaser. The UN purchasing law is expressly excluded.

(3) The exclusive legal place of jurisdiction for all differences directly or indirectly ensuing from the contractual agreement is Mühldorf am Inn, Germany.