



## General Conditions of Sale and Delivery

**SumiRiko AVS Germany GmbH  
Karl-Winnacker-Str. 19  
36396 Steinau an der Straße**

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### 1. Authoritative Conditions

These conditions and other written agreements shall create the legal relations between the Buyer and us. Modifications and additions shall be done in writing. Other general terms and conditions shall not apply, unless a special agreement has been reached in a particular case.

### 2. Offers

Our offers shall not be binding in any respect. All documents being part of the offer, as figures, drawings, information on type, weight, dimension and pattern and similar shall only be rough criterion, unless they have been expressly specified as binding. We shall retain ownership and copyrights in quotations, drawings and other documents. No third parties may have access to them without our consent. Drawings and other documents belonging to the offer shall be returned on our demand if no order is placed with us.

### 3. Orders

Any orders, their modifications and additions as well, require the written form. Placed orders shall be binding. Verbal or telephone agreements or promises shall not be binding, unless we have confirmed them in writing. Buyer's conditions shall only be binding, provided that we recognized them in writing. Requests for delivery, their modifications or additions as well, shall be binding, provided that they are agreed to in writing. They may also be done by data communication.

The Buyer may only request to change the delivery item in design and model, as far as it is reasonable. Therefore a settlement by mutual agreement shall be taken regarding the consequences of it, especially in view of additional or reduced costs.

### 4. Prices

Our prices shall apply ex works, unless otherwise provided, excluding packaging, plus Value Added Tax at the applicable legal rate.

In case of changes in material- and labor costs as well as other costs, in the interval between order acknowledgement and delivery of the goods, we shall be entitled to demand price adjustments in accordance.

### 5. Delivery

Dates and terms of delivery shall be binding only after agreement. The terms of delivery shall not start before the release of patterns, procurement of order documents and drawings or placing at disposal of eventual mounting parts.

In the case of eventual delays in delivery reasonable terms of subsequent deliveries shall be agreed on. Claims for damages on behalf of the Buyer shall be excluded. The quantities delivered may exceed or stay below by up to 10%. All shipments shall be made for the account and risk of the Buyer unless we have concluded a transport insurance on Buyer's account and invoiced to him, or other agreements have been concluded.

The risk shall pass to the Buyer at the moment the goods are leaving our plant and that even for partial deliveries.

We reserve the right to choose the route and the mode of transport, provided that no other agreements have been concluded.

The notification of the readiness for dispatch shall be treated as equivalent to the delivery.

### 6. Force Majeure

Force majeure, labor disputes, public disorders, acts of government and any other unpredictable, inevitable and serious event shall relieve the parties from their obligation to perform, as long as the hindrance prevails and to the extent of its effects. This shall also be valid, if these events occur at a time when the party concerned is in delay. The parties shall be obliged to transmit the necessary information, immediately within a reasonable scope, and to adapt their obligations to the changed circumstances according to the requirements of good faith.

### 7. Payment

In principle payments shall be made into our indicated account exempt from postage and charges. By previous agreement we may accept in payment bank transfers, checks, or bills of exchange. Discount expenses and interests shall be for the Buyer's account. For all payments the settlement day shall be deemed the day when we may dispose of the amount. We, at our option, use in general incoming payments for the settlement of the invoices, which have been outstanding longest. Our invoices are due net 30 days from date of issuance of invoice. It is excluded to offset or to withhold payments for eventual counterclaims, unless the counterclaim is uncontested or has become res judicata. In the case of exceeding the due date we may charge interests on arrears of 9 %-points over the current basic interest rate.



## 8. Confidentiality

The parties shall commit themselves to treat all commercial and technical details being not obvious, which they get to know by their business relations, as a business secret. Drawings, patterns, samples and similar objects shall not be given or made available to unauthorized third parties. The reproduction of those objects is only permitted within the scope of internal requirements and the copyright rules.

## 9. Supplies and Use of Tools

The tooling costs and partial tooling costs quoted in our offers shall be reference prices. Costs for modifications occurring during fabrication or after completion of the tools shall be charged afterwards.

For tools, which are manufactured in our own factory or outside, the customer's share for the expenses for the mould shall be invoiced net, one third at the order placement, one third at the presentation of samples, and one third at the release of samples. The payment shall not lift our right of ownership of the tool. Costs for punching tools as well as costs for test tools and additional tools shall not be amortized.

Tools, which the party ordering own and which they put at our disposal, shall be delivered free of charge.

The customer shall pay for the repair and the replacement of molds that is necessary due to natural wear in course of their use.

## 10. Mounting parts

When the customer makes mounting parts available, he shall deliver them to the plant, free of charge, in time, in perfect condition permitting a normal production. We do not take any responsibility for the dimensional stability of these parts. As far as quantity is concerned 10% should be added for eventual rejects.

## 11. Warranty

Our deliveries are made according to the accepted engineering standards and the concluded agreements. The type and extent of commodity tests as well as the test equipment and method shall be agreed.

The outfall samples, which have been released by the Buyer, shall be decisive for the quality of the values indicated by us and for the construction. Defects in the goods delivered, which have been discovered according to the conditions of an ordinary course of business, must be notified to us immediately in writing.

We shall be liable for recognized defects in the delivered goods, as well as the nonconformity of agreed guaranties, in the way that we take back the claimed goods and immediately supply a replacement free of charges, excluding further claims against us or our vicarious agents or officers.

A liability on top of it may only occur, if it was agreed in writing.

Warranty claims shall be excluded particularly if the defect is imputed to the breach of operating-, maintenance- and mounting instructions, improper and inexpert usage, incorrect or careless handling, natural wear as well as interventions into the delivered object made by the Buyer or third parties.

Unless otherwise agreed, the warranty shall be governed by the statutory regulations.

Given guaranties shall only be valid, if for each case they have been designated in writing as such.

## 12. Proprietary Rights

We shall only be liable for claims, which result from the possible infringement of proprietary rights of third parties, if this has been stipulated by contract between the Buyer and us on beforehand.

Such a contract may only cover proprietary rights, whereof at least one of this group of proprietary rights has been published in the Federal Republic of Germany or by the European Patent Office.

## 13. Retention of Title

We shall retain title to all goods delivered by us until their payment in full; all deliveries are considered as one coherent delivery transaction. As for running accounts the retained title shall be considered as security for the settlement of account. When the Buyer is acting in breach of contract, especially for default of payment, we shall be entitled to withdraw the goods. Withdrawing the goods does not mean a repudiation of contract, unless we have explicitly declared it in writing. If we pledge the goods, this is always a repudiation of contract. After having taken back the goods we are entitled to their realization, the realization proceeds shall be counted against the liabilities of the Buyer - less reasonable realization costs.

The Buyer shall be under obligation to handle the goods with care; especially he shall be under obligation to insure them sufficiently at replacement value, at his expenses, against damages by reason of fire, water and theft.

In case of pledges or other infringements of third parties the Buyer shall immediately inform us in writing.

The Buyer shall have the right, in the normal course of business, to resell the goods; he, however, assigns to us in advance any claims of the final amount of the invoice (including VAT), which may arise from the resale to his buyers or third parties, regardless of whether the goods have been resold without or after processing. Even after the assignment the Buyer remains entitled to collect these claims. Our authority to collect the claims by ourselves shall not be affected by it. We commit ourselves, however, not to collect the claims, as long as the Buyer meets his payments arising from the received earnings, does not delay payment, and especially no petition in insolvency procedure has been filed, or a cessation of payment exists. However, if this is the case, we may require that the Buyer supplies us with the information about the assigned claims and their debtors, provides us with all specifications necessary for the collection, delivers the related documents, and informs the debtors (third parties) of the assignment.

The processing and transformation of goods by the Buyer shall always be carried out for us. If the goods are processed together with other objects to which title is retained by third parties, we shall acquire co-ownership of the resulting products in the ratio of



the value of the goods to the value of the other processed objects at the time of processing. Besides, the same condition shall be applicable for the objects resulting by processing as for the goods delivered under reservation.

If the goods are mixed inseparably with other objects to which title is retained by third parties, we shall acquire co-ownership of the resulting products in the ratio of the value of the goods to the value of the other mixed objects at the time of the mixing. If the goods, as a result of the mixing, become part of a principal matter of the Buyer, it shall be deemed to be agreed that the Buyer transfers the co-ownership to us on a pro-rata basis. The Buyer shall keep in custody the resulting sole-ownership or co-ownership for us.

The Buyer shall also assign those claims to us, which result out of a connection of the goods with a real estate against a third party, for safeguarding our claims.

We commit ourselves to release, at the Buyer's request, the securities provided to us to the extent that the value of our securities exceeds the claims to be safeguarded by more than 20%; the securities to be released shall be of our own choice.

#### **14. General Terms**

Place of performance shall be Steinau an der Straße, provided that nothing else has been agreed.

Should any clause in these General Conditions and the additional concluded agreements be or become invalid, this shall not affect the validity of the remaining agreement. The contractual parties shall be obliged to replace the invalid clause by a regulation, which conforms as far as possible to the economic purpose of the invalid clause.

The law of the Federal Republic of Germany shall apply exclusively, provided that nothing else has been agreed.

Application of the UN agreement on the sale of goods (agreement of the United Nations dated April 11, 1980 on Contracts for the International Sales of Goods) shall be excluded.

Place of jurisdiction shall be our competent court for the time being.