Standard Terms and Conditions Weber Bürstensysteme GmbH

1 Genera

Deliveries, services and offers by Seller shall be based exclusively on these Terms and Conditions. They shall apply to all future business relations, even if not explicitly agreed again. These Terms and Conditions shall be deemed to have been recognised at the latest on receipt of the goods or service. Orders or counter-confirmations by Buyer with reference to its own terms of business or purchase shall be disregarded. Deviations from Seller's terms and conditions shall be valid only if confirmed in writing by it. Offers shall be non-binding and without engagement. Declarations of acceptance and orders shall be binding for Seller only if confirmed in writing or executed through delivery of the goods. The same shall apply to additions and supplementary agreements.

Drawings, illustrations, measurements, weights and other performance data shall be binding only if explicitly indicated in writing.

Modifications to the requirement of writing shall also be made in writing.

2 Drings

The prices in the price list are to be understood as recommended prices. The actual price should be checked with Seller before every order. They are quoted net and in euros. Packaging, freight, postage and insurance are not included in the price. For orders worth less than EUR 50.00 plus VAT a handling fee of EUR 5.00 shall be charged.

If more than four months have elapsed between the order placement and delivery date, Seller shall be entitled to charge a proportion of the increases in material, wage and other costs in commercial transactions occurring after the contract has been entered. If the resultant price increase is more than 10 per cent of the total net price, Buyer shall be entitled to cancel the order. This shall also apply to transactions under a master agreement.

3. Transfer of risk, dispatch, freight

Goods shall be sold ex works. If dispatch is agreed, the route and type of dispatch shall be chosen by Seller. In this case the dispatch shall be paid for by Buyer.

The goods shall be uninsured. At the request of Buyer insurance may be taken out at its expense. Delivery shall be made to Buyer's warehouse address. Even in the case of carriage-paid or carriage-free delivery, the risk shall transfer to Buyer as soon as the goods have been handed to the transporter or have left Seller's warehouse for the purpose of dispatch.

4. Retention of title

- 4.1 Seller shall retain title to the purchased object until fulfilment of all obligations by Buyer towards the Seller. In the case of current account arrangements, title to the goods shall be retained as security for the balance due to Seller.
- 4.2 Processing or transformation of the goods by Buyer shall be carried out on behalf of Seller without acquisition of title pursuant to § 950 of the German Civil Code (BGB). Seller shall become co-owner of the new object in the ratio of the value of the purchased goods to that of the processed or transformed goods. It shall retain title to the new object as security for its claims. The processing (combining/mixing) by Buyer with other goods not belonging to Seller shall be based on the provisions of §§ 947, 948 BGB with the result that Seller shall retain proportional co-title to the new object. This provision shall apply in particular to the installation of our goods in machines.
- 4.3 Buyer may resell the goods subject to retention of title only in the course of its normal business transactions or under the condition that an extension of the retention of title is also agreed with its customers. Buyer shall not be entitled to dispose otherwise of goods subject to retention of title. In the event of resale, Buyer hereby assigns to Seller all claims with respect to its customers as a result of the resale until Buyer has satisfied all of Seller's claims towards it. In the event that the goods subject to retention of title are sold after processing as described in paragraph 4.2 together with other goods not belonging to Seller, the assignment of the purchase price claim shall apply only to the extent of the invoice value of the goods to which Seller retains title. Seller authorises Buyer, subject to retraction, to collect assigned claims. Seller shall not make use of its right of collection as long as Buyer complies with its payment obligations, including those with regard to third parties.
- 4.4 If the value of Seller's securities exceeds its total claims by more than 10 per cent, it shall at Buyer's request release the additional securities at its own discretion
- 4.5 If Seller asserts its right to take back goods to which it retains title in accordance with the above provisions, it shall be entitled to sell or auction the goods at its discretion. The goods to which it retains title shall be taken back against payment of the proceeds achieved to a maximum of the agreed delivery prices. It retains the right to assert further claims for compensation, in particular loss of profit.
- 4.6 In the event of insolvency the retention of title shall apply to all goods belonging to or contained in the insolvent assets that have been delivered by Seller, including those already paid for by Buyer, until satisfaction of all claims due to Seller. Should Buyer cease payment before it has paid for the delivered goods, Seller shall be entitled in accordance with §§ 47, 48 of the Insolvency Regulation (InsO) to segregate the goods or demand replacement segregation.

5. Terms of payment

- 5.1 All invoices shall be due for payment within twelve workdays from the invoice date with 2 per cent discount, or within thirty days net. Discounts shall be applicable only if there are no outstanding claims.
- 5.2 In the event of delayed payment, 8 per cent interest over the respective base rate shall be charged with effect from the due date. Reba-

- tes and other benefits shall be granted provided that all of Seller's claims are satisfied as agreed. In the event of delayed payment by Buyer, Seller shall be entitled to revoke rebates or other benefits granted. In such a case Seller may refuse to provide outstanding services until a reasonable advance payment has been made or security provided, without prejudice to further legal remedies. Should Buyer refuse or fail to make payment within the period specified by Seller, Seller shall be entitled to withdraw from the agreement and recover compensation.
- 5.3 Bills of exchange or cheques shall be accepted only by agreement and only on account of performance and subject to their discountability. Discount charges shall be calculated from the due date of payment of the invoice amount. No guarantee is provided that the bill of exchange or cheque will be presented in due time or that a bill is protested.
- 5.4 Partial deliveries shall be regarded as completed transactions and shall be subject to the terms of payment above.
- 5.5 If Seller has indisputably delivered partially defective goods, Buyer shall nevertheless make payment for the non-defective part unless it cannot use the partial delivery. Otherwise Buyer shall be entitled to offset or withhold only undisputed or legally established claims.
- 5.6 Complaints shall not discharge Buyer from its obligation to make payments on time. If Buyer does not fulfil its contractual obligations, Seller shall be entitled to demand lump-sum compensation for loss of profits and/or processing and administrative costs of 25 per cent of the net value of the goods. It reserves the right to assert further demonstrable claims for compensation.

Deliveries

- 6.1 The condition for observance of delivery dates shall be the correct and timely delivery by Seller's own suppliers.
- 6.2 If Seller is late in delivering and fails to observe a reasonable additional period of time set by Buyer, Buyer shall be entitled to withdraw from the agreement. Notice of withdrawal is to be given without delay in writing after expiry of the period of time set.
- 6.3 If delivery is delayed for reasons for which Seller is not responsible, such as force majeure, labour disputes, commotion, official measures, failure by Seller's own suppliers to deliver and other unforeseeable and unavoidable events, the delivery date shall be extended for the duration of the delay and a reasonable start-up time.
- 6.4 Partial deliveries of a reasonable amount shall be allowed. They shall be invoiced separately.
- 6.5 In the event of call orders, Seller shall be entitled unless otherwise agreed to obtain the material for the entire order and manufacture the entire ordered amount. Modifications desired by Buyer cannot therefore be taken into account thereafter unless otherwise agreed.
- 6.6 Plastic, metal or wooden broom bodies that can be fitted with replacement brushes shall be property of Weber Bürstensysteme GmbH. They shall be provided free of charge on loan.

7. Properties, warranty

- 7.1 Apparent defects must be reported within eight calendar days of receipt of the goods. Hidden defects shall be reported without delay on discovery, at the latest eight calendar days thereafter. The inspection obligations pursuant to § 377 of the German Commercial Code (HGB) shall remain in force.
- 7.2 If the goods have been accepted by Buyer or its agents, subsequent complaints may not be made.
- 7.3 Agreed properties as defined in § 434 para. 1 BGB are to be explicitly indicated as such. Article names, numbers and sizes in illustrations and drawings in quotations and catalogues shall not be binding. Seller reserves the right to update them.
- 7.4 The properties of the goods shall be based exclusively on the agreed technical delivery specifications. If Seller is to deliver in accordance with drawings, specifications, models, etc., provided by Buyer, the latter shall accept the risk of the suitability for the contracted purpose. The contractually agreed status shall be determined at the time of transfer of risk.
- 7.5 Seller shall not be liable for material defects resulting from unsuitable or improper use, incorrect assembly by Buyer or third parties, normal wear and tear, defective or negligent handling or for the consequences of improper changes or maintenance by Buyer or third parties performed without Seller's agreement. The same shall apply to defects that only minimally reduce the value or usability of the goods.
- 7.6 With roller brushes and lateral brushes with part-wire bristles, bristle loss may occur in spite of the greatest care in the selection, quality control and processing of the wire material. Seller provides no guarantee in this regard and rejects all guarantee claims for incidental loss. Seller expressly warns against their use in agricultural operations or in areas where children are to be found (schools, kindergartens, etc.).
- 7.7 Claims for material defects shall be barred upon the passage of twelve months except where longer periods are stipulated by law.
- 7.8 Seller shall be provided with the opportunity to verify the defects complained about and the goods in questions shall be returned to it without delay if requested. It shall pay the transport costs if the complaint is justified. If Buyer fails to meet its obligations or makes changes to goods that have been complained about without Seller's agreement, it shall lose any claims for defects.
- 7.9 If the guarantee claim is justified, Seller may repair or replace the goods. If the repair or replacement fails, Buyer shall be entitled after a further period of time granted to demand a reduction in purchase

price, withdraw from the contract or make necessary repairs itself or by third parties at Seller's cost and risk. If the repair by Buyer or third party is successful, all claims by Buyer shall be deemed to have been met through payment of the costs incurred by it. Reimbursement of costs shall not be made in so far as the outlay increases because the goods were moved elsewhere after delivery, unless this is in accordance with the intended use of the goods.

7.10 Legal recourse by Buyer to Seller shall apply only in as far as it has made no agreement with its customer beyond the legal claim for defects. The last sentence of paragraph 7.9 shall apply to the extent of recourse claims. The legal provisions regarding burden of proof shall remain unaffected hereby.

8. Exclusion of liability

- 8.1 Liability shall be governed exclusively by the conditions above. All claims, including claims for compensation that are not explicitly allowed there regardless of their legal basis shall not be recognised. This applies in particular to claims for compensation on account of the infringement of obligations when starting contract negotiations and the initiation of the debt relationship and through tort. Seller shall not therefore be liable for losses incurred with respect to the delivered goods themselves, in particular for lost profit or other pecuniary loss by Buyer.
- 8.2 The liability restrictions above shall not apply in the case of intent, gross negligence by Seller's legal representatives or executive employees or violation by it of essential contractual obligations. In the latter case Seller shall be liable only for typical and reasonably fore-seeable damage, except in the case of intent or gross negligence by legal representatives or executive employees.
- 8.3 The liability restriction shall not apply in addition to cases of liability according to the German Product Liability Act (Produkthaftungsgesetz) for personal injury and material damage to privately used objects or to damage to life, limb or health and the absence of agreed properties, if and in so far as the intention of the agreement is to safeguard Buyer against losses that are not incurred to the delivered goods themselves.
- 8.4 In so far as liability is excluded or restricted, this shall also apply to the personal liability of Seller's employees, legal representatives or agents.

9. Place of performance and choice of court, applicable law

The place of performance for all deliveries and payments shall be Bad Camberg. Limburg/Lahn Local Court (Amtsgericht) shall have material and geographical jurisdiction for all disputes arising out of this agreement, regardless of the value of the dispute. This shall also apply to claims regarding bills of exchange and cheques. Limburg/Lahn Local Court shall also have jurisdiction if Buyer has no general place of jurisdiction in the Federal Republic of Germany. The agreement shall be subject exclusively to the law of the Federal Republic of Germany. The UN Convention on Contracts for the International Sale of Goods of 11 April 1980 shall not be applicable. Buyer shall inform Weber Bürstensysteme GmbH if it is not a business entity (Vollkaufmann) as defined in the German Commercial Code.