



Lackfabrik Irmgard Sallinger GmbH

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General Standard Terms and Conditions, valid as of February 2006

1.0 Scope of Application

- 1.1. The following General Standard Terms and Conditions shall apply exclusively to any business transactions between us and our customers if the customer is a businessman in the sense of § 14 BGB (*German Civil Code*), a legal person under public law or a public special fund. We shall acknowledge the customer's terms and conditions to the contrary only if their validity has been expressly confirmed by us in writing.
- 1.2. Our General Standard Terms and Conditions shall not apply to any business transactions concluded with final consumers in the sense of § 13 BGB. This shall not apply to the provision relating to the reservation of ownership pursuant to item 5 of our General Standard Terms and Conditions. The reservation of ownership shall be agreed upon also with final consumers.
- 1.3. The present General Standard Terms and Conditions shall also apply to any business transactions between us and our foreign customers. Unless otherwise provided for in our General Standard Terms and Conditions, the UN Convention on the International Sale of Goods (CISG) shall apply to any transactions with foreign customers.
- 1.4. The present General Standard Terms and Conditions shall also apply to any further agreements entered into between us and our customers. They shall apply to any further agreements without our referring to them separately.

2.0 Conclusion of Agreements, Duties, Quality Determination

- 2.1 The offers of our company shall always be without engagement and non-binding.
- 2.2 The order confirmation indicating the article text shall include our duty to deliver and determines the quality of the contractual products to be delivered, including the contents of the data and safety data sheets relating to the respective product. As far as storage stability, purpose of use, degree of gloss, drying times, combinability and restrictions of application are concerned, we draw your attention to the contents of the Technical Data and Safety Data Sheets and of the CTA brochure of the Chemical-Technical Federation for Parquetry Sealing, technical guide. The said brochure contains currently updated information on the processing and application of the products and the procedures to be avoided. We also draw your attention to the publications made by the specialised press. If the customer is not in possession of the current valid version of the Technical Data and Safety Data Sheet, he may obtain it from us. The same applies to the CTA brochure and the references to current publications of the specialised press. It shall be the customer's duty to make use of the said information.
- 2.3 Performance and quality shall be determined by the information contained in the offer, in the order confirmation and the media referred to in item 2.2. The said determination shall prevail against the statements made by us and/or our commercial agents in advertisement, leaflets or otherwise made in public.
- 2.4 Any application-related, technical information and advice provided by us to the customer upon his request will be given in accordance with the current level of our technical knowledge and experience. The information provided by us shall not release the customer from his duty to execute in individual cases a specific aptitude test of our products with regard to the intended purpose prior to using them.



3.0 Prices and Terms of Payment

- 3.1 Payment shall be due 30 days after the date of issue of the invoice. A cash discount of 2% of the net value of the goods is granted for each payment made within 10 days after the invoice date. No cash discount shall be granted for any invoice in the event there are still any outstanding invoices due for payment. The day on which the payment arrives on one of our accounts or at our company shall be considered as the day of payment. The remittance of bills shall not be considered as cash payment and shall be admissible only on account of payment with our previous approval. Any discount and bill charges shall be borne by the customer.
- 3.2 Unless otherwise agreed upon in writing in the order confirmation, our prices shall be those mentioned in our respectively valid price list and shall apply ex works Deisenhausen plus packaging and the respectively valid value-added tax for deliveries within Germany. Unless otherwise provided for, our prices are always to be understood in euros/per litre, kg or unit. In order to enable us to maintain our prices, the minimum order value shall be of the net amount of 100.00 euros. We shall be entitled to charge a mark-up for small-volume purchases of 10.00 euros for any order the value of which is less than the minimum order value. We shall not charge value-added tax to our foreign customers provided that they submit to us their ID number and/or provide us with evidence of export shipment.
- 3.3 The customer's payments in our favour shall be considered as delayed according to the respectively valid provisions. The legal provisions shall be considered as contractually agreed upon. We will calculate the rate of interest in accordance with the legal rate (§ 288 para. 1,2 BGB) plus a fee of 3.00 euros for each reminder following the due date of the respective payment.
- 3.4 The customer shall be entitled to offset only any uncontested or validly determined claims against our debt claims and execute the right of retention only with regard to the said claims. The offsetting of contested claims and the respective retention shall be excluded between us and our customer.

4.0 Delivery Periods and Dates, Transfer of Risk

- 4.1 The delivery periods and dates shall be those mentioned in the respective written order confirmation.
- 4.2 In the event we are prevented from complying with any delivery dates and the fulfilment of our duties on account of any circumstances beyond our control such as events of force majeure, inevitable damage by natural forces, breakdown or delay of our suppliers, unlawful strikes within our company, the compliance with the delivery periods and dates shall be excluded. They shall be extended and/or postponed by the period of the prevention.
- 4.3 If the invoice amount exceeds the net amount of 500.00 euros, our deliveries within Germany shall be franco domicile. We reserve the right to dispatch the goods freight or carriage paid/unpaid. Any cartage and the charges of any requested express or rush deliveries shall in any case be borne by the customer. If the goods are to be delivered abroad, the items 4.1, 4.2 and 4.3 of the General Standard Terms and Conditions shall apply to any consignment up to the German border and/or to the German harbour. Unless otherwise provided for, "EXW" Incoterms 2000 shall apply to the rest.
- 4.4 Any partial deliveries the customer can be reasonably expected to accept are admissible.



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5.0 Reservation of Ownership

- 5.1 Any goods supplied by us shall remain our property until any obligations to pay including any subsidiary claim, claim for damages and the payment of any bills or checks have been fully complied with and/or settled.
- 5.2 We undertake to release the collaterals we are entitled to upon the customer's request to the extent the value of our collaterals exceeds the value of the claim to be secured by more than 30%. We shall select the collaterals to be released.
- 5.3 The customer shall be entitled to process, mix up, mingle and sell the goods in the frame of the due and usual course of business. The customer shall not be entitled to pledge the goods or to transfer them by way of security. Any third-party attachments or arrest shall be immediately notified to us.
- 5.4 Right now, the customer assigns to us any debt claims resulting from the resale of conditional commodities and we accept the said assignment. Without being requested to do so, the customer shall notify us of any assignment relating to the debt claims to be acquired by us in accordance with the preceding sentence, which have been made prior to the present assignment of debt claims. The same shall apply to any debt claims resulting from any agreement on services and non-gratuitous contract for services or work, upon the fulfilment of which the reservation of ownership will lapse.
- 5.5 In the event of the resale of any goods of which our customer is a co-owner together with his clients as he processed, mixed or mingled the said goods, the assignment in advance shall include that part of the debt claim corresponding to the invoice value of the processed, mixed or mingled goods of our customer. The same shall apply accordingly if our conditional commodities are resold together with any other goods.
- 5.6 In the event the customer does not comply with his duties towards us, in particular in the event any payment is not made as contractually agreed upon or if he suffers forfeiture of property, we shall, to the extent the customer is no final consumer in the sense of § 13 BGB, be entitled to request the return of our goods, even without withdrawing from the agreement, and to take possession of our goods. If and to the extent we take possession of any goods, this does not constitute a withdrawal from the agreement unless we declared it expressly. The customer shall provide us with a list of the goods still in his possession.
- 5.7 If the customer's payment is delayed for more than two weeks as of the due date of the invoice or if due to the lack of the customer's economic performance the realization of our claims is threatened, the customer shall disclose the assignment to his creditors and debtors and provide us with any information required for the collection of the debt claim and to return to us any document required to this effect.
- 5.8 The value of any goods possibly taken back will be credited to the customer. The value of the goods shall amount to our sales price less an administrative fee of 20% of the value. Our customer shall be free to provide us with evidence of the fact that the taking back of the goods did not cause any damage to us or only a damage of considerably less importance. The taking back of the goods shall not prevent us from asserting any further claims. We shall not be obliged to take back any goods.
- 5.9 The customer shall immediately notify us of any third-party access to the goods supplied or the debt claims assigned to us in writing – in individual cases, previously by telephone, and to support us in any way upon our intervention against any such third party.



6.0 Default in Performance, Violation of Duties, Redhibitory Defects, Liability

6.1 Our customer shall examine the goods immediately following their arrival and to the extent this is required according to the proper course of business and to notify us immediately of any defect. If the customer fails to notify us, the goods shall be considered as accepted and our customer shall no longer be entitled to assert any rights on account of a defect unless the defect could not be recognized or was fraudulently concealed by us. In the event a hidden defect appears later only, the customer shall also notify us immediately.

If the customer fails to do so, the customer shall no longer be entitled to assert any rights on account of a defect towards us, unless we fraudulently concealed the defect.

6.2 We shall be liable only for any damage which has been caused by our intentional and/or roughly negligent behaviour. We shall also be liable for any damage to life, limb or health we are answerable for due to our negligent acts.

6.3 If any goods supplied by us present a defect, the customer shall be entitled to additional fulfilment. This right shall consist, at our discretion, in the additional delivery of an item that is free of defect or in the repair of the supplied item. We shall be entitled to attempt to execute the additional performance at least twice. If the item turns out to be defective only after it was transmitted by our customer to any third party, we will be ready to execute additional fulfilment at the site the item is then located, unless we cannot reasonably be expected to do so. The execution of the additional fulfilment at the site where the goods are located may require the third party's consent, e. g. in order to enter the site. It shall be our customer's duty to obtain any such consent.

6.4 If the quality of the goods supplied by us differs only slightly from the quality contractually agreed upon, this shall not entitle the customer to raise any claims.

6.5 If our customer withdraws from the agreement or reduces the purchase price on account of any infringement of a duty we are answerable for due to negligence and if we cure the infringement of the duty by repair or additional performance, the assertion of any claim for damages of any kind towards us shall be excluded.

6.6 Any claim for damages towards us shall be limited to any such damage which was at the time of conclusion of the agreement a foreseeable consequence of the use of the goods supplied by us.

6.7 When processing our products (in particular as far as any wood which is not native, i. e. exotic, is concerned), the customer shall examine if any special processing is required in particular for the ascertainment of the colour quality, drying, visual effect, adhesion and the appearance of the final product to be manufactured. If and to the extent our customer does not have the know-how required to that effect, he shall be entitled to involve an expert third party at his expenses.

6.8 The customer shall properly store the goods supplied by us and protect them against any incompatible environmental influences such as chemical reactions. We shall not be liable for any negative changes of the goods supplied by us caused by usual wear or by the effects of time.

6.9 If the goods are exported by our customer to any third country, and also if they are processed by our customer, we shall not be liable for the readiness of our products to be exported and the exemption from any governmental approvals and their readiness to be imported into the countries to which our customer exports.



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7.0 Warranties

- 7.1 In order to be valid, any warranties shall be provided in writing, separately from the order confirmation.
- 7.2 The determination of quality and the description of performance shall not include any warranties. The assumption of any implied warranties is expressly excluded.

8.0 Data Protection

We shall be entitled to keep, process and commercially use any data of the customer we received from him in the frame of our business relationship to the extent the customer can dispose of the said data himself. The transmission of any data of the customer to any third party shall require the customer's previous consent unless the said transmission is required in order to realize the contractual requirements. Accordingly, in particular the transmission of information for the collection of receivables shall be admissible. We shall delete any customer data which we do no longer need and which do not have to be stored by us due to any legal prescriptions such as the duty to keep books of account within two years after their gathering.

9.0 Place of Fulfilment and Place of Jurisdiction

- 9.1 If our customer is a businessman in the sense of § 14 BGB, a legal person under public law or a public special fund, Deisenhausen, our business seat, shall be the place of performance with regard to the duties to deliver and to pay.
- 9.2 To the extent admissible according to § 38 para. 1,2 ZPO (*German Code of Civil Procedure*), the courts locally competent for Deisenhausen shall be the place of jurisdiction.

10.0 Separability

Should one or several provisions of our General Standard Terms and Conditions be invalid, this shall not affect the validity of the remaining provisions. The invalidity of one or several provisions of our General Standard Terms and Conditions shall not result in the nullity or invalidity of our General Standard Terms and Conditions as a whole.