# General Terms and Conditions of Business

#### 1 Standard conditions

- Our offers, acceptance of an order and all deliveries and performances are based exclusively on the following conditions.
- 1.2 Our customers' conditions of purchase are not binding for us even if we do not expressly contradict them.
- 1.3 Any assurances from our representatives only become binding with our written confirmation.
- 1.4 Should individual provisions of our conditions of business be or become ineffective, the remaining provisions retain their validity.

## 2 Placing an order

- 2.1 Orders are not considered accepted until they have been confirmed by us in writing.
- 2.2 We regard order confirmations as being acknowledged by our customers if they are not contradicted in writing within five days.
- 2.3 Delivery deadlines quoted in order confirmations are expected dates and times. Nonobservance does not justify default.
- 2.4 Any agreed deviations from our order confirmation required our written acknowledgement in order to be effective.

#### 3 Delivery and performance

- 3.1 We select the type and method of shipment to the best of our judgement. Delivery is carried out at the recipient's risk.
- 3.2 Partial deliveries are admissible unless expressly refused by the customer on placing the order
- 3.3 All shipments within European borders are insured against damage in transit.
- 3.4 Delayed delivery due to forwarding agents does not give grounds for either withdrawal or compensation claims.

## 4 Warranty and liability

- 4.1 Interruptions of operation and traffic disruptions, non-appearance of deliveries from our suppliers as well as all cases of force majeure, also with our suppliers, exempt us for the duration of the interruption and scale of its consequences from the delivery obligation.
- 4.2 If the customer is in default of acceptance, we are entitled to charge all costs incurred through this (freight, storage charges etc.).
- 4.3 Warranty or more extensive liability no longer apply
  - if our products are not assembled according to our assembly and installation instructions.
  - if outside accessory parts are used.
- In the event of inadequate delivery, the subsequent performance claim is restricted at our discretion to eliminating the fault or supplying a flawless item. Replacement of more extensive expenses within the meaning of § 439, paragraph 2 German Civil Code (BGB) is excluded.
- 4.5 The warranty is otherwise dependent on statutory provisions of the German law of obligations, whereby the liability where possible is limited to wilful intent.

## 5 Damage in transit, complaints

- 5.1 Transport damage must be reported to us (not to our commercial agents) in writing with five days of the goods being received.
- 5.2 Visible quality defects must be reported to us immediately; §§ 377, 378 Commercial Code (HGB) remain unaffected.
- 5.3 Defects caused by wrong storage, incorrect use, extreme use or through nonobservance of our instructions do not fall under the warranty.
- 5.4 Alterations to design and shape, deviations in colour or surface (especially with fabrics and natural materials) are reserved and cannot be acknowledged as reason for complaint.
- 5.5 Customers are not entitled to send back goods without our written consent; we otherwise reserve the right to refuse acceptance of the shipment.

If an inspection of any goods sent in as a result of a complaint should reveal that they work flawlessly, we are entitled to charge the costs incurred for the performance check.

## 6 Prices and terms of payment

- 6.1 Unless otherwise quoted in our current price list, all prices are valid ex works including packaging and excluding shipping costs and statutory value-added tax.
- 6.2 The price is dependent on the price list valid at the time of delivery.
- 6.3 The delivery of initial orders takes place COD or on advance payment.
- 6.4 If there are any doubts about the customer's solvency or ability to pay, we are entitled to demand payment in advance resp. to withdraw from the contract and request damages for our expenses.
- Terms of delivery and payment can be found on our order confirmation/delivery note/invoice. Special payment agreements require the written form.
- 6.6 Payment deadlines are valid from the date of invoice and not from the date the goods were received. A discount can only be deducted if all invoices due up to this point have been paid at the latest simultaneously.
- 6.7 Interest must be paid on all liabilities from the due date within the framework of delay of payment in accordance with §§ 247, 288 paragraph 2 BGB (base lending rate plus 8 percent). The claim to further damages caused by default remains reserved in individual cases.
- 6.8 If the customer falls into arrears with the fulfilment of his payment obligations, we reserve the right to deliver future orders against advance payment or COD.

#### 7 Reservation of ownership

- 7.1 We retain ownership of the delivered goods until the customer has settled all obligations from the business connection.
- 7.2 The buyer can sell the goods in the ordinary course of business as long as he punctually fulfils his obligations from the business connection with us.
- 7.3 If the customer falls behind in payment, we are entitled to demand temporary return of the goods owned by us at his expense.
- 7.4 At our request, the customer must give us all necessary information on the condition of the goods owned by us.
- 7.5 Pledging and collateral assignment are inadmissible.

## 8 Model protection

- 8.1 Our models are protected by law.
- 8.2 Copies will be legally prosecuted. This also applies to designs that we produce at a customer's request.

## 9 Place of performance and legal venue

- 9.1 Place of performance for all obligations from the contractual relationship is Munich.
- 9.2 Legal venue for all current and future claims from the business connection is Munich.
- 9.3 German law applies exclusively.

Ingo Maurer GmbH

January 2002