

General Terms and Conditions of Sale of Hunter Douglas GmbH

I. Application of these terms and conditions

1. These general terms and conditions shall apply exclusively to all contractual offers and contracts concerning the delivery of goods. These terms and conditions of sale are a component part of all contracts which we conclude with our contractual partners (hereinafter called "customers") for our deliveries or services.
2. The customers' business terms and conditions shall not apply even if we do not specifically gainsay their validity in a particular case. Even if we have referred to a letter containing the terms and conditions of the customers or those of a third party or referring to the same, this does not imply any consent to the validity of those terms and conditions.
3. These terms and conditions of sale shall also apply to all future business dealings with customers even if they are not specifically agreed again separately.

II. Offer and Conclusion of Contract

1. All our offers are subject to alteration even if we have not specifically pointed this out. The contract only comes into being through our written confirmation of the order or through the delivery of the goods on the basis of the customer's order.
2. All other agreements, legally relevant declarations, additions and amendments shall require our written or faxed confirmation. Our employees are not entitled to make verbal side agreements.

III. Description of the service and documents supplied

1. Our details on the subject of the delivery or service (e.g. weights, measurements, utility values, load-bearing capacity, tolerances and technical data) and our depiction of the same (e.g. drawings and illustrations) are only approximate. They are not guarantees but are descriptions or designations of the delivery or service. Deviations customary in the trade and those that result from legal stipulations or technical improvements are permissible, provided that they do not affect usability for the purpose intended in the contract.
2. In general, technical details represent company secrets and must, therefore, be treated as confidential. We reserve ownership and copyright of all offers, quotations, and those drawings, illustrations, calculations, descriptions, models, tools and other documents and aids made available to the customer by us or by third parties. The customer must not provide access to these objects or their contents or make them known to third parties, reproduce them or use them himself or have third parties use them without our express consent. He has to return these objects and any copies made to us in full at our request if they are no longer needed by him in the normal course of business, or if negotiations do not lead to the conclusion of a contract.

IV. Prices and payment conditions

1. Our prices include packaging, transport insurance and carriage to the delivery destination, or, if delivering construction components to the building site, by truck as close as possible to the place of use, but only on hard-surfaced, accessible road. Additional costs for a faster delivery are charged separately.
2. The applicable value added tax will be invoiced in addition to the price quoted.
3. Our invoices are to be paid within 30 days of the invoice date without deduction. The invoices are made out on the day of delivery or when the goods are made available. When payment is effected within 8 days of receipt of the invoice, we grant a 2% discount.

4. If all or part of the delivery or service takes place as agreed later than four months after the conclusion of the contract, and if, in the meantime, the prices of our upstream suppliers have risen, the costs we incur (e.g. freight or wages) or charges we have to pay have increased, or new charges have been introduced, then we are entitled to align the price accordingly, unless the price has been confirmed expressly as a fixed price.

5. In the case of disputed claims which have not been duly ascertained to be legally valid, no right to withhold payment can be asserted, insofar as this is not based on the same contractual relationship, and offsetting is not permitted.

6. The acceptance of bills of exchange, which only takes place by explicit agreement, or of cheques, is for the purpose of payment only; payment shall only be considered to have taken place once the same have cleared. The costs of discounting and redemption are to be borne by the customer; we shall bear no liability for prompt presentation or the lodging of a protest.

7. Should the customer fall into arrears with a payment due under the current or earlier contracts, then all the claims to which we are entitled from the business relationship shall become payable immediately. Furthermore, in these cases as well as in the case of a significant deterioration in the financial circumstances of the customer, we shall be entitled to perform outstanding deliveries or services only in return for advance payment or against the provision of security. If the advance payments or provision of security have not been effected, even after the expiry of an appropriate grace period, then we can withdraw from individual contracts or from all of the contracts concerned, in their entirety or in part. Our rights to assert further claims shall remain unaffected.

8. If the customer is in arrears, we shall be entitled to demand interest on account of payment delay at the statutory rate. Our right to assert further claims for compensation due to delay in payment shall remain unaffected.

9. With claims from companies belonging to the same group as we do, and vis-à-vis liabilities of the customer vis-à-vis such companies, we shall be entitled to charge for them or to declare that we are offsetting them against our liabilities or claims vis-à-vis the customer. At the customer's request, we shall be obliged to present the written consent of the company concerned in the group within eight days; if this does not take place, then the declared charging or offsetting shall be invalid.

V. Performance of deliveries and services

1. All the delivery periods and dates given by us are, unless expressly agreed otherwise, non-binding.

2. If, exceptionally, a fixed delivery period or a fixed delivery date has been expressly agreed in writing then the following shall apply:

a) The delivery period shall begin as soon as all the details of the performance have been clarified and both parties are in agreement about all the terms and conditions of the deal. The delivery deadline shall be met only provided that the customer fulfils all his contractual obligations, in particular, that the customer produces all of the documents, construction plans and official or other permits and approvals to be obtained by him, and that he adheres to the payment terms agreed.

b) Unforeseen events outside our control and for which we are not responsible (e.g. malfunctions, strikes, statutory lock-outs, difficulties in procuring equipment or energy, transport delays, official measures as well as non-delivery, incorrect or late delivery by our suppliers as well as difficulties in the procurement of the requisite official permits, in particular import or export licences) shall extend the delivery time appropriately, even if these occur during a delay in delivery. The same shall apply if official and other permits from third parties or documents required for the delivery to be performed, or customer details required for the delivery to be performed, are not received in

time. A fixed delivery date shall also be postponed under the same conditions under which a delivery period would start later or a delivery deadline would be extended.

c) If the impediment is not only transitory in duration then both parties are entitled to withdraw. In this case claims for compensation are excluded.

3. Early deliveries are permissible within reason.

4. Should there be a delay in delivery then the customer is only entitled to withdraw once a warning has been given and a grace period has expired without success. If the delay is a partial one then he shall only be entitled to withdraw from the whole contract if part delivery is of no interest to him.

5. Should we be late with providing a delivery or service, or should a delivery or service become impossible for us to make, for whatever reason, then the customer is entitled to compensation only in line with the stipulations of VIII of these terms and conditions of sale.

6. Transportation is carried out by us using a truck and/or, as we see fit, another means of transport. We are also entitled to make partial deliveries.

VI. Place of fulfilment. Transfer of risk

1. The place of fulfilment for all obligations arising from the contractual relationship is Düsseldorf.

2. The following shall apply to the transfer of risk:

a) The risk shall be transferred, at the latest, with the handing over of the object being delivered to the freight company, haulage company or other persons nominated to carry out the dispatch to the customer. This shall also apply if partial deliveries are made or if we have taken on more services (e.g. dispatch, carriage, assembly or installation).

b) If dispatch or handover is delayed due to a circumstance the cause of which is the customer's responsibility, the risk shall be transferred to the customer once the goods are ready for dispatch.

3. Once the risk has been transferred, the customer shall be responsible for storage costs. If we are responsible for the storage, then storage costs shall amount to 0.25% of the invoice amount of the delivery goods to be stored per completed week. The right to assert a claim for storage costs exceeding these is reserved.

4. The delivery shall only be insured by us at the express wish of the customer and at his expense against theft, breakages, damage due to transport, fire and water or other insurable risks.

VII. Inspection, liability for defects

1. The goods delivered by us are to be inspected without delay after arrival at the destination agreed. Complaints with regard to obvious defects or the quantities delivered or dimensions must be made without delay, at the latest within seven working days of delivery. Non-obvious defects or problems are to be reported without delay, at the latest within seven working days of the discovery of the defect. If these deadlines are not met, then the goods delivered shall be deemed to have been accepted. All complaints or defect reports must be made in writing. The time and date we receive the complaint is vital in determining whether the notification deadline has been met.

2. Deviations in colour that are minimal or regarded as the norm in the trade shall not be regarded as a defect, unless they have a considerably and unacceptably negative effect on the appearance of the final product (building) to be made from the goods according to the contract.

3. We will guarantee the goods delivered by us to the extent that defective items will be replaced with new items in line with the original order or repaired free of charge as we choose (subsequent fulfilment). If we wish, the defective items are to be returned to us by the cheapest method of dispatch at our expense. If the subsequent fulfilment does not work or is not feasible for the customer or has been refused by us in accordance with § 439 paragraph 3 of the [German] Civil Code, then the customer can withdraw from the contract in line with the statutory regulations or reduce the purchase price and/or demand compensation, in accordance with VIII of these terms and conditions of sale, or demand a refund of the money he has paid out in vain, as he so chooses.

4. The details given by us verbally or contained in our offers, prospectuses and other documents in writing about the nature of the goods do not ordinarily constitute a guarantee of a characteristic; they merely serve to describe the goods.

5. Whereas the legal time limit for the rights of the customer due to defects is 24 months, this time limit is reduced to 12 months. The rest of the time limits and conditions remain unaffected. For compensation claims made by the customer for reasons other than defects in the object delivered, as well as the rights of the customer in the event of defects maliciously kept secret or caused with intent, the statutory time limitations shall apply.

VIII. Liability for damages due to fault

1. Our liability for damages, irrespective of the legal basis, in particular due to impossibility, delay, or unsatisfactory or incorrect delivery, insofar as it is a matter of fault, is excluded or limited in line with the following conditions:

a) In the event of minor negligence, we shall not be liable for the infringement of insignificant contractual obligations;

b) The above mentioned liability restriction shall not apply to liability in accordance with the [German] Product Liability Act, to damage incurred with intent or due to gross negligence, or with regard to physical injuries caused culpably;

IX. Retention of title

1. The goods delivered shall remain our property until full payment of the purchase price has been received for the items delivered, as well as for all other liabilities arising from the business relationship vis-à-vis the customer, including any which have not yet been incurred. For an open account the retained property shall serve as security for the outstanding balance owing to us.

2. For as long as we retain the title of the goods, the customer has to keep them safe, handle them with care and insure them against fire and theft at his own expense. During the duration of the retention of title, the customer may neither pawn the goods subject of the retained title nor pledge them as security. Third-party access to the goods subject of the retained title, possibly in the course of distraint or seizure, and damage to or destruction of these goods, must be reported to us without delay. The notification must be made in writing.

3. In the event of conduct in contravention of the contract on the part of the customer, in particular a delay in payment of secured claims, we shall be entitled to take back the goods subject to the retention of title after withdrawing from the contract. After taking the goods back we are entitled to sell them, whereby the proceeds are offset against the liabilities of the customer – minus appropriate sale expenses.

4) In line with the conditions stated below, the customer shall be entitled to process the goods within the framework of the proper operation of their business and to sell them on as long as he is not in payment arrears:

a) The processing is done on our behalf as manufacturer in the sense of § 950 [German] Civil Law Code without our incurring any liabilities.

b) As a precaution, the customer now transfers to us the title of the newly created products, which he will look after for us within the framework of this agreement.

c) If the goods are processed together with other items that do not belong to us by the customer, all the above shall apply in line with the proviso that the co-ownership of the new products is ours in the ratio of the value of the goods delivered by us (calculated according to the purchase price including value added tax) to the normal commercial value of the items that did not belong to us at the point in time of the processing. The normal commercial value shall be ascertained in a binding fashion for both parties, where necessary, by an expert to be nominated by the Düsseldorf Chamber of Industry and Commerce.

d) Our title and/or co-title resulting from the processing shall be deemed to be a retained title.

5. In the event that our property subject of the retained title has been sold on, the following shall apply:

a) The customer relinquishes the claims he is entitled to from selling on to us.

b) If we are only co-owners, the relinquishment will take place in line with the proportion of our co-ownership.

c) In the event of a simultaneous sale with other items or services for a uniform purchase price, the part of the purchase price claim which equates to the ratio of the value of our property subject of the retained title to the normal commercial price of the items or services purchased simultaneously will be relinquished.

d) In cases as per figure 5 b) and c), the value of our property will be assessed, if processing has not yet taken place, in line with the purchase price (including value added tax) to be paid to us for it; in the case where processing has taken place, the normal commercial value shall also apply. The normal commercial value is, where necessary, to be ascertained by an expert to be named by the Düsseldorf Chamber of Industry and Commerce in a binding manner for both parties.

e) The customer is entitled to recover the claims relinquished to us up until our withdrawal. We may not make any use of this right to withdrawal if the customer fulfils his payment obligations under the business deal with us in a proper manner, and if no circumstances are known to us which would entail a considerable reduction in the creditworthiness of the customer. Should the prerequisites for the exertion of the right to withdraw exist, then we can demand that the customer makes known to us the claims relinquished and their debtors, gives all details necessary for the recovery of these debts, hands over to us the documents pertaining to these and notifies his debtors of the relinquishment. Furthermore, we are also ourselves entitled to notify the debtors of the relinquishment.

6. If the property to which we have retained the title has been incorporated as a significant component part in a piece of real estate (building), then the customer has already relinquished his claim against his client, in line with the regulations at figure 5, in full or in part to us.

7. The customer is obliged to notify us of all occurrences which may entail a risk to the property subject of our retained title or our claims.

8. Should the value of the collateral we have exceed our claims against the customer by more than 10%, we shall be obliged, at the customer's request, to release the securities in excess of this as we so choose.

X. Law and court of jurisdiction

1. The laws valid in the Federal Republic of Germany shall apply, to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).

2. The court of jurisdiction, even for bills of exchange actions and others in the documentation process, is Düsseldorf, insofar as such an agreement on the court of jurisdiction is permissible legally in accordance with § 38 ZPO [German Code of Civil Procedure]. For our part we are also entitled to bring actions at the customer's general court of jurisdiction.

XI. Labour contracts and labour and materials contracts

These terms and conditions of sale shall also apply analogously to labour contracts and to labour and materials contracts.

XII. Partial invalidity

In case any one condition of these terms and conditions of sale or of a contract is or becomes invalid as a whole or in part, this shall not affect the validity of the remaining part and/or the remaining conditions. Instead of the invalid conditions and/or the invalid part of the condition, the parties shall agree on the legally valid stipulation that is the nearest in purpose to that intended by the invalid condition.