

General Terms of Business

I. Scope of Application

Our terms of delivery and payment, to which our customer agrees when the order is placed, shall apply exclusively. They apply for all purchase orders and other services supplied by interlübke in current and future business relationships, even if in the context of a business relationship an explicit order confirmation does not take place. Modifications or amendments to these terms of business or variant agreements of any kind are only valid if previously confirmed in writing by us.

German law is solely applicable in the case of dispute. The United Nations Convention on Contracts for the International Sale of Goods (CISG) and regulations governing international civil law are not applicable.

II. Terms of Sale

We deliver merchandise only on the basis of our general delivery conditions. Any offers we make are subject to confirmation. All orders require a written confirmation by interlübke. In the case of a purchase or acceptance of goods from the factory or warehouse, the delivery note is considered the confirmation of order. Verbal subsidiary agreements also require written confirmation. Objections raised against the order confirmation or the confirmation of subsidiary agreements are to be communicated immediately to us, at the latest within 3 working days. Any purchasing conditions on the part of the Customer, even if they are referred to in the order, cannot necessarily be recognised as valid.

III. Prices

All prices are understood to be ex factory, without packing, in as far as no contrary agreements have been stipulated. Discounts, rebates, etc. require a separate agreement. The prices valid on the date of delivery apply. If, for reasons which the Customer is responsible, the delivery takes place after expiration of the indicated date of delivery, we are entitled to invoice the prices valid on the date of delivery. For price increases of more than 10% than the price previously agreed upon, the Customer will be informed before dispatch. In this case, the Customer is entitled to rescind any contracts within a period of 5 days. Any further claims on the part of the Customer are excluded.

All prices are subject to the effective value added tax (VAT).

IV. Delivery

1. Acts of nature, force majeure and any circumstances beyond our control, in particular labour disputes, natural catastrophes, fire damage, etc. exempt us for the duration of their effect from any delivery obligations. We are entitled to withdraw from contracts, if for the reasons stated above the fulfilment of the contract is no longer possible. Any liability for damages towards the Customer is excluded.
2. In the case of any other breach of contracted delivery dates and terms of delivery by us, the Customer is entitled to assert his or her rights under law only after an appropriate (meaning at least 4 weeks in duration) grace period has been stipulated.

3. In as far as no contrary agreements have been stipulated in writing, dispatch and packing will be invoiced to the Customer. Dispatch sequence and mode of shipment are to be selected by interlübke; the delivery is to be carried out to the indicated address of the Customer. Any deviating unloading points must be confirmed in writing.
4. Upon dispatch by vehicle or contract carrier employed by interlübke, the risk of delivery is transferred to the Customer upon delivery of the merchandise. In the case of collection of the merchandise by vehicle or contract carrier employed by the Customer, the risk is transferred to the Customer upon issue of the merchandise at the business premises or warehouse. The merchandise remains uninsured; it is the responsibility of the Customer to obtain transport insurance should the Customer judge such insurance to be necessary.
5. In the case of unauthorised non-acceptance of delivered commodities, any costs and damages arising are to be debited to the Customer.
6. Returns of delivered commodities will not be accepted by interlübke without a previous confirmation.

V. Acceptance, Purchase on Call

1. If, despite being requested to do so, the Customer does not indicate a specific date of delivery within a period of one week, we are entitled to deliver the entire ordered quantity without further appointment of a date or notification, or to place the merchandise in our storage or third party storage at the expense of the Customer. At the end of the one week period, the risk of accidental ruin and/or deterioration is transferred to the Customer. Accordingly, the same applies in the case of a purchase on call, if the Customer does not retrieve the merchandise within 3 months after the day of order confirmation.
2. In the aforementioned cases, remuneration of purchase price is due immediately upon expiration of the one week period. We are entitled to charge storage fees.

VI. Payment

1. Unless otherwise stipulated, our invoices are payable net cash within a period of 30 days from the invoice date. The provision of bills of exchange disqualifies previously agreed cash discounts, even in the case that the Customer carries the discount charges.
2. Invoices are dated on the loading day.
3. Provisions of bills of exchange are permissible only after written agreement and are accepted as payment only subject to the discounting possibility. All costs including the discount are debited to the Customer.
4. A setoff on the part of the Customer is permissible only with undisputed or validly determined demands. The enforcement of a right of retention by the purchaser is excluded, unless such right is based on the same contractual relationship or counterclaims are undisputed or have been recognised by non-appealable judgement.
5. In case of default of payment within the stipulated time period, default interest on arrears of at least 5% above the European Central Bank base rate is due and payable, even without a payment reminder. The Customer is at liberty to assert that the claim for damages on arrears has not been incurred or incurred at this level. § 353 of the German Commercial Code (HGB) and § 286 of the German Civil Code (BGB) remain unaffected. The assertion of a higher claim for damages caused by default remains unaffected.
6. If the Customer does not cash in a cheque or bill of exchange, if he is in delay with a payment, if he has cancelled payment or if evidence considered equal to a suspension of payment has been indicated, all outstanding invoice amounts become due immediately.
7. Regarding deliveries which have not yet been effected, we are entitled in the aforementioned cases to withhold outstanding deliveries and demand pre-payment or a deposit, regardless of any further legal possibilities. The same shall apply should we become aware of subsequent circumstances which exclusively or substantially diminish the creditworthiness of the Customer, or in the case that such circumstances existing before conclusion

of a contract are only acknowledged by us later. If said pre-payment or the deposit is not effected within a specific extended deadline, we are entitled to rescind contracts or demand compensation due to default.

8. In the cases referred to in VI. Item 6. and Item 7. we are further entitled to settle the contractual relationship directly with the end customer.

9. Notices of defect do not relieve the Customer from the obligation to payment within the prescribed period.

10. We are entitled to assign the claims arising from our business relationships. If factoring has been agreed, all payments shall be made with debt-discharging effect exclusively to VR-Factorem GmbH, Ludwig-Erhard-Straße 30–34, 65760 Eschborn, to which we have assigned our present and future claims arising from our business relationships. We have also assigned our retention of title to VR-Factorem GmbH.

VII. Compensation Due to Default

For all cases in which the Customer is obligated to pay compensation due to default, we are entitled to claim 20% of the purchase price as compensation, subject to the proof of losses incurred. The Customer is at liberty to assert that the claim for losses caused by default has not been incurred or incurred at this level.

VIII. Retention of Title

1. interlückle retains the right of property for purchased merchandise until such time as the Customer has made full payment of the amount owed to us (purchase price, transportation remuneration, interest on arrears, losses caused by default, etc.) arising from the existing business relationship with the Customer. In the case of behaviour contrary to the terms of agreement on the part of the Customer, particularly in the case of payment delays, we are expressly entitled to withdrawal of the merchandise. This does not in any way represent a rescinding of the contract; unless we have expressly provided for such a case in writing. In the case of seizure of the merchandise on our part, a rescinding of the contract is always applicable. We are authorised to utilise the merchandise following withdrawal, utilisation proceeds are to be deducted from the Customer's liability less appropriate utilisation costs. We are entitled to take possession of the merchandise ourselves, and this is expressly agreed to by the Customer; in this way said action in no way represents an illegal arbitrary action.

2. The Customer is obligated to store the merchandise taking due and proper care; in particular, he is obligated to insure such merchandise at his own expense against fire, water damage or theft sufficiently to the reinstatement value.

3. Upon seizure or other interventions on the part of third parties, the Customer is required to inform us immediately in writing, so that we can seek court injunction in accordance with § 771 of the German Code of Civil Procedure (ZPO). As far as the third party is not able to refund to us the judicial and extrajudicial costs of a complaint in accordance with § 771 of the German Code of Civil Procedure (ZPO), the Customer is legally responsible for any losses incurred on our side.

4. The Customer is entitled to resell the merchandise in the course of ordinary business. The Customer hereby cedes to us in advance all claims against any of his customers or third parties from the resale and reprocessing (in the final invoice amount, including value added tax) which accrue to the Customer based on the resale, irrespective of whether the retained goods have been resold with or without processing. The Customer hereby accepts such assignment. The Customer shall remain authorised to collect claims, even after this assignment. Our authority to collect the claim remains unaffected. However, we commit ourselves not to collect the claim as long as the Customer fulfils his financial obligations from proceeds taken in, is not in default with payment and, in particular, no petition for the initiation of insolvency proceedings has been filed, nor an execution of an out-of-court agreement procedure with the creditors concerning debt settlement (according to § 305 I No. 1 of the German Insolvency Code InsO), and no protest of a cheque or bill or suspension of payment has been submitted.

In such event, we may furthermore request that the Customer notifies us of the assigned claims against the claim debtors, provides all information necessary for collection, hands over the related documents, and notifies the debtor (third party) of the assignment. The collection authorisation refers to the entire outstanding balance claim. 5. We hereby commit ourselves to release the securities we are entitled to upon request of the Customer, insofar as the value which can be realised from our securities exceeds the claims to be secured by more than 45% (20% devaluation, 4% § 171 I German Insolvency Code InsO, 5% §171 II German Insolvency Code InsO and corresponding value added tax (currently 19%) required under German law). The practical value, as far as the seller does not provide evidence as to a lower value of the reserved goods, is calculated as the purchase price less the permissible devaluation at a maximum value of 45% of the claim to be secured (20% devaluation, 4% § 171 I German Insolvency Code InsO, 5% §171 II German Insolvency Code InsO and the corresponding value added tax required under German law - currently 19%) due to possible diminished proceeds. The selection of the securities to be released rests with us.

IX. Warranty

1. Obvious defects to merchandise must be communicated in writing within a period of 5 days following receipt of the merchandise; other deficiencies must be communicated in writing within 5 days after their discovery. Defects regarding mirrors, glass, marble, ceramic(s), etc. are to be noted upon receipt of goods on the delivery note. Up to the completion of a letter of complaint, the defective merchandise may neither be sold nor modified without our explicit agreement; otherwise the Customer is subject to the loss of warranty rights.

2. For rightful claims under a letter of complaint, we are at the liberty to remedy any defects to the merchandise, to take back the merchandise or offer replacement merchandise. If we do not succeed in eliminating the problem, the customer is entitled to the rescinding of the contract. Further warranty claims, in particular demands of compensation due to default, are excluded. In the case of a rectification of defects, the Customer is to return the merchandise upon demand using the shipment procedure stipulated by interlübke. If additional expenditures arise in conjunction with rectification, due to merchandise having been transported to another location than the commercial address of the Customer following delivery, then the Customer carries any extra costs resulting from the reshipment.

X. Retention/Setoff

The enforcement of the right of retention, to the extent that the Customer has not been entitled a valid claim in relation to the purchase price or validly determined warranty claim from the same contractual relationship, is excluded. Likewise, the Customer may only set off claims with undisputed counterclaims or counterclaims recognised by us or declared by non-appealable judgment.

XI. Compensation for damages

Compensation for damages claimed against us, our legal representatives or vicarious agents due to unauthorised activities, injury of obligations within contract negotiations, default in performance of contract, delay or other claims for damages, are excluded. This clause does not apply in as far as our legal representatives and vicarious agents have exhibited gross negligence and intent.

XII. Data security

We are entitled to store and utilise data resulting from the business relationship under the terms of the German Federal Law for Data Protection. We are absolved from a duty of notification.

XIII. Miscellaneous

Pattern books, catalogues, photographs, illustrations, sketches, etc. remain the property of interlübke and are subject to demand for return at any time. Our products, which are protected under patent and copyright protection laws and/or the protection of registered designs, may not be copied, even should specific protection of registered patterns and designs not exist. Documents exclusively intended for the Customer may not be made accessible to third parties. Samples and patterns are considered as approximate illustrative material for quality, dimensions and colour. Characteristics are not guaranteed; this is particularly applicable for DIN details.

XIV. Area of jurisdiction

Place of jurisdiction for all legal disputes arising out of these terms and conditions is the district court of Rheda-Wiedenbrück, regardless of the jurisdictional amount involved in the case. We are at liberty to call upon the regional court of Bielefeld in the case of corresponding jurisdictional amounts. This jurisdiction agreement applies only for business connections with commercially registered business people, legal persons or assets under public law.

XV. Severability Clause

If individual terms are invalid or should they become invalid as a result of later circumstances, the validity of the other provisions shall remain unaffected.

Lübke GmbH, Ringstraße 145, 33378 Rheda-Wiedenbrück , January 2013