

General Terms & Conditions of Business of Rime GmbH

§ 1 Scope

Our goods and services are sold exclusively on the basis of the following terms and conditions (T&Cs). Terms and conditions of business of the contractual partners, which are not expressly recognised by us in writing, are not valid, even if they are not expressly contradicted.

§ 2 Complete and clear specifications

In our quotations and tenders we assume complete and clear technical specifications, e.g. in the form of a standard drawing. The time required to clarify incomplete, contradictory, illegible or incorrect drawings and other specifications will be billed at our usual hourly rates. If CAD drawings have to be drawn up, the time required will be billed with the usual CAD hourly rates. If, despite our information, an order is placed without complete reference to the required drawing version or different versions are kept under revision index, the customer cannot complain if the wrong version is produced.

If the material quality is significant beyond the extent apparent during production, the parts must be ordered with factory production control certificate. It is not possible to allocate retrospectively the parts to the factory production control certificate of the sheet metal. If fewer or more operations are required than shown in the drawing, the written order must include a corresponding note or a clear reference to a quotation. Otherwise we are entitled to charge for production according to the drawing at cost. The customer cannot cite change requests which have not been received or confirmed in writing.

§ 3 Delivery

RIME GmbH delivers all goods, unless expressly agreed otherwise in writing, ex works, plus packaging; in the case of orders from abroad, free to the German border.

Any agreed delivery period begins when the order confirmation is sent, however, not before the documents to be procured by the contractual partner have been received, such as drawings or similar, and is deemed to have been met if the goods have left our plant or warehouse by the end of the delivery period. In the case of delivery "ex works" the notification of readiness for dispatch or pick-up is decisive for compliance with the delivery period.

The delivery period is extended by a reasonable amount in the event of labour disputes or raw material and energy shortages, traffic bottlenecks, unrest, official measures, non-arrival of deliveries from our suppliers and other unforeseeable, unavoidable events. This also applies if these events occur at a time in which we are late in delivering, unless we caused the delay wilfully or through gross negligence. If the delivery becomes impossible due to the circumstances described above, we will be released from the obligation to deliver.

A claim for compensation by the contractual partner is excluded. If the dispatch is delayed at the request of the contractual partner, they will be charged for the costs incurred for each month of storage in our works or warehouse, starting from one month following notification of readiness for dispatch, however at least 0.5% of the invoice amount. The contractual partner is only entitled to withdraw from the contract if we are responsible for failure to meet the delivery deadlines and they have set us a reasonable period of grace and we still failed to deliver.

§ 4 Payment

Invoices can either be settled within eight days with 2% discount or within twenty-one days of invoice date net. Discount cannot be deducted if already due invoices have not been paid.

All other deductions and discounts which have not been expressly agreed will not be recognised by us. Each payment will be offset against the oldest due invoice. If the payment deadline is exceeded we are entitled to charge interest at a rate of 2% above the respective discounted rate of the Deutsche Bundesbank, however, at least 8% per annum.

§ 5 Defects

The customer is obliged to check the delivery after receipt. We are to be notified immediately of any defects with regard to type, quality and quantity, however, within two weeks of receipt of the goods at the latest; concealed defects immediately following discovery, three months following receipt of the goods at the latest, in writing with order details and invoice, production and dispatch number.

If the customer fails to send us this notification the goods are deemed to have been approved. For the purposes of the warranty, the contractual partner is limited to a right to rework. If the cost of the rework is disproportionate or exceeds the value of the goods or the rework is unsuccessful, the customer has the right to redhibition or price reduction.

Complaints do not entitle the customer to delay payment or to refuse to accept the goods. Consequential costs are excluded, except in case of wilful intent or grossly negligent conduct of our employees. We are also not liable for consequential costs caused by defects caused by our suppliers. Warranty claims expire one year from the delivery of the subject of the contract. This does not apply if the law specifies mandatory longer periods.

§ 6 Retention of title

The goods remain our property until full payment of all accounts receivable, including secondary receivables, claims for compensation and encashment of cheques and discharging of bills. The retention of title continues to exist if individual receivables are included in a current invoice and the account balance is recognised.

In accordance with §950 BGB (German Civil Code), if the contractual partner processes the goods subject to retention of title, they do not acquire ownership of the new item. The processing is carried out on our behalf, without this giving rise to any liabilities for us as a result. If the goods subject to retention of title are processed or inseparably mixed with other items that do not belong to us, we acquire ownership in the new item in proportion to the calculated value of the goods subject to retention of title compared to the other processed or mixed items at the time of processing or mixing.

§ 7 Place of performance

The place of performance for deliveries and payments for both parties to the contract is Riesa, place of jurisdiction Riesa.

(Dated January 2009)