

General Conditions of Sales, Delivery and Payment of JVK Filtration Systems GmbH

I. General

- 1) Unless otherwise agreed by letter these general conditions of delivery and performance constitute part of each contract being concluded with our company. Any deviations from these terms made by contracting party are subject to our written confirmation and are only valid for the contract agreed upon.
- 2) Should some regulations of these conditions are ineffective or become ineffective validity of other regulations are not touched by this. Instead of ineffective terms this fact is taken for agreed from which most commercial efficiency is derived.

II. Offers and Order Confirmation

- 1) Order acceptance is only legally valid subject to our written confirmation.
- 2) Our offers are subject to prior sale as long as orders are not confirmed by us.
- 3) Verbal agreements as well as addendums or supplements and modifications of the order require our written confirmation.

III. Prices and Conditions of Payment

- 1) Our prices are understood ex our works Georgensgmünd package not included.
- 2) In case taxes, customs duties, freight costs or other expenses which may influence goods price are increased or newly introduced we are authorized to negotiate new prices.
- 3) Unless otherwise agreed our invoices are payable with 30 days from date of invoice cash without any deduction. In case of payments within 14 days from date of invoice we grant a 2% discount.
- 4) We are not obliged to draw any bills; in case bills are drawn bank rates and all other costs arising up to final remittance shall be chargeable to the buyer.
- 5) In case of delay we are entitled to charge 1% interest for short-term credits over prevailing bank interest rate at least however 8%
- 6) In case of bad pecuniary circumstances of the buyer (e.g. compromise, moratorium, protest of a bill) or of delay in payment all our outstanding accounts become due immediately and we must receive cash payment for goods before shipping them. Furthermore we are entitled to withdraw fully or partly from the order or to recall goods already delivered and not fully paid without withdrawing from the contract.

IV. Acceptance, Passage of Risk and Despatch

- 1) Delivery is effected ex our works Georgensgmünd. Delivery is fulfilled in case of taking over or making goods available.
- 2) All risks pass to the buyer at the moment of making goods available at our works or at the moment of goods collection even of shipment is free of charge.
- 3) Should there be no instruction of the buyer means of transport, package and shipment or other protective measures are subject to our option. Unless otherwise agreed transport costs, postage and package are to buyer's debit. Shipment is effected by our company on behalf and on the account of the buyer.
- 4) Unless expressly stipulated otherwise the shipment will not be insured. Insurance is only done at the expenses of the buyer.

V. Dates and Delivery

- 1) All dates of delivery require our written acceptance; the period of delivery shall always begin with the date of the clarification of all technical and commercial points in question.
- 2) Break-down, lack of raw material and energy or labour, war, strikes, lock-out, events beyond our control or force majeure entitle us to extend the date of delivery by the duration of such a hindrance. In case delivery is delayed by more than 3 months – as a consequence of such events – both contracting parties are authorized to withdraw from the order or to cancel deliveries effected.
- 3) If we agree that hindrances prevent delivery fully or partly or if it seems impossible for any other plausible reasons buyer shall be entitled to withdraw from the order after having stipulated an adequate follow up period. Buyer can only demand damages in case he can charge us with premeditation or gross negligence. Follow up period is at least 14 days.
- 4) Partial shipment are allowed; they must be accepted by the buyer.

VI. Lien of Goods

- 1) Goods delivered remain our property until final settlement of all outstanding amounts, interests and costs arising from several shipments. Regarding unpaid invoices this proviso is taken as security for current account claims.
- 2) The buyer is entitled to install goods to treat and to sell them. As long as this proviso exists selling of goods is only allowed in that way that all claims arising from the sale to another person in the amount of our claims are taken for assigned without requirement of a special resignation. The buyer is only authorized to collect outstanding claims for us in a trustee way as long as he himself meets his liabilities. We are entitled to ask for a written proclamation of resignation as well as to publish this proclamation.
- 3) Should any unpaid goods be used for installing, treatment we acquire co-ownership in the corresponding products in the proportion of the value of our goods.
- 4) The buyer has to inform us promptly of any seizure or any other prejudice of this proviso by a third person.
- 5) All costs of revocation, separation or other costs arising from execution of our lien of goods are to buyer's debit.

VII. Complaints because of Defects

- 1) The complaints being already recognized at the time of despatch can only be considered if they are made promptly and by letter not later than 8 days from arrival of goods at destination.
- 2) Claims which can not be ascertained despite of careful examination within this period are to be claimed immediately and by letter after having discovered them unless complaint was noticed 6 months from date of passage of risks. Evidence of a due and proper undisturbed production process is required from the buyer. All complaints being noticed after this period are excluded.
- 3) We must get the opportunity as well as enough time to overcome such defects otherwise we are exempt from responsibility.
- 4) In case we do not clear your complaint or mending dies not show any success within a proper follow up period the buyer is entitled to decrease.

- 5) Natural depreciations, damages by misuse or malfunctioning of other parts of an installation, excessive service or other influences can not be accepted as complaints because of defects.
- 6) Unless otherwise agreed incorrect modifications or maintenance works effected by the buyer or a third person can not be accepted as complaints of defects.
- 7) The date of security of 6 months extends in case of mending measures by the duration of this period; otherwise no new dates of security are stipulated.
- 8) Costs arising from mending as there are transport, labour, installation costs as well as material are to the buyer's debit unless otherwise agreed by letter.
- 9) Further claims of the buyer against us shall not be admitted. This means replacement of damages not appearing on goods themselves. This restriction is not valid in case we can be charged with premeditation or gross negligence.
- 10) Liabilities, consequences and dates mentioned above are also valid for all claims of the buyer arising from failures in our duties, consultation mistakes and faults before or at contract conclusion.

VIII. Counter-claims and Negotiability

- 1) The buyer does not have the right to retain goods against our claims. Charging claims for damages or any other claims are excluded. These restrictions are not valid in case counter-claims are uncontested or stipulated by law.
- 2) The buyer is only authorized to pass claims of this contract to a third person with our permission.

IX. Place of Fulfilment, Place or Jurisdiction and Law

- 1) Place of fulfilment for deliveries is Georgensgmünd as far as such agreements satisfy the requirements of the law.
- 2) Place of jurisdiction with regard to controversies resulting from this contract is Georgensgmünd or at our option domicile of contracting party unless no exclusive place of jurisdiction is given or due to legal reasons an agreement regarding place of jurisdiction is not allowed.
- 3) This contract is subject to German law except written agreements or destinations required by law.