

# Terms of Delivery and Payment of the JR Industries GmbH

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### I. General

1.  
We exclusively deliver on the basis of the following terms of delivery and payment. We explicitly disagree with customers' terms and conditions of purchase. You only obligate us if we agree with you explicitly and in writing.

2.  
Our offers are without engagement. Oral agreements made with us need written confirmation for being effective.

3.  
Details about our products (technical data, measurements etc.) are only approximate; they are of no guaranteed composition, unless guarantee is effected explicitly and in writing.

### II. Prices and Terms of Payment

1.  
Our prices are quoted ex works or ex warehouse, unless otherwise agreed upon in writing. Packaging will be invoiced separately and according to our expenses. Value added tax is not included in our prices; it will be shown separately on the invoice. With respect to persons as defined by sec. 310 para. 1 sent. 1 BGB (entrepreneur, body corporate organized under public law, or public fund assets), we take the value added tax rate as a basis which is valid as per delivery date.

2.  
In the event delivery is carried out later than 3 months after contract conclusion, we are entitled to raise the price formerly agreed upon in case prices of our suppliers or other costs concerning our goods rise between contract conclusion and delivery; otherwise, the price shown in the order confirmation is binding. With respect to persons as defined by sec. 310 para. 1 sent. 1 BGB, we are also entitled to raise our prices in the event delivery takes place within 3 months after contract conclusion and costs concerning our goods rise between contract conclusion and delivery. Price increase is effective as soon as our written notice is submitted to the customer.

3.  
Payment has to be effected within 30 days on receipt of goods, net. Time for payment is not allowed. In the event the customer falls behind with payment of former deliveries, advance payment applies.

4.  
The customer's rights of retention, which are based on a different contractual relationship, are excluded. The customer's rights of retention, which are based on the same contractual relationship, are also excluded as far as the purchaser is a person as defined by sec. 310 para. 1 sent. 1 BGB and the counterclaim is met with denial or not legally determined. The purchaser is not entitled to offset with a counterclaim in case the claims are met with denial or not legally determined.

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5.

Should the purchaser be in default, we are entitled to invoice interest of 11.5% above the corresponding prime rate; is the purchaser an entrepreneur or other person as defined by sec. 310 para. 1 sent. 1 BGB, the interest rate is 9.5% above the prime rate. We reserve the evidence of a higher damage caused by default.

6.

In case the purchaser falls into arrears on a due payment totally or partially, we are entitled to withdraw from the contract after a set period has lapsed without success. Our right of withdrawal is also applicable in case we learn about circumstances that qualify for lowering the credit worthiness of the purchaser. In case of withdrawal, we are entitled to mark the goods delivered by us, to stock them separately and to have them picked up on the expenses of the purchaser. By this, the purchaser already acknowledges and agrees that the persons authorized by us for pick-up may enter the purchaser's premises where the goods are located.

7.

As an alternative to our rights of withdrawal according to section 6, we can demand collateral from the purchaser.

### III. Reservation of Property Rights

1.

The goods delivered by us remain our property until all claims resulting from the concrete order are settled. With respect to entrepreneurs and other persons as defined by sec. 310 para. 1 sent. 1 BGB, we reserve the property right until all claims which are due to us because of any legal ground deriving from the business relationship to the purchaser are settled.

2.

The purchaser obligates himself to sell the goods subject to retention of title only in the ordinary course of business, at his normal terms and conditions and as long as he is not in arrears with payment. The purchaser is only entitled to resell the goods subject to retention of title provided that the claim from this resale according to section 3.-5. devolves to us. He is not entitled to make the goods available otherwise.

3.

The purchaser already now assigns his claims resulting from a resale of goods subject to retention of title to us, independent of whether the goods subject to retentions of title are resold to one or more customers. The purchaser is entitled to collect the assigned claims resulting from a resale until our cancellation, which is possible at all times. The purchaser is not entitled to assign claims in any case.

4.

By our request, the purchaser is obligated - as far as we do not inform his customer ourselves - to immediately give notice to the customer of the assignment to us. Moreover, the purchaser is obligated to prove this notification and to send us the information and documents which are necessary for collecting the assigned claims together with this notice in writing.

5.

By request of the purchaser, we are obligated to release collateral to the extent by which the liquidable value of the collateral exceeds the receivables by more than 20%. We reserve the choice of collaterals to be released.

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6.

The purchaser is obligated to inform us immediately about any garnishment or other detriment by third parties. In the event the purchaser does not comply with a payment date or infringes other contractual agreements or if we learn about other circumstances that qualify for lowering the credit worthiness of the purchaser, we are entitled to forbid resale of the goods subject to retention of title, to demand their return or demand granting collateral ownership to us on the expenses of the purchaser. Or, in the event the goods are already resold but not fully or partially paid, we are entitled to demand payment directly from the purchaser's customer.

## IV. Delivery Time

1.

Our delivery times as a rule are only approximate and non-binding. Other agreements on a binding delivery time must be effected explicitly and in writing. Should we not be able to deliver on time, we will inform the purchaser immediately.

2.

In the event we fall into arrears with delivery because of reasons which we are accountable for and the purchaser has set us an appropriate time limit, he can withdraw from the contract. Claims for damages due to breach of duty are excluded, unless we or our assistants have acted grossly negligently or with intent.

3.

Unexpected incidents which we are not accountable for (e. g. energy shortfall, delay in delivery of essential components and other materials, import difficulties, disruption in operation and traffic, strikes, lock-out, force majeure), extend the delivery time accordingly. Should we not be able to deliver even after an appropriate extension of time, both the purchaser and we are entitled to withdraw from the contract. Claims for damages by the purchaser are excluded. In case we withdraw from the contract, we will immediately reimburse the purchaser all payments already made.

## V. Shipment and Transfer of Perils

1.

Shipment ex works or ex warehouse takes place on the expenses of the purchaser. Dispatch route and mode of shipment are determined by us. We are only obligated to close on a transport insurance contract upon explicit and written order by the purchaser. The purchaser bears the costs for this insurance.

2.

Shipment takes place according to the best of our knowledge without any liability of our own. We are especially not accountable for changes and deterioration of the goods during transport or due to inappropriate storage.

3. The risk is transferred to the purchaser as soon as the goods leave our premises or warehouse, even then, if we take over further services such as carriage paid to, door delivery or the like. Upon our letting the purchaser know that the goods are ready for shipment or pick-up, the risk is transferred to the purchaser in case he does not call for the goods, nor pick them up and us having set him an appropriate period of time. The aforementioned regulations do not apply in case the purchaser is a consumer.

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## VI. Breach of Duty due to Defects

1.

The purchaser has to check the goods immediately on receipt. Observable defects have to be reported to us in writing immediately after handover of the goods, non-observable defects directly after they have been discovered. For the timeliness of the notice of defects the point of time at which it arrives at the supplier is decisive. Otherwise, the delivery is approved to be effective. With the notice of defects not arriving in time, any defects liability is excluded.

2.

Our liability extends to goods free of defect according to the best available technology.

3.

For the delivery of coated roller shutters the following applies additionally:

a.

Upon further processing by the purchaser, any liability concerning observable defects on delivery does not apply. The same also applies, if the purchaser or third persons carry out repair, changes or other alterations without our permission.

b.

The purchaser must have the coated roller shutters taken care of and cleaned in the necessary professional way. Upon missing or inadequate maintenance (e. g. missing yearly cleaning according to respective guidelines), our liability is terminated. Our liability is also terminated upon mechanical damaging or damages through filiform corrosion or upon industrial and other aggressive immission sources emitting surface harming substances.

c.

In the event a delivered roller shutter is defective, the purchaser can demand supplementary performance. We bear the costs for this supplementary performance, excluding costs deriving from the fact that the ordered goods were transported to a different place than the place of fulfillment. The liability amount for supplementary performance costs is limited to the contract value agreed upon.

d.

A claim by the purchaser for reimbursement of costs which arise from enforcement of claims against a supplier is excluded in any case if cost provoking measures, especially the institution of legal proceedings, have not been agreed upon with us.

4.

A claim by the purchaser because of a material defect is limited to our supplementary performance, i. e. replacement delivery or rework - according to our choice. The purchaser has to hand out the defective goods or exchanged parts to us. Should rework fail or should we not be able to rework, the purchaser is entitled to withdraw from the contract or reduce the purchase price.

16.

Our liability regarding defects applies for one (1) year after handing over the goods.

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17.

Other claims of the purchaser than the aforementioned, whatever their legal basis, are excluded. This does not apply for damages which we are accountable for by acting deliberately or grossly negligently. This does not apply for secondary damages up our insured sum per single object, either, in case our products liability insurance applies for this claim.

### VII. Place of Performance, Place of Venue

Place of performance for both contract parties is Bielefeld. Place of venue is Bielefeld - also for special procedures deciding claims arising out of a bill of exchange and actions for assertion of a claim concerning payment of a cheque.

### VIII. Final Provisions

1.

With deliveries abroad, too, German law exclusively shall apply, including the United Nations Convention on Contracts for the International Sale of Goods.

2.

In the event the purchasers of our goods export these into territories outside the European Union, we assume no liability should industrial property rights of third parties be infringed by our products. The purchaser is obligated to replace any damages caused by exporting our goods which have not been delivered explicitly for export purposes. The purchaser has to indemnify us from any claims made by third parties.

3.

Should any of these provisions become partly unenforceable or be incomplete, the validity of the remaining provisions shall remain unaffected thereby.

JR Industries GmbH, Duisburger Strasse 7, 33647 Bielefeld, Date 04-2012