

General Terms and Conditions

Our terms of supply and payment, to which our customer agrees at the time of granting the order, apply exclusively also for future businesses, even if they were not explicitly mentioned, yet were provided to the customer with an order confirmed by us. If the order is granted in deviation of our supply and payment terms, our supply and payment conditions apply, even if we have not objected. Thus, deviations only apply if we have explicitly accepted them in writing.

1. Purchaser's rights in case of defects

Please consider that wood and glass are natural materials.

Veneer, colour and grain differences as well as inclusions and deviations in the structure in the context of normal tolerances are unavoidable and based on the character of the materials. Therefore, they do not represent material defects (reason for complaint). We are not liable for insignificant defects unless they have been maliciously concealed by us or if we had provided a warranty.

In this context we also refer to the DIN standard EN 572 - Glass in construction and the „Directive to evaluate the visual quality of pre-tensioned glass (ESG) - single pane“.

If our products are used for constructions in accordance with their usual mode of application and have caused a defect in the construction, we are liable for material defects for a period of 5 years if the material defects already existed at the time of the handover. We are liable for material damage in case of products not utilised in constructions for 1 year. The statute of limitation commences with the handover of our products.

If the merchandise exhibits a defect, we are entitled to subsequent fulfilment in form of a remedy or the supply of a new defect-free item at our discretion. The purchaser has to grant a period of grace of at least 4 weeks for the subsequent fulfilment. If the subsequent fulfilment has failed twice, the purchaser is entitled to reduce the purchase price or withdraw from the agreement. The subsequent fulfilment may be refused if it is only possible under disproportionate costs. This applies particularly in the event that the costs exceed the net purchase price.

2. Orders

Our offers and price lists are subject to change. Orders are accepted subject to availability. All orders and verbal agreements require written confirmation to be effective. This also applies for individual covenants. Unless stipulated otherwise by the customer, we comply with the measurements according to the required state standard (in Germany: DIN).

3. Delivery terms, availability and loading dates

We confirm availability and/or loading dates. These are the dates at which the merchandise is available at our warehouse and/or at which they may be picked up or loaded packaged and ready for dispatch. Loading and delivery dates agreed to by us are not agreement deadlines in terms of VOB/B (Procurement and construction contract procedures).

The delivery period is extended in case of force majeure and other circumstances beyond our control for the duration of such impediments. Import and export prohibitions of the country of origin, delivery or destination, refusal of import, export or payment permit, risk of war, unrests, transport obstacles, destruction of the merchandise due to riots, fire or water damages or similar events entitle us to extend the delivery time or withdraw from the agreement even if the impediment is only temporary, unless they are our responsibility.

4. Delay in delivery

If the delivery has not occurred at the agreed time, the purchaser has to grant a period of grace of at least 4 weeks in writing.

5. Changes or cancellations

Changes or cancellations of production orders are only possible free of charge within 1 day following the dispatch of the order. Subsequently, changes or cancellations may only be considered as an act of goodwill; any claim is excluded. We can only agree to a change or cancellation if the purchaser pays for the costs already incurred for the execution of the order, which depend on the progress of the processing and which

shall be specified to the purchaser prior to our agreement, plus processing costs of €25.00 net plus statutory VAT.

Changes or cancellations of standard items carried in our inventory are only possible free of charge prior to readiness for loading. Subsequent changes or cancellation are only possible upon the purchaser's assumption of the processing and logistics costs incurred up to that time plus processing costs of €25.00 net.

6. Acceptance and transfer of risk

The purchaser is obligated to accept the merchandise. In case of purchase on call, the customer has to accept the entire amount within 4 weeks following the confirmed loading date of the order. Deliveries prior to the confirmed loading date are only possible upon prior arrangement. If the purchaser does not accept the merchandise in time, we are entitled to charge the customary rate (storage fee) or to store the merchandise elsewhere at the expense of the purchaser and to invoice the merchandise.

The risk is transferred to the purchaser upon provision of the merchandise and/or handover to the forwarding agent.

7. Place of destination

We are not obligated to deliver the sold merchandise to a place of destination other than the one stipulated in the order confirmation. The main place of business of the purchaser is considered the place of destination in case of doubt.

8. Pricing

The prices stipulated in our current price lists are subject to the respectively applicable VAT. Our price lists are only valid in connection with the current General Terms and Conditions.

Unless otherwise agreed, the prices are ex-works 48734 Reken or the external storage place of the merchandise. All freight, taxes and levies, border fees etc., in case of duty-unpaid merchandise also customs levies, have to be borne by the purchaser and paid in advance without deductions. Blanket rental, packaging and cartage are also the responsibility of the purchaser.

The minimum order value per order is €100.00 net. In case of orders below this value we charge a processing flat rate of €25.00 net. If merchandise with a total value of less than €1,950.00 is dispatched, Schwering raises a surcharge of 7% of the order value, however a minimum of €100.00 net.

For loading on pallets based on an order, we raise a surcharge of 3% of the order value, however a minimum of €25.00 net. Custom made designs, which are not stipulated in our current price lists can only be manufactured following prior arrangement. We reserve the right to construction and design alterations. The fact that a change to the price list is imminent shall be announced for the first time 3 months prior to publication.

9. Payments, default and statute of limitation

All invoices are payable within 5 days following the due date and receipt of the invoice less 3% discount or within 14 days less 2% discount or within 30 days without deduction. The acceptance of orders is subject to the creditworthiness of the recipient.

Payments in bills of acceptance or remittances, which require a special agreement in case of every order, are subject to their pledge-worthiness. Stamp fees, discounts and bank fees are the responsibility of the purchaser.

The acceptance of bills of acceptance and remittances does not constitute a deferment of the claim to the purchase price.

If our house bank refuses the discounting even of individual bills of acceptance or customer bills of exchange, or if it returns any of them prior to the data of expiration regardless of the reason, we are entitled to demand all claims to be settled in cash immediately, however against the return of the bills of exchange.

If the purchaser is in default of payment, has made application for or commenced insolvency proceedings or is rejected due to lack of funds,

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we are entitled to demand cash payment or the securing of all obligations or one of them to be expected from the business relationship with the purchaser at our discretion or completely or partially withdraw from the agreement.

If the purchaser exceeds the deadline determined for payment or the surrender of bills of acceptance or bills of exchange or if a credit note is not settled according to the deadline or the agreement, we are also entitled to demand settlement in cash without undue delay. The verification of such events is considered settled upon notification of a bank without requiring the submission of the information from the purchaser. Any granted discounts as well as freight cost reductions are eliminated in case of out-of-court settlement proceedings, insolvency, default of payment beyond 2 months and judicial recovery.

The purchaser is in default after 30 days following the due date and receipt of an invoice or equivalent request for payment at the latest. Default interest in the amount of 8% above the respective base interest rate of the European Central Bank are payable in case of default of payment. The assertion of further damages remains unaffected. The entitlement to the purchase price becomes statute barred in 4 years. If the purchaser is in default of any payment claims by us, all existing claims are due and payable immediately.

We are entitled to assign the claims resulting from our business relationships.

10. Offsetting and retention

Offsetting by the purchaser with counter claims is excluded, unless the counter claims are approved, uncontested or final and absolute. The assertion of a right of retention by the purchaser is excluded unless it is based on the same contractual relationship or the counter claims are approved, uncontested or final and absolute.

11. Notice of defect

The purchaser is obligated to inspect the merchandise upon delivery through the seller and notify the seller in the event of any defect. If the purchaser omits notification, the merchandise is deemed approved unless the defect was not evident at the time of the inspection. If such a defect is detected at a later point in time, the seller has to be notified immediately upon the discovery; otherwise the merchandise is deemed approved also in consideration of the defect. For the remainder, § 377 HGB (German Commercial Code) applies.

12. Damage compensation

The purchaser is entitled to compensation for the damage or reimbursement of expenses only in the following cases: Violation of life, body or health, deliberate or gross negligent causation of the damage; violation of an obligation the fulfilment of which only facilitates the proper execution of the agreement and upon the compliance of which the contractual partner may principally trust (cardinal obligation), whereby the compensation in such an event is limited to the foreseeable damage typical to the agreement; compensation claims based on the Product Liability Act; in case of malicious concealment of defects or in the event of a warranty pertaining to the quality.

The compensation claims become statute barred in 5 years for merchandise, which is utilised in constructions in accordance with its modus of application; in all other cases after one year. Further compensation claims or claims for the reimbursement of expenses against the user, regardless of the legal grounds, are hereby excluded.

The regulation of transport damages occurs according to the General German Carrier Conditions (ADSp). Transport damages have to be asserted in due time in the proper form in accordance with these agreements, e.g. by way of a notice on a delivery not confirmed by the driver.

13. Return of merchandise

A claim for the return of previously delivered, defect-free merchandise is excluded. Such a return may only be accepted in individual cases as an act of goodwill. Any agreement pertaining to this matter requires the written form. The return furthermore implies that the merchandise is undamaged and in its original packaging and is still contained in the current standard program of Schering.

We charge a processing fee of 25% of the value of the merchandise for the return, however a minimum of €25.00 per return plus logistics costs.

14. Reservation of title

All merchandise supplied by us remains our property up to the full payment of all claims from the business relationship, also future and current account claims against the purchaser. The purchaser is obligated to inform us immediately in writing about levies of execution and other risks emanating from third parties pertaining to our rights including any information we require for a third party action against execution according to § 771 ZPO (Code of Civil Procedure). The purchaser is liable for any deficit incurred by us because a third party is not able to provide the judicial and extrajudicial costs of a claim owed to us according to § 771 ZPO (Code of Civil Procedure).

The purchaser is authorised to on-sell our reserved goods in the course of proper business operation. The purchaser hereby assigns to us in advance any thus acquired claims against third parties in the amount of the respective value of the utilised material according to the invoice of the purchaser to the third party (including VAT).

Regardless of this assignation, the purchaser continues to remain entitled to collect the claim. If the purchaser is in default of payment, we are entitled to revoke the authorisation. Upon demand, the purchaser is obligated to disclose to us the assigned claims as well as their debtors and to provide us with all information and documentation required for the collection of the claim. Upon our special request the purchaser shall inform the third party debtor of the assignation to us.

The purchaser is not entitled to chattel mortgages and pledging. The purchaser is obligated to notify us of impending or executed levies of execution or any other impediment of our rights through third parties, particularly in case of blanket assignments. The above mentioned assignation to secure our claims also includes such claims which the purchaser procures against a third party based on a mingling of our reserved goods with a construction.

Upon the request of the purchaser we are obligated to release securities provided to us according to this agreement if they are not just temporarily no longer required to secure our claim, particularly if they exceed the value of our secured and yet unpaid claims by more than 10%.

15. Applicable law and place of jurisdiction

The agreements concluded by us are subject to the laws of the Federal Republic of Germany including the CISG (Convention on Contracts for the International Sale of Goods). If the merchandise supplied by us is exported abroad by the purchaser, the purchaser is obligated to also agree to the application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) with his purchaser. Exclusive place of fulfilment is 48734 Reken; place of jurisdiction is the District Court Borcken and/or the Regional Court Münster. We are entitled to also sue the customer at his registered office or in Frankfurt / Main.

Reken, March 2013
Schering Türenwerk GmbH