

General Conditions of Sales and Delivery

I. General

All agreements and offers are subject to these conditions. They are acknowledged by placing an order or acceptance of delivery. Deviating conditions of the Buyer, which are not expressly approved in writing, shall not be binding on Craemer even if Craemer does not expressly object to them.

Any deviations from the following terms and conditions must be agreed in writing. This also applies to collateral agreements as well as to subsequent amendments of other contractual content.

Agreements concluded by Craemer's agents or sales representatives, which deviate from these terms and conditions shall not be binding on Craemer unless such agreements are confirmed or approved separately in writing by Craemer.

II. Condition of Goods

Craemer's products are produced industrially. Craemer makes every effort through continuous improvement of production methods and improving quality control to enhance the quality of its products.

However, small deviations in dimensions and workmanship or surfaces cannot always be avoided.

Deviations from models or exhibits may also occur due to improvements or changes in production technology.

III. Quotations / Prices

Craemer's quotations and prices are subject to change without notice. All samples, photographs and drawings as well as advertising material sent to the Buyer as part of an offer, remain the intellectual property of Craemer and must be returned on demand.

The prices are calculated on the basis of the wages and material costs prevailing at the time of issuing the price list.

If at the Buyer's request, deliveries or services shall not be performed within 4 months of conclusion of the contract or circumstances for which the Buyer is responsible, cannot be performed within 4 months of conclusion of the contract, then Craemer shall be entitled to invoice the prices plus the valued added tax applicable at the time of delivery/performance.

IV. Orders

Illustrations, drawings and measurements supporting an offer by Craemer are approximations only. If the order of the Buyer differs from Craemer's offer, the buyer shall promptly notify Craemer of the differences.

Orders shall only then be binding on Craemer if they are confirmed by a written order confirmation. Craemer reserves the right to delay acceptance of the order for up to 2 weeks after receipt of the order confirmation or to reject the offer. The Buyer shall be bound to the order for this period. Craemer's agents or sales representatives are not authorised to enter into agreements with the Buyer to refrain from the requirement of submitting a written order confirmation. Verbal agreements any of Craemer's agents or sales representatives must in all cases be in writing in order to be effective. This also applies to agreements by which the written requirement is to be rescinded.

The content of the purchasing agreement is determined solely by the order confirmation. The creditworthiness of the Buyer is a pre-requisite for accepting the order. The fulfilment of the purchasing agreement can be subject to payment in advance or the provision of other forms of security if subsequent information received by Craemer raises doubts about the creditworthiness of the Buyer.

V. Delivery

In the absence of specific agreement or instructions, the choice of route and means of transport shall be at the discretion of Craemer.

Craemer usually chooses an appropriate means of transport. Delivery shall be at the Buyer's risk unless Craemer carries out the transportation using its own vehicles and its own staff and damage is not caused by third parties.

The Buyer shall in accordance with section 377, paragraph 2 of the German Commercial Code (HGB) check the goods for damages in transit immediately on delivery, or at the latest within 5 working days and notify Craemer of said damages in writing within 5 days of delivery at the latest. The time at which notification is received by Craemer is decisive in determining the punctuality of the notification.

Belated notification of damages in transit shall be disregarded. They shall not entitle the Buyer to claim damages and/or rescind the contract, reduce the purchase price or exercise any rights of retention.

VI. Terms of Delivery

Call-on orders shall be accepted within 4 months of the date of order confirmation, unless other dates have been agreed.

The Buyer shall be in default of acceptance on expiry of the acceptance deadline, without the necessity for a further request to accept delivery.

All delivery deadlines shall begin on the date of dispatch of the order confirmation. They shall be deemed as met if the goods have been dispatched from Craemer's facility before expiry of the delivery deadline or Craemer has informed the Buyer that the goods are ready for shipment.

If compliance cannot be performed wholly or partially within the delivery deadline due to force majeure, strikes, shortage of raw materials or other circumstances for which Craemer cannot be held responsible, the delivery deadline shall be extended by the duration of the hindrance.

VII. Craemer's responsibility for liability for direct Breaches of Duty

The liability of Craemer for breaches of duty, in so far as this is not related to the delivery of defective material and/or defective goods, caused by Craemer or any of its agents as defined in sections 280 & 281 of the German Civil Code (BGB) shall be limited to cases of gross negligence and intentional acts. Craemer or any of its agents shall not be liable for breaches of duty in cases of minor negligence.

The above limitation of liability shall not apply to damage claims for physical injuries, damage to health or loss of life, arising from breaches of duty on the part of Craemer or any of its Agents.

The period of prescription in which the Buyer may enforce claims resulting from breaches of duty by Craemer or any of its agents shall be 1 year. The period of prescription shall begin on the date of delivery of the goods.

The statutory provisions on the period of limitation or the beginning of the period of limitation shall apply in cases of gross negligence or intent or for physical injuries, damage to health or loss of life as a result of breaches of duty by Craemer or any of its agents.

The rules set out in paragraphs VI, VIII and IX of this General Terms and Conditions of Business shall apply if the breach of duty is late delivery.

VIII. Default

Craemer shall only be deemed to be in default if it fails to perform according to the terms of the contract after an expiry period of grace of at least 4 weeks set by the Buyer.

IX. Damages and Rescission on Default

If Craemer, on expiry of a possibly extended period of grace, fails to perform its due performance or if such performance shall not be in accordance with paragraph VI of the terms and conditions of this contract and Craemer is responsible for the circumstances, if Craemer has acted with intent or gross negligence then the Buyer shall have the right to demand compensation and/or rescind the contract.

Claims for damages and the right to rescind the contract shall be excluded in cases of minor negligence.

X. Rights and Obligations of the Buyer on Materials Deficiency and Defective Goods

Notification of recognisable defects must be reported to Craemer immediately in accordance with section 377, paragraph 2 of the German Commercial Code (HGB) or within 10 working days of delivery of the goods at the latest, and for defects not detected on delivery, 10 days after detection at the latest. Paragraph V of these conditions applies for damages in transit. Should the Buyer fail to honour his obligation of punctual notification of defects under the terms of this agreement, he shall forfeit his rights of claiming damages and cure, and his right of rescission and mitigation shall be excluded.

The Buyer shall not use or repair defective goods.

Should the Buyer fail to meet his obligation under the terms of this agreement he shall forfeit all rights to claims of warranty of title and material deficiency. In accordance with sections 280, 281 of the German Civil Code (BGB) the Buyer shall likewise forfeit his rights due to breach of duty.

If the defective goods are not returned to Craemer on replacement, the Buyer shall be invoiced for the replacement. Returns of defective goods are not permitted without prior agreement. Craemer reserves the right not to accept such goods and to send them back at the Buyer's expense.

The Buyer shall be entitled to cure if the defect is acknowledged by Craemer. Craemer shall elect either to carry out repairs or replacement

Only if replacements or repairs after a correct contractual notification of defects and a reasonable period of time to provide cure have failed twice to remedy the deficiencies, shall the Buyer have the right to rescind the contract or to reduce the purchase price.

The Buyer shall not be entitled to any other claims for liability of quality and warranty of title of the purchased goods, unless Craemer has acted with intent or have given a quality and durability guarantee.

Claims of the Buyer for liability of quality and warranty of title shall lapse within one year in so far as the Buyer is regarded as an entrepreneur in accordance with paragraph 14 of the German Civil Code (BGB).

The period of prescription shall begin on the date of delivery of the goods.

XI. Recourse of the Buyer

In the event that the Buyer had to withdraw the goods from the consumer due to their defects, or the consumer reduced the purchase price and the Buyer has complied with his obligation of immediate notification of defects in accordance with section 377, paragraph 2 of the German Commercial Code (HGB), the Buyer's right to claim damages against Craemer due to defect of quality and defect in title, including reimbursement of expenses to which the Buyer is entitled in relation to the consumer based on failed subsequent performance shall be limited to a maximum of three times the net invoiced amount.

Craemer's liability for damages shall be restricted to cases of intent and gross negligence on the part of its vicarious agents. This restriction shall not apply to damages arising from physical injuries, impairment to health or loss of life.

XII. Lien, Off-Set

The Buyer is not permitted to off-set claims to which he is entitled under the purchasing agreement or to use such claims to assert a lien on the purchase price, unless the claims of the Buyer have been acknowledged in writing by Craemer or have been made legally binding by a court settlement or judgement.

XIII. Packing Material

Craemer shall not accept returns of normal commercial packing material.

XIV. Payments

The due date of payment demands and their settlement shall be in accordance with the content of the order confirmation.

Demands for accounts receivables shall be due 14 days after issuing the invoice. Punctuality of payment shall be the date on which payment is credited to the Craemer bank account.

In the event of a delay in payment, Craemer reserves the right to raise a lump sum processing fee of € 10.00 for each reminder. Other claims arising from delay in payment remain unaffected.

The Buyer may only off-set demands for payment by Craemer with indisputable or legally established claims.

Craemer's agents or sales representatives are not authorised to collect. Authorisation shall only apply if they have been provided with special identity card issued by Craemer.

Default in payment without prior reminder shall arise if the terms of payment stated in the order confirmation are exceeded.

The legal interest rate in accordance with new limitation rules of section 247 of the German Civil Code (BGB) shall be charged in default of payment.

Bills of exchange shall only be accepted following previously written agreements and only on account of performance without guarantee for protest and on condition that it is discountable. Bills of exchange expenses including any additional cost shall be calculated from the due date of the invoiced amount.

XV. Maturity of outstanding Claims regardless of content of Order Confirmation

If the Buyer is an entrepreneur within the meaning of the German Civil Code (BGB) and falls in arrears with a payment for more than 2 weeks or if anything unfavourable about his payment- or credit worthiness becomes known, then at this point, all outstanding payment for all goods supplied to the Buyer shall become due and payable in cash despite other conditions of the order confirmation to the contrary.

XVI. Retention of Title

Craemer reserves all rights to the goods until payment has been made in full by the Buyer within the terms of the business relationship including payments arising in the future and also for contracts concluded simultaneously or later. This shall also apply if individual or all demands have been put a current invoice by Craemer and the balance has been drawn and acknowledged.

The Buyer is authorised to sell the retain goods in the ordinary course of his business until said authorisation has been revoked by Craemer. The Buyer shall assign all receivables to Craemer which accrues to him from resale to his customers or third parties.

Should the retained goods be sold unprocessed or after processing or combined with products that belong exclusively to the Buyer, the Buyer herewith assigns the full value of receivables arising from the resale to Craemer. Craemer herewith accepts the assignment.

The Buyer shall still be authorised to collect claims after the assignment. The capacity of Craemer to collect the claims itself remains unaffected by this; however, Craemer shall refrain from collecting claims as long as the Buyer duly continues to fulfil his payment and other obligations. It may be demanded that the Buyer assigns the claims and identify their debtor to Craemer, provide all information necessary for collection, handover related documents and notify the debtor of the assignment.

Any working or processing of the retained goods by the Buyer shall be done on behalf of Craemer without creating any obligations on the part of Craemer. On processing, combining, mixing or blending of the retained goods with other goods not belonging to Craemer, Craemer shall be entitled to co-ownership of the newly created goods in proportion to the value of the retained goods to other processed goods at the time of processing, combining, mixing or blending. If the Buyer acquires sole ownership of the new product, the contracting parties agree that the Buyer shall grant Craemer, in proportion to the value of the processed or combined, mixed or blended retained goods, co-ownership of the new product and shall hold it in trust for Craemer free-of-charge.

If liability for a bill of exchange is substantiated by Craemer in connection with the payment of the purchase price by the Buyer, the right of retention and the receivables resulting from delivery of goods shall not expire before redemption of the bill of exchange by the Buyer as drawee.

If the value of the existing collaterals exceeds the value of the claims to be secured by more than 20% then Craemer shall be obliged on request from the Buyer to release the difference in collateral.

XVII. Place- of Jurisdiction/ Performance, Applicable Law

Place of performance is the site of Craemer's headquarters.

The following agreed terms and conditions shall apply to place of jurisdiction for all legal transactions with business people who are not traders within the meaning of section 4 of the German Commercial Code (HGB), as well as transactions with legal entities, public law or special public assets.

Places of jurisdiction at the discretion of Craemer shall be the County Court Rheda-Wiedenbrück or the Regional Court Bielefeld or the competent court of the location of the Buyer.

The place of jurisdiction shall be the competent court for all disputes arising in connection with contractual relationships, as well as for disputes that ensue about the origin and effectiveness of contracts and for bills of exchange and cheque disputes.

The contractual relationship including that of foreign customers shall be subject to the law of the Federal Republic of Germany; the application of the unified commercial law shall be excluded.

Craemer shall assert its claims at its discretion at the foreign place of jurisdiction of the Buyer and the principles of the German Code of Civil Procedure regarding taxing costs shall apply.

In any case, the Buyer shall also bear the costs for a German lawyer engaged by Craemer on default of payment by the Buyer.

All costs, including court costs as well as out-of-court costs including costs incurred by Craemer for legal advice in connection with pursuing its claims in the Federal Republic of Germany or abroad shall be borne by the Buyer.

The law of the Federal Republic of Germany shall apply in the event of disputes in respect of the effectiveness of the above terms and conditions, with the exception of the unified commercial law.

Should individual clauses of the above conditions be invalid or become invalid in the future, the remaining provisions shall remain effective. The contractual parties have agreed to replace the invalid clauses by legal provisions whose meaning and purpose are closest to the invalid clauses.