

**Kusch+Co GmbH & Co. KG**  
**Purchasing conditions**

All our orders are subject to the following purchasing conditions, unless a separate agreement was concluded.

**I. Purchasing conditions**

The purchasing conditions mentioned in this document regulate the mutual contractual obligations between the supplier and us. These conditions apply to all business relationships and all contracts be they concluded verbally, by telephone, by fax, by e-mail or by any other means of communication. Only in exceptional circumstances can the supplier benefit from special conditions provided that these conditions are stipulated in writing. Our acceptance of the subject of contract does not substitute the confirmation in writing.

**II. Order confirmation**

Orders are to be confirmed stating the amount on the invoice. The order and supplier numbers are to be written on every order confirmation, delivery receipt and invoice, the latter in duplicate.

**III. Pricing and payment practices**

1. The offered prices are fixed prices, excluding VAT. The quotation must include transportation in safety packaging and should be free destination. The supplier agrees not to charge us extra in case of any price increase after contract conclusion. Any price increase will be disregarded when the delivery is scheduled for any date 4 months after contract conclusion or when the delivery occurs 4 months after contract conclusion.
2. Terms of payment start after the delivered goods or services have been inspected and accepted and after invoice receipt. The invoice is considered settled in time when the payment has been transferred by us. The term of payment ends when the bank transfer was instructed by us.

**IV. Packaging and passing of risk**

1. The delivered goods should be packaged correctly, as far as the nature of the goods requires packaging. The packaging should prevent any type of damage and conform to the method of transportation as well as the packing instructions mentioned in our order.
2. The risk is passed to us upon delivery at the required destination, unless the transportation was exceptionally carried out by one of our employees or by a forwarding agency contracted by us.

**V. Term of delivery**

Delivery dates or terms of delivery respectively are binding and have to be met by the supplier. When the supplier fails to meet the deadline, he must propose a new delivery date within a reasonable time. When the supplier repeatedly fails to meet the deadline, we are entitled to withdraw from the contract, even when the delay occurred through no fault of the supplier's. Our right to sue for damage remains unaffected. The acceptance of goods or services delivered after the deadline expired doesn't waive our claim for compensation. All extra costs caused by late delivery of goods or services are to be compensated for by the supplier, most notably in case of withdrawal. Furthermore, the supplier must accept responsibility in case of missed deadlines in accordance with legal requirements.

**VI. Warranty for defects**

1. Apart from the implied warranty and the standard guarantee provided by the supplier, the latter guarantees that the delivered goods or services respectively are free of defects that would reduce the value or functionality and that the goods have all the necessary properties to fulfil the intended purpose of use and meet all legal regulations as well as all relevant directives, technical standards, regulations (DIN standards, VDE Testing and Certification Institute, etc.) and guidelines issued by the authorities,
2. The supplier won't reject a belated letter of complaint
3. When defects are detected within the term of liability or when the warranty for the goods or services isn't met, we are entitled to demand a rectification of the defects or to have the goods replaced. The supplier will take charge of all necessary expenditure to repair or replace the damaged goods, most notably the transportation, labour and material costs. When we have opted for the rectification of defects, we consider any unsuccessful attempt as a failure to repair the damage. We have the right to repair the goods ourselves at the supplier's expenses, when safety standards are compromised or when the goods are urgently needed. Furthermore, we are entitled to the legal claims.
4. All warranty claims lapse at the end of the legal terms.
5. When a supplementary inspection is required as a result of damaged goods besides the standard reception inspection, the supplier has to bear the costs.

**VII. Right of withdrawal**

We have the right to withdraw from the contract in case of Acts of God, in compliance with official directives or due to other malfunctions.

**VIII. Order forms, samples, drawings, etc.**

All technical details as well as all documents put at the supplier's disposal in order to manufacture the goods may not be used for other purposes, nor copied nor be made accessible to a third party. Upon request, the supplier is to return all documents to us. The supplier has no right to keep these documents, whatever the line of reasoning.

**IX. Final clauses**

1. Place of payment is Hallenberg, place of delivery for all deliveries and services is the mentioned place of destination.
2. Court of jurisdiction for all contractual disputes based on these purchasing conditions is Hallenberg. This applies to all legal actions taken by us but also to all legal actions taken against us.
3. Business relations between us and the supplier are subject to the legislation of the Federal Republic of Germany, excluding international private law (conflict law) and the Hague Convention on the Law applicable to International Sale of Goods.
4. If, for any reason, any provision of this agreement is held invalid, all other provisions of this agreement shall remain in effect. The invalid provision will be replaced by the legal provision in effect that suits the purpose of this agreement.

Hallenberg, 1 January 2012