

General Terms and Conditions

of

KTP Kunststoff Palettentechnik GmbH **Saarstraße / In den Röhrenwerken, 66359 Bous**

§ 1 General - Area of Application

1. The General Terms and Conditions are valid for all present and future business relations with the buyer, also referred to as the customer.
2. The buyer with reference to the Terms and Conditions are individual persons or legal entities or business partnerships vested with legal rights, with whom one enters into business relations, and who act exercising a commercial or single handed professional occupancy.
3. Variant, contradictory, or supplementary General Terms and Conditions, although in the case of awareness, will not become an integral part of the contract, unless their validity will explicitly be agreed to in writing.

§ 2 Contract Conclusion

1. Our quotations are non-binding. We reserve the right to technical amendments as well as changes in design, colour, and/or weight within reasonable limits.
2. By ordering the goods the buyer bindingly declares to purchase the ordered goods. We shall be entitled to accept the offer to enter into a contract, which is incorporated in the order, within two weeks after receipt of order. This acceptance can either be declared in writing or by delivering the goods to the buyer.
3. Contract conclusion is effected with reservation of the correct and punctual delivery of the required materials to us by our suppliers. This only applies in the case, that the failure to deliver is attributable to us, especially in the case of a matching cover transaction with our supplier.
The buyer will be advised immediately concerning unavailability of goods and services. Return service will promptly be reimbursed.

§ 3 Title Retention

1. In case of contracts with companies we reserve the right of property in the goods until clearing in full of all arrears from current operating activities.
2. The buyer is obliged to handle the goods carefully. In case maintenance and inspection is required, the customer is obligated to perform them regularly and at their own expense.
3. The buyer is obliged to immediately notify us regarding any access of third

Parties to the goods, for instance in the case of distraint as well as possible damage to or destruction of the goods. Change in ownership of the goods as well as the change of residence of the buyer has to be brought to our attention by the buyer without delay.

4. In cases where the buyer's conduct is contrary to the contract, particularly in the case of late payment, or in case of neglect of duty according to cypher 2 and 3 of this clause, in which case we are entitled to withdraw from the contract and insist on the return of the goods delivered.
5. The buyer is authorised to resell the goods in the regular course of business. The buyer assigns to all outstanding debits amounting to the invoice value, which accrue from the resale to a third party. We accept this assignment. After the assignment the buyer is empowered to the collection of the debts. We reserve the right to collect the debts ourselves, as soon as the buyer does not discharge his payment obligations in due form, and is in default of payment.
6. In the case of inability to pay or insolvency of the customer, we shall be entitled to safeguard those goods, which we have still the right of property of at the cost of the customer and redeem those goods. The customer commits to disclose all necessary information hereunto, and to permit access to his business premises as well as store rooms as well as enable our assignee to enter these premises. We shall be entitled to sell the safeguarded goods in direct contracting. Credit for goods subject to retention of title will be effected to the earned profit.

§4 Payment

1. The quoted price is binding; the statutory value-added tax is to be added. Supplementary conditions, as laid out in our price list, will apply to our prices. In case more than four months have passed between contract conclusion and delivery of the goods, the price valid on the day of delivery shall apply, in addition the applicable statutory value-added tax has to be added. In case of mail order purchase the sales price is understood plus the applicable shipping costs. The purchase price will be submitted to the buyer by forwarding the invoice. Notwithstanding any other provisions of the buyer, we are entitled to credit payments against the buyer's old debts at first. The buyer will be advised of the effected type of settlement of accounts. In case costs and interest have already incurred, we are entitled to credit the payment against the costs at first, secondly against the interest, and finally against the principal claim. Payments are to be effected directly to us. Our representatives, salesmen, and employees are only authorized to accept payments when we have empowered them in writing so to do. In case the buyer has not effected payment in due time or stopped payment, or facts are on hand which have to be considered as suspension of payment, all of our outstanding debts as a whole are due immediately without further notice. We may, in this case, withdraw all or part from all contracts with the buyer at our own discretion. We are furthermore entitled to insist on the return of the goods delivered and claim for compensation due to non-fulfilment, this without us withdrawing from the contract. Cheques and drafts will only be accepted at will and at our own discretion and

on account of performance. The buyer will be debited with all accrued costs hereof.

In case the buyer is in arrears with the acceptance of the goods or a payment for a contract concluded with us, we are entitled to put the fulfilment of the contract on hold –without prejudice to its legal validity – until the clearance of these circumstances have taken place – unless payment has been secured in a way which satisfies us.

The buyer shall only be entitled to reverse charging, withholding or contraction, even in the case where letters of complaint or counterclaims were lodged, in case these counter claims have been established as final and absolute or are undisputed.

2. The buyer commits to pay the purchasing price no later than 14 days after receipt of the goods. After expiration of this time period the buyer is in delay of payment.

During this delay of payment the buyer will pay interest on the money debt in the amount of 8% above the base lending rate. We reserve the right to establish a claim for higher damage caused by delay and to lodge this claim.

3. The customer only has the right of reverse charging if his counter claims have been established as final and absolute, or admitted by us.

The customer is only entitled to execute his right of reverse charging, in case his counter claim is based upon the same contractual relationship.

§5 Delivery and Passing of the Risk

1. Delivery dates or times of delivery, which can obligatory be stipulated, are to be in writing.
2. Delivery of our goods is always effected ex works or ex stores. Shipping fees and packaging costs are at the expense of the buyer.
3. The risk of accidental loss or incidental deterioration of the goods devolves to the buyer with the delivery of the goods, in case of mail order purchase with the hand-over to the forwarding agent, the freight carrier or that person or institution who has been appointed to the execution of the despatch.
4. Hand-over shall be deemed to have taken place even if the customer is in default of acceptance.
5. Goods purchased is on any account transported at the risk of the buyer – even when using our own means of transportation.

In case the goods, at the request of the buyer, are not being delivered or the buyer is in default of acceptance, the risk of loss or deterioration of the goods devolves to the buyer due to storage. Costs incurring by storing will be charged to the buyer with 1% of the invoice value per week.

6. Delivery time is regarded as met, when at the end of the time period set the delivery item has left our premises or stores, or in case the readiness for delivery has been submitted to the buyer.
7. Even in the case of hard and fast appointed time limits and dates we cannot be held responsible for delays in delivery and services due to force majeure or due to events, which complicate delivery substantially or render it impossible - in particular strikes, lock-outs official directives etc., even if occurring at our suppliers or sub-suppliers. Such incidents entitle us to delay the delivery or service by the duration of the interference plus an appropriate start-up time or, due to the pending part of the contract, partially or totally withdraw from the

- contract.
8. In case the interference will last for more than three months, the buyer is entitled to, after having set an appropriate period of grace, withdraw from the contract with respect to the not yet fulfilled part hereof. In case, partial performance is of no interest to the buyer, he is in this case entitled to entirely withdraw from the contract. In case delivery time is extended or in case we are released from our obligations, the buyer cannot derive any claim for damages herefrom. We can only invoke the said circumstances in case the buyer is immediately given notice hereof.
 9. Provided that we are responsible for the non-fulfilment of hard and fast appointed deadlines and dates, or in case we are in delay, the buyer is entitled to compensation for arrears in the amount of ½ % of each full week of delay, in total, however, at the maximum of 5% of the invoice amount of the deliveries and services affected hereof. As far as partial delivery is of no interest to the buyer, he can claim for compensation due to non-fulfilment of the whole liability or withdraw from the whole contract.
 10. Our products are subject to colour variations, just as well as delivery of surplus- or shortage in quantities of up to 10% in cases of custom made products; should the buyer re-order custom made products, the respective minimum order quantities apply, with the respective daily price taken as a basis.

§ 6 Warranty

1. The warranty defects on the goods at our discretion first by rectification of defects or replacement.
2. In case the supplementary performance fails, the buyer in principle can, at his option, claim for markdown of payment (cost reduction) or contract cancellation (withdrawal from contract). In case of minor contract infringements, above all in case of minor defects, the buyer is not entitled to the right of withdrawal.
3. The buyer has to notify in writing an apparent deficiency within a period of two weeks subsequent the receipt of the goods; otherwise the assertion of the warranty claim is excluded. Timely mailing shall suffice in order to meet the deadline. The buyer shall carry the full burden of proof for all particular conditions of entitlement, in particular for the defect itself, for the point in time of detection of the defect, as well as for the accuracy of the claim.
4. In the case the buyer opts for contract cancellation after failed supplementary performance due to a defect of title or material defect, he is, furthermore, not entitled to a claim for damages due to defect.
In the case the buyer opts for compensation after failed supplementary performance, the goods shall remain with the customer, if reasonable. Compensation shall be limited to the difference between the purchase price and the value of the defective object. This does not apply in case we have maliciously caused the breach of contract.
5. Warranty period is limited to one year from the handover of the goods.
6. As far as the condition of the goods is concerned, as a fundamental principle only the product description of the manufacturer is considered to be agreed upon.
Public statements, promotion or advertising by the manufacturer do not form a contractual condition of the goods.

7. Should the buyer be furnished with defective assembly instructions, we are only obliged to deliver assembly instructions free of defects, and this only in the case, if the defect in the assembly instructions is in conflict to an assembly in due form.
8. Guaranties in the legal sense will not be furnished to the buyer through us. Manufacturer warranties remain unaffected hereof.

§ 7 Limitation of Liability

1. In case of slightly negligent violation of obligations our liability is limited to according to the nature of the goods foreseeable, contract specific, direct average loss. This also applies in the case of slightly negligent violation of obligations through our legal representative or auxiliary person.
In case of slightly negligent violation of minor contractual obligations we cannot be held liable.
2. The above mentioned limitations of liability do not affect claims of the buyer under product liability. Furthermore the limitations of liability do not apply in cases of bodily injury and damage caused to person's health or in cases of berearvement of the buyer attributable to us.
3. Claims for damage of the buyer due to defects fall under the statute of limitations after one year from the delivery of the goods. This does not apply in cases we were accused of fraudulent intent.

§ 8 Final Provisions

1. These General Terms and Conditions shall be governed by and construed with German law. The terms of the "United Nations Convention on Contracts for the International Sale of Goods" (CISG) do not apply.
2. Exclusive jurisdiction for all disputes arising from this contract is our business location. The same applies in case the buyer has no natural forum in Germany or in case his place of residence or main residence are unknown at the time of filing the complaint.
3. Should any of the provisions of the contract with the customer, including these General Terms and Conditions, be or become void completely or in part, these shall not affect or invalidate any of the other provisions. The completely or partially invalid provision shall be replaced by one, whose economic result will come as close as possible to that of the invalid one.