

Terms & Conditions of Sale, Delivery and Payment

of Richard Halm GmbH & Co. KG

1. General

The Terms & Conditions below shall apply to all our offers, sales and deliveries. By issuing a sales order the customer declares himself in agreement therewith in full. Different terms and conditions printed on the order forms shall have no validity for us.

2. Acceptance

Sales orders shall only be binding upon us when they have been confirmed by us in written form.

3. Particular agreements

made by our representatives shall require our written confirmation.

4. Prices

shall be subject to change and shall be in Euros. Calculation shall be made at the prices and discounts in force on the delivery day.

5. Terms and conditions of payment

- a) Due date: our receivables shall be payable strictly net at 30 days following issue of invoice.
- b) Payable within 10 days from invoice date with 2% discount.
- c) Our representatives shall only be entitled to make collection in the case of cash sales ex consignment store.
- d) Payment by bill of exchange: payment by bills of exchange shall require a prior agreement and shall not be deemed to be a payment, irrespective of by whom the bill is discounted. Discount fees must be transferred by the customer upon assignment immediately without deduction.
- e) Arrears interest: should the payment date of 30 days be exceeded, we reserve the right to charge arrears interest in the sum of the usual bank rates.

6. Delivery

shall be ex works, excluding packaging. Upon return of crates and boxes carriage paid, two thirds of the calculated amount shall be credited thereon.

7. Shipping

shall be at the customer's cost and risk.

8. Delivery times

Unless agreed otherwise in the individual case, our delivery times shall be non-binding. Call-up times and delivery scheduling shall require our written confirmation of time in the individual case. The delivery period shall begin with dispatch of the order confirmation. Adherence to deadline shall presuppose timely receipt of all documents, requisite parts and licences to be delivered by the customer, fulfilment of the agreed terms and conditions of payment, and other duties. The delivery date shall have been met if, up to its expiry, the item for delivery has left the works, or notification has been issued that it is ready for shipment.

All facts beyond our control, e.g. mobilisation, war, strikes and lock-outs, interrupted provision of raw materials and supplies, measures taken by official bodies, interruptions to business suffered by us and our sub-suppliers, shall release us for the period of the said interruption, or ultimately, if we so choose, from the duty to deliver with respect to the part incapable of being fulfilled, nor shall the customer be entitled to bring any claim on the grounds of withdrawal.

In the case of orders whose fulfilment comprises several deliveries, non-fulfilment, or defective or delayed fulfilment of a delivery shall have no effect on other deliveries belonging to the said order. Part deliveries shall be permissible.

9. Guarantee

We undertake a guarantee of six months, calculated from the day of delivery, for the proper execution of our products. This guarantee shall be given to such affect that all products that become defective during the guarantee period with normal operation as a result of certifiable material or manufacturing faults shall be repaired at our own plant, providing dispatch is made carriage paid.

All parts subject to natural wear and tear, consequences of excessive use, and improper treatment shall be excluded from this liability for defects.

Should the customer or a Third Party interfere with the product in any way, we hereby refuse any duty of guarantee. Any claims by the purchaser over and above free repair shall be subject to no duty of guarantee.

10. Complaints

regarding the quantity and characteristics of the products delivered must be made within eight days following receipt.

11. Reservation of title

Until payment of all claims under business relations, including any refinancing or reverse bills of exchange, the vendor shall reserve title to its goods deliveries, which may only be sold in the course of due and proper business.

Work carried out in or on goods delivered by ourselves shall always be to our order, without subjecting us to any duty. Should the purchaser carry out work on our reserved goods in such a way as to combine them with other goods, we shall enjoy joint title to the new product in proportion to the value of all goods to be worked at the time of working. The new product created by such working shall be deemed to be reserved goods to this extent. The purchaser may sell and work the said reserved goods only by way of normal business.

The purchaser shall not be permitted to use the reserved goods in support of any obligation or to assign them as security.

Should the goods be sold by the purchaser, or otherwise supplied to Third Parties, the purchaser's claims against the Third Party shall upon conclusion of the delivery contract be deemed to be assigned in the sum of our account receivable from the purchaser. We may undertake collection of the said receivable from the Third Party. Should we so wish, we must be supplied by the purchaser with all information required to assert our claims against Third Parties and all documents needed for this. The purchaser shall have a duty to allow inspection by ourselves of his books and invoices for this purpose. Sums which the purchaser collects for our goods must be transferred to us immediately. The purchaser shall only undertake administration of these goods in trust.

Should our goods be re-sold, the purchaser must impose upon the third-party purchaser the existing reservation of title in our favour and inform him of the assignment of the purchase price receivable. Should a lien be taken upon goods subject to reservation of title, or should they be seized, we must be notified thereof immediately by registered letter and the lienors informed of the reservation of title. The purchaser shall bear the costs of an intervention.

Should the purchaser come into arrears of payment or suspend payments, or should application be made for bankruptcy proceedings, or should proceedings for creditors' composition or agreed assistance be instituted either in or out of court, he shall have a duty to separate the reserved goods immediately and to designate them as such, and to desist from any further disposal of them. Upon demand, he immediately must surrender them to us for the purpose of discretionary realisation through sale or auction without the prior setting of a period of grace. The proceeds, less costs, shall be credited to the purchaser, up to the amount of the delivery price, against his overall debt.

12. The place of fulfilment for delivery and payment

shall be Baltmannsweiler.

13. The place of jurisdiction

for all disputes arising from these contractual relations shall be the district court in Esslingen, Neckar.

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