

Thermopal GmbH - General Terms and Conditions of Sale

(Last updated September 2008)

1. General provisions

1.1 The terms and conditions stated below shall apply to all our advisory services, offers, sales, deliveries, services and the legal relations between us and our client, provided no other individual regulatory provisions apply. The terms and conditions of the client which are wholly or partially in conflict with our terms and conditions or with statutory provisions, or supplement them, are herewith expressly rejected unless we have consented to such terms in each individual case in writing. Nor shall such terms be deemed to be part of the contract if we carry out a delivery in full knowledge of terms of conflicting or supplementary effect. If the client was not informed, at the time the contract was signed, of the scope of application of our terms and conditions, or if such information was not given on any other occasion, our terms shall nevertheless be effective if our client was or must have been aware of them on the basis of an earlier business relationship.

1.2 Our terms of business shall apply only to companies as defined in Article 14 BGB (German Civil Code).

1.3 With the exception of Point 11.5 our terms shall apply, without specific notification, to all future legal relations between us and the client.

1.4 In addition, the contractual relationship shall be governed solely by German law. The UN Convention on Contracts for the International Purchase of Goods and German International Private Law shall not apply.

1.5 There shall be no supplementary oral agreements. Agreements which deviate from these terms and conditions, and alterations or additions to the contract, shall be effected by the business management or by persons specifically authorised for that purpose. Oral agreements or declarations by other persons shall only be effective if they are confirmed in writing by the supplier's management or by the specifically authorised person.

2. Prices

2.1 Unless expressly agreed otherwise, our delivery prices apply ex works including loading of the HGV or carriage and exclusive of turnover tax and packaging.

2.2 Should the price calculation basis change subsequent to signing the contract, e.g. as a result of an increase in wage and equipment costs, turnover tax or any other circumstances, in particular of a technical nature, we shall be entitled to raise the contractual price proportionate to the alteration in the calculation basis. This provision applies equally to call orders.

3. Deliveries and delivery deadlines

3.1 If at any time after the signing of the contract there are signs that the client's solvency is in jeopardy, e.g. delay in or cessation of payment, application for the opening of bankruptcy proceedings, transfer of ownership of current assets as security on a debt, unfavourable information from banks, credit institutes or credit insurers, we shall be entitled to withdraw our services and, having sought unavailingly to recover surety in the form of directly enforceable bank guarantees, bank guarantees or advances within a specific deadline, to terminate the contract and/or claim compensation. No such deadline shall be required if it is evident that the client's solvency is in jeopardy.

3.2 The dates we set for delivery shall be "approximate" dates. Binding dates must be designated as such and confirmed by us in writing. The relevant statutory provisions shall determine when any delay in delivery commences. In any case, however, it shall be necessary for the customer to issue a reminder.

3.3 In the case of delivery of goods that can easily be split we shall be entitled to make partial deliveries provided such can reasonably be expected of the customer. Subject to the necessary prior notification we shall also be entitled to deliver ahead of deadline.

3.4 Should circumstances that are outwith our control hamper, delay or prevent the completion of any orders accepted, we shall be entitled to postpone the delivery, remaining delivery or partial delivery by the time for which the problematic circumstances persist, or alternatively to terminate the contract either in whole or in part. In the latter case, the client shall not be entitled to claim any compensation whatsoever. Circumstances that are outwith our control are, for example, interventions by the authorities, interruptions to operations, strikes, lock-outs, work disruptions caused by political or economic circumstances, shortages of the necessary raw materials and other supplies, energy supply problems, transport delays caused by traffic problems and all other unavoidable situations to which we, our suppliers or third companies on which our business depends, are subject. This clause also applies if we have already fallen behind schedule when such circumstances arise.

3.5 The client may only extend the delivery deadline once the deadline initially agreed has been exceeded by more than 2 weeks. The extension must be adequate and a minimum of 3 weeks. Should we fail to make the delivery by the extended deadline, the client shall be entitled to terminate the contract. The client shall not be entitled to claim compensation from us for failure to fulfil our contractual obligations unless we act with gross negligence or cause personal injury.

3.6 The client shall only be able to extend the delivery deadline once the agreed deadline has been exceeded by more than 2 weeks. The extension must be of reasonable length. Should we fail to make the delivery by the extended deadline, the client shall be entitled to withdraw from the contract. No compensation can be claimed from us from on grounds of failure to fulfil our contractual obligations except as provided for in Point 9.

4. Dispatching and liability

4.1 We dispatch all contractual goods ex works at the risk of the client, even where the freight and other costs are borne by us. We only insure the contractual goods against damage during transport at the express written instruction and at the expense of the client.

4.2 Should it have been agreed that the goods would be collected, but should they still not have been collected within 8 days from the agreed date, we shall dispatch the goods in a manner deemed suitable by us at the client's expense.

4.3 In the case of sale ex works we shall place the goods on the collecting agent's vehicle in accordance with the instructions of the driver or driving crew. The collecting agent shall be responsible for the transportation and operational safety of the delivery in accordance with the standards of cargo securing technology effective at the time, and for deploying a correctly trained driving crew. The collecting agent shall also provide the necessary cargo securing equipment.

4.4 Should the dispatch date be postponed at the client's request or should the client be late in accepting the goods, the contractual liability shall be transferred from the date on which we provide notification that we are ready to dispatch the goods. Following that date, the goods shall be stored on behalf of and at the expense of the client.

5. Retention of ownership

5.1 We retain ownership of the contractual goods until such time as all claims, including future claims, against the client have been paid. This also applies to the payment of specially designated claims and until such time as any current account balances have been settled.

5.2 The goods to which title is reserved must, at the client's expense, be stored correctly and separately from other goods and must, at our request, be specially labelled and insured against damage, destruction and loss. The client shall, on our request, present the corresponding insurance policy to us. The client herewith transfers to us in advance all claims under any such insurance policies to the full value of the reserved-title goods and consents to insurance payments being made to us. In the event of breach of contractual obligations by the client, in particular delay in payment, we shall be entitled to require the surrender to us of the contract goods and/or to withdraw from the contract and, where necessary, to arrange for persons authorised by us to enter the client's business premises; the client shall be obliged to surrender the goods. A demand for the surrender of the contract goods shall not entail a withdrawal from the contract on our part unless such withdrawal is expressly stated.

5.3 Provided the client fulfils their contractual obligations towards us at all times, they are entitled to sell the reserved goods through standard trade channels. However, this clause may be revoked at any time. In such cases, or where the reserved goods are delivered to a third party, irrespective of the value or condition thereof, or again assembled, the client hereby transfers all claims against the purchaser arising from the sale, delivery or assembly of the goods, together with all related rights and including all related claims for compensation, to us from this date and until such time as all of our claims arising from these deliveries have been cleared, up to the invoice amount for said deliveries.

5.4 Where the reserved goods are reprocessed, combined with other goods or remodelled, this work shall be carried out for us, but no guarantee shall be provided. In all such cases, our co-ownership of the new product shall be proportionate to the value of the reserved goods in comparison to the value of the new product at the time when it was produced.

5.5 Where assignment in cases of onward sale, assembly or late payment is prohibited, the client undertakes to inform the third-party purchaser of the advance assignment. Where the reserved goods delivered by us are sold to a third party together with other goods, that share of the total price asked which corresponds to the invoice value of our delivery is assigned to us. Should the client fail to make the payments by the deadline set, we shall be entitled to obtain the assigned claim directly from the third-party debtor.

5.6 The client is prohibited from conducting non-standard transactions, such as pledging, assignment by way of security and transfer of the reserved goods. The client undertakes to inform us immediately should third parties gain access to goods and claims belonging to us, such as seizures, as well as of all encroachment on our property. Where such circumstances can be attributed to the client, they shall pay all costs for judicial intervention.

5.7 Should the total realisable value of the surety provided to us for the purposes of the business relationship exceed the value of our claims by more than 10%, we shall, at the client's request, release sureties of our own choice.

6. Payment

6.1 Unless otherwise agreed, all invoices must be paid in full in the agreed currency within 30 days from the invoice date. Discounts shall only be granted where specifically agreed and must be calculated on the basis of the invoice value ex delivery works.

6.2 Payments shall only be considered completed once the amount is definitively and freely available to us. Payments by bill of exchange and cheque shall only be accepted where expressly agreed. Discount and bill of exchange charges shall be borne by the client in all cases. Where payment by bill of exchange is agreed, the term of the bill of exchange shall in no case exceed 90 days from the invoice date.

6.3 We are free to decide whether incoming payments are used to settle the oldest obligation or that obligation for which the least surety is available.

6.4 Partial deliveries are invoked immediately and become due individually, independently of the date on which the delivery as a whole is completed. Unless otherwise agreed in writing, all advance payments shall be offset against the oldest partial delivery.

6.5 Counterclaims may only be used to offset payment claims where these are legally enforceable or have been recognised by us. The same applies to repayment rights for the amounts outlined in our invoices.

7. Compensation and contract termination

7.1 Should the client fail to adhere to the agreed payment deadlines, we shall be entitled to exercise our rights in accordance with Article 288 of the Civil Code (interest on late payments).

7.2 Should the client fail to accept a delivery, receive a service or make a payment within an agreed deadline, we shall be entitled after an appropriate extended deadline to terminate all or part of the contract and/or claim compensation of 20% of the purchase price, unless we are able to prove that the actual damage incurred is greater than this amount, in particular with respect to recovery costs, unless the client is for their part able to prove that the actual damage incurred is lower. An extended deadline shall not be required where, subsequent to signing the contract, the solvency of the client is called into question in accordance with figure 3.1.

8. Guarantee

8.1 The quality level we agree to adhere to for the contract goods shall arise exclusively from the contractual agreements between the client and ourselves and not from any other promotional statements, brochures, advisory sessions and the like, for which we therefore accept no liability. Our agreement to a specific quality level shall not entail the assurance of a specific feature or the adoption of a guarantee, e.g. in the sense defined by Article 443 BGB (German Civil Code).

8.2 For all purchase transactions, we shall accept liability for defects, to the exclusion of further claims, as follows:

a) The provisions of Article 377 of the Commercial Code apply to obligations with respect to complaints and investigation.

b) The client undertakes to provide our authorised representatives with the opportunity to inspect and check all contractual goods with respect to which a complaint has been submitted. Otherwise, all claims under the guarantee shall be deemed invalid.

c) We guarantee for 1 year from the delivery date that all contract goods will be fault-free and produced in accordance with professional best practice. The above time limitation shall not apply in cases of claims for compensation by the supplier (Article 478 BGB) and in cases of bad faith. The same shall apply to the claims for compensation regulated in Point 9.2 and to claims under the Product Liability Act. The latter case shall be governed solely by the statutory provisions on time limitation. The same shall apply to buildings and to specially produced articles and materials which, in accordance with their usual application, have been used for a building and for whose faulty condition we are responsible (Article 438 section 1 no. 2 BGB).

d) Should the customer use, handle or store the contract goods in an incorrect manner, fail to adhere to our instructions and guidelines or damage or destroy the contract goods after transfer of liability, all claims under the guarantee shall be deemed invalid.

e) Standard variations in measurements and materials that are to be expected and/or caused by the manufacturing technology used do not entitle the client to contest the contractual goods. The relevant DIN norms, where available, and our own works standards apply for all tolerance margins.

f) Variations of up to 10% either way in delivery amounts and quantities shall be acceptable, and the total price shall be modified accordingly.

g) We undertake to remedy defects either by carrying out the necessary improvements or by supplying replacements, at our choice. We shall be entitled to make the rectification of defects dependent on payment by the client of the purchase price due. The client must allow us reasonable time and opportunity to remedy defects. If this is refused, no claims under the guarantee of any kind shall be admissible. Should attempts to remedy defects fail repeatedly, the client shall be entitled to withdraw from the contract or require a price reduction. Minor defects, however, shall not entail a right of withdrawal from the contract. Claims by the client for damages or alternatively compensation for unavailing expenditure shall be limited to and governed by the provisions of Point 9; no other claims shall be admissible.

9. Other liability

9.1 Except as otherwise provided in these terms and conditions, including the conditions stated below, we accept liability in the event of a breach of contractual and extra-contractual obligations subject to the pertinent statutory provisions.

9.2 We accept liability for damages, on whatever legal basis, if the damage or loss is caused intentionally or by gross negligence. In the case of simple negligence we accept liability only

a) for damage arising from injury to life, person or health,
b) for damage arising from the breach of a material contractual obligation (that is, an obligation on which the contract is dependent for its due and correct performance and on whose regular fulfillment the client relies and is entitled to rely); in that case, however, our liability shall be limited to compensation for predictable and typically occurring damage.

9.3 The limitations on liability stated in Point 9.2 shall not apply in the event of our failing, in bad faith, to declare a defect or our having assumed a guarantee for the condition of the goods. The same shall apply to claims by the client under the Product Liability Act.

9.4 The client shall be entitled to withdraw from or terminate the contract on grounds of a breach of obligation only if we are responsible for the breach of obligation. The client shall have no unrestricted right of contract termination (in particular under Articles 651 and 649 BGB). The statutory conditions and legal consequences shall apply in all other respects.

10. Confidentiality

The client shall be obliged to make use of the confidential business and operating information made known to him, or coming to his knowledge in the context of the business relationship, solely for the purpose of performance of the contract; he shall also be obliged not to turn such knowledge to account for the duration and after the termination of the contractual relationship, and to keep such knowledge confidential in respect of third parties

11. Copyright

11.1 All printed, punched and stamped parts and samples produced by us remain our property.

11.2 We reserve the right to exercise all copyrights and other standard industrial rights covering all patterns, stamps and samples designed by ourselves or third parties working for us, even where the client bears the costs of these.

12. Remote orders

12.1 For remote orders, the client shall send a full and correctly completed order form to us, following which we shall provide them with an order confirmation by post, e-mail, fax or via the internet. The choice of method is left to us. Only once said confirmation has been received can the contractual relationship be considered to have begun.

12.2 Should the client make use of his right to return the goods in accordance with Point 12 of these terms and conditions and should he have made use of the goods between their delivery and return, he must repay the value that corresponds to the use made of the goods.

12.3 The client undertakes to reimburse the value of the goods should they become lost or damaged during the time between their delivery and return, or should it no longer be possible to reuse the goods. The client also undertakes to provide further compensation should they fail to fulfil their obligations for the return of the goods, as proven by us, in accordance with the applicable legal provisions. It falls to the client to return the product to a condition enabling it to be resold before sending it back, and in particular to send the goods back in the original packaging, ensuring that packaging is complete.

13. Miscellaneous provisions

13.1 We reserve the right to process all data provided by the client for the purposes of the business relationship in accordance with the provisions of the Federal Data Protection Act and, in particular, to provide the credit insurer with the data they require in order to issue the credit insurance.

13.2 The client is not entitled to transfer any claims against us arising from the business relationship.

13.3 Should any of the clauses given above become legally invalid, this shall not affect the validity of the remaining provisions and of the contract as a whole. Invalid provisions shall be replaced by new provisions that serve the same economic end. Where such provisions are not integrated into the contract, the corresponding content of the contract shall be governed by the applicable legislation.

13.4 The place of performance for deliveries is our delivery works. The place of performance for payments is the registered office of our company.

13.5 The sole court of jurisdiction for all disputes arising from this contractual relationship, including those arising from bills of exchange, cheques and other documents, is that of the registered office of our company, provided that the customer is a merchant or is, ostensibly but accountably, a merchant in the legal sense, as defined in HGB (German Commercial Code).