

General Conditions of Sale and Delivery (General Terms and Conditions)

- I. General - Scope

1.

1.Our General Terms and Conditions apply to vendors only as set forth in § 310 BGB. Our General Terms and Conditions have priority over any other third-party terms and conditions. We do not acknowledge any conditions of the buyer which oppose or differ from our General Terms and Conditions unless we have expressly approved their validity in writing. Our General Terms and Conditions shall also prevail if we execute delivery to the buyer without any reservation in the knowledge of conditions which oppose or deviate from our own.

2.

..All agreements entered into by us and the buyer for the purpose of executing this contract shall be stipulated in writing in this contract.

3.

Our General Terms and Conditions also apply to all future business with the buyer.
- II. II.Offer and Conclusion of Contract

1.

1.An order of the purchaser which is to be classified as an offer for entry into a purchase contract can be accepted by us within 2 weeks by sending an order acknowledgment or by sending the products ordered within the same time period.

2.

2.Our offers are free and non-binding unless we have expressly stated their binding character. The information provided in our offers on dimensions, weights and colors etc. are approximate values as are custom in the industry, and therefore non-binding. We furthermore reserve the right to change and modify our products as needed and required by the state of the art without prior notice.

3.

3.We hereby reserve the ownership, copyright and other proprietary rights in all pictures, calculations, drawings and other documents. The buyer may forward above mentioned documents to third parties only with our express written approval irrespective of whether such documents are identified as confidential or not.
- III. Prices

1.

Unless indicated otherwise in our order acknowledgment, our prices are „ex works” and do not include packing; packaging is invoiced separately. We reserve the right to change our prices in an appropriate manner if increases or decreases in costs take effect after conclusion of the contract in particular on the basis of collective wage agreements or increases in the price of commodities We will provide evidence to the customer upon request.

2.

Our prices are quoted without statutory V.A.T.; instead, the statutory value-added tax applicable at the invoice date shall be indicated separately in the invoice.
- IV. Terms of Payment

1.

The invoice amount (net prices + V.A.T.) is to be paid in Euros without any deductions within 30 days after the date of invoice. If payment is made within 14 days after the date of invoice, we are entitled to grant a 2% discount.

2.

Discounts are granted only if all previous invoices have been paid in full. The basis for the calculation of discounts is the net invoice value after deduction of rebates, freight costs, value-added tax, etc..

3.

We may demand immediate payment in cash only if we become aware of a significant deterioration of the buyer's financial circumstances or if we obtain information after the conclusion of the contract that the buyer had been in financial difficulties at the time the contract was signed. We are entitled to demand securities for all deliveries and services rendered up to such time; we also reserve the right to effect shipment only against payment in advance or cash on delivery, or to withdraw from the contract without the buyer being entitled to any claims against us. In this case, the buyer shall surrender the goods to us immediately and send them back to us at his expense.

4.

The provisions of the law shall apply if the buyer falls in arrears with a payment.

5.

The buyer shall only be entitled to set off claims if the buyer's counter claims are undisputed, declared legally binding, or are recognized by us. The buyer shall furthermore be authorized to exercise a right of retention to the extent that his counterclaim is derived from the same contractual relationship.
- V. Passing of Risk - Shipment/Packaging

1.

All deliveries are effected „ex works” unless agreed upon otherwise.

2.

All shipments are effected at the expense of the orderer/buyer unless agreed otherwise. The freight costs for the transportation of goods within Germany result from the current price lists. Above a certain value which results from our current price lists we deliver carriage paid within Germany. Upon request and at the cost of the buyer we shall procure transport insurance for the shipment.

3.

Loading and shipment of the goods are effected non-insured and at the buyer's risk. We shall do our best to take the buyer's interest and wishes regarding shipping type and route into consideration; any additional costs, also in the case of agreed-upon free delivery, that may arise from such considerations shall be borne by the buyer.

4.

As provided for by the packaging regulations, shipping and all other packaging items with the exclusion of pallets are non-returnable. The buyer is to see to the disposal of packaging items at his own expense.

5.

If shipment is delayed by request or fault of the buyer, we shall store the goods at the buyer's expense and risk. In such case the notice of readiness for shipment is deemed as notice of shipment.

6.

We are entitled to make partial shipments at any time as far as the buyer can be reasonably expected to accept such part deliveries.
- VI. Delivery Periods and Deadlines

1.

Dates or deadlines for delivery are not binding unless they have expressly been agreed upon as binding. The delivery time indicated by us shall not commence before all technical questions have been clarified. Likewise, the buyer shall fulfill all his obligations duly and without delay. The agreed date of delivery shall be regarded as having been complied with if the goods have left our factory or readiness for shipment has been communicated before expiration of the delivery date.

2.

Provided that the underlying purchase contract is a transaction to be settled on a fixed date in the sense of § 286 section 2 no 4 BGB (German Civil Code) or of § 376 HGB (German Commercial Code), we shall be liable as set forth by the legal provisions. The same shall apply in the event of a failure on our part to meet a delivery date which entitles the buyer to cancel further performance of the contract on the grounds that this is no longer in his interest. In such a case, our liability shall be limited to a predictable, typically occurring damage, if delayed delivery should not be based on any breach of contract attributable to us; whereby any fault of our representatives or vicarious agents shall be deemed to be attributable to us.

3.

We shall also be liable towards the buyer in terms of statutory provisions in the event of delivery delays, if such delay should be based on intentional or grossly negligent violation of the contract attributable to us; whereby any fault of our representatives or vicarious agents shall be deemed to be attributable to us. Our liability is limited to the foreseeable, typically occurring damage if delayed delivery should not be based on any intentional breach of contract attributable to us.

4.

In the case that a delivery delay for which we are responsible involves the culpable breach of a significant contractual duty for which the blame can be assigned to our representative or agent, we are liable according to legal regulations provided that the liability for damages is limited in this case to the foreseeable, typically occurring damages.

5.

In all other cases the buyer may claim a flat reimbursement in the amount of 3% of the delivery value for every week of the delay but no more than a maximum of 15% of the delivery value, if we are responsible for the delay in delivery.

6.

Any further liability in respect of a default of delivery on the part of WOLFA is hereby excluded, notwithstanding any further legal claims and rights the buyer might have in addition to the claim for damages caused by us.

7.

If the buyer fails to accept delivery, we may claim damages and reimbursement of any additional expenses. The same shall apply where the buyer intentionally or negligently violates obligations to cooperate. In the event that the buyer has legally entered into default in accepting the goods or into debtor's delay, the risks of accidental deterioration and accidental destruction of the goods pass onto the buyer.
- VII. Warranty for Defects / Liability

1.

Claims for defects shall only be recognized where the buyer has duly complied with his duties to examine the goods and to notify us of any defects as provided for in section 377 HGB (German Commercial Code). In so far as a defect exists for which we carry the liability, we shall be obliged to remedy such defect, provided that the buyer's rights to rescind the contract or to reduce the purchase price payable are waived, except in those instances where we may be entitled, in terms of the statutory provisions, to refuse to remedy the defect. The buyer shall concede a reasonable period of time for the remedying of defects. The buyer may choose between rectification of the defect (rework) or delivery of a new product. In the case of a rectification of a defect we will bear the necessary expenditures, in as far as those are not increased by the fact that the object of the contract is situated at a place other than the place of performance. If the remedying of defects is unsuccessful, the buyer may at his option require abatement of purchase price (reduction) or withdraw from the contract. The remedying

- of defects shall be deemed to have failed upon two consecutive but unsuccessful attempts, except where further attempts appear appropriate and reasonably acceptable by the buyer. The buyer may only claim compensation according to the following conditions if the subsequent performance has failed. The right of the buyer to assert further claims according to the following conditions remains unaffected hereby.

3.

All claims for defects put forward by the buyer shall become statute barred one year following the consignment of the goods at the buyer unless we have fraudulently concealed the defect, in which event the provisions of law shall apply. The statutory provisions shall also apply in the case that we not only deliver but also assemble and install products which are in fact constructional materials. Our duties from the following sections 4 and 5 remain unaffected by this.
4.

In accordance with the statutory provisions, we shall be obliged to accept a return of new products or a reduction of the purchase price, even where no due notice has been given by the buyer, if the buyer's client is to be considered an end customer of consumer products who is entitled to demand the return of the product or the reduction of the purchase price because of a defect of the product, or whenever the buyer is the addressee of such a claim by his client, who in turn sold the product to an end customer of consumer products. We shall moreover be obliged to compensate any expenses occurred to the buyer, particularly with regard to transport, carriage, labor and material costs, which the buyer had to bear for the end consumer within the framework of the subsequent performance due to any defect that existed at the time the risk associated with the goods was passed by us on to the buyer. This claim shall, however, be excluded if the buyer failed to fulfill his duties of inspection and notification of defects in terms of section 377 HGB (German Commercial Code).
5.

The obligation as in above subclause 4 is excluded if the defect is based on advertising representations or other contractual obligations that do not originate from us, or if the buyer has granted the end user additional warranties. Likewise, no claim shall be allowed if the buyer was in fact not under a statutory duty to entertain the claims put forward by the end user, or if the buyer did not object to the claims of an end user on those grounds. The same shall apply if the buyer has made warranties exceeding those stipulated by statutory provision.
6.

We accept unlimited liability in accordance with the law for loss of life, bodily or health impairment that can be traced back to negligent or willful breach of duty by us, our legal representatives or vicarious agents, as well as for damage which is covered by the Product Liability Act. We shall be liable for damages not covered by the terms of the foregoing sentence, which are caused by willful or grossly negligent breaches of contract or deceit by us or by our legal representatives or vicarious agents as set forth in the statutory provisions. In this case, however, our liability for damage shall be limited to the foreseeable, typically occurring damage unless we, our legal representatives or our vicarious agents have acted grossly negligently. Within the extent that we have provided a guarantee of the composition and/or durability of goods or components, we shall also be liable within the scope of such guarantee. We shall, however, assume liability for damage resulting from the lack of guaranteed characteristics or durability but not occurring directly on the product itself only to the extent that the risk of such damage is clearly part of the guarantee covering characteristics and durability.
7.

We shall also be liable for damage which is caused by ordinary negligence in so far as the negligence relates to the infringement of a contractual duty, whose observation is of special importance for the achievement of the contractual objective (cardinal obligation). Our liability, however, is limited to the fact that such damage is typically connected to the contract and thus foreseeable.
8.

Any further liability is excluded irrespective of the legal nature of the claim; this applies particularly to tortuous claims or claims for compensation for vain expenditures instead of performance; our liabilities resulting from paragraph VI, subclause 2 to paragraph VI subclause 5 of this contract remain unaffected hereby. In the event that our liability should be excluded or limited, the same shall also apply to the personal liability of our office employees, factory workforce, staff members, legal representatives and agents.
9.

Any damage claim the buyer puts forward on grounds of a defect shall expire one year after delivery of the goods. This shall not apply in the event of injury to life, limb or health which is our fault or that of our legal representatives or vicarious agents, or if we or our legal representatives have acted intentionally or with gross negligence, or if our simple vicarious agents have acted intentionally.

VIII. Reservation of Title

1.

The supplied product (reserved goods) shall remain our property until all claims have been fulfilled including all account balance charges from current account which we have against the buyer now or in future. In the case of a behavior contrary to contract of the buyer, e.g. default of payment, we have the right to terminate the contract and to demand return of the goods after notice and setting of a proper time limit. Our acceptance of the return of the reserved goods constitutes a rescission of the contract. Our seizure of the reserved goods is equal to withdrawal from the contract. We are entitled to utilize the reserved goods after their return to us. After deduction of an adequate amount for the utilization costs, the utilization proceeds are to be set off against the amounts that are owed to us by the buyer.
2.

The buyer shall treat the reserved goods with care and take out sufficient insurance at reinstatement value against damage from fire, water and theft. All maintenance and inspection jobs that may become necessary shall be carried out in good time by and at the expense of the buyer.
3.

The buyer shall be entitled to duly sell and/or use the reserved goods in the course of business, provided the buyer is not in default of payment. Pledges or collateral assignments are prohibited. For reasons of security, the buyer shall as of now assign to the seller the full extent of all claims arising from the re-sale or any other legal reasons (e.g. insurance, tortuous acts) in respect of the reserved goods (including all balance debits from current accounts). We grant the buyer the revocable right to collect the accounts receivable assigned to us on his own account and in his own name. Such authorization can be revoked at any time should the buyer fail to meet his payment obligations. The buyer is not entitled to transfer this claim, not even within the framework of claim collecting in the way of factoring, unless the factor declares his willingness to relinquish all payments to us as long as we still have claims against the buyer.
4.

Processing or restructuring of the reserved goods by the customer is always carried out for us. As far as the reserved goods are processed together with other products which do not belong to us, we acquire the co-ownership in the new product in the proportion of the value of the reserved goods (total invoice amount incl. value added tax) to the other processed products at the time of processing. The produce of such processing shall be subject to the same conditions as the reserved goods. In the case of the inseparable mixing of the reserved goods with other products which do not belong to us, we acquire co-ownership in the new product in the proportion of the value of the reserved goods (total invoice amount incl. value added tax) to the other mixed products at the time of the mixing. If the item of the buyer is to be deemed the main item due to the mixing, then the buyer and the seller agree that the buyer shall transfer proportionate joint ownership of the item to the seller; the seller hereby accepts the transfer. The buyer shall safekeep our resulting sole property or co-owned property for us.
5.

In the event of any action of third parties against the reserved goods, especially levy of execution, the buyer shall point out our ownership and notify us without delay so that we can enforce our property rights. As far as the third party is not able to reimburse the judicial or extrajudicial charges arising in this context, the buyer shall be liable to do so.
6.

We shall release any security we hold if their value exceeds 10 per cent of the value of our claims against the buyer, provided that we shall be free to decide which specific securities are to be released.

IX. Place of Performance and Venue

The place of performance and jurisdiction for deliveries and payments (including actions due to checks and bills of exchange) and all disputes arising between us and the buyer based on the purchase contracts concluded between us and the buyer shall be our registered office. We shall also be entitled, however, to sue the buyer at the buyer's domicile and/or registered office.

X. Final Provisions

1.

The relationship between the contracting parties is subject exclusively to the laws of the Federal Republic of Germany. The application of the uniform law governing the international purchase of movable objects and the law governing the conclusion of international purchase contracts for movable objects is excluded.
2.

The buyer agrees that all data concerning the goods, the order and the persons involved can be recorded, saved and processed by us in the sense of and as required and enforced by the legal provisions.
3.

Should one of the above named provisions be or become void or impracticable or if the contract proves to be insufficiently formulated, the validity of the remaining provisions shall remain unaffected. Should one of the above named provisions be or become void or impracticable, the parties undertake to replace the invalid provision with a valid ruling closest to the the sense and purpose of the contract and to the interests of both parties. The same applies if the contract proves to be insufficient or if the execution of one provision proves to be impracticable.