

General Commercial, Delivery and Payment Terms

Timber Concept GmbH, DE-88138 Weißenberg / Germany

Status: 01 April 2013

§ 1 General

(1) These standard business, delivery and payment terms and conditions (AGB) apply to all current and future business of the Timber Concept GmbH (TC).

(2) Contradictory or deviating conditions stipulated by the buyer only apply if the seller expressly agrees in writing.

§ 2 Confidentiality, information

(1) TC reserves the ownership and copyright for all illustrations, drawings, calculations, models and documents of special solutions, established and sent by TC. Without the consent of TC this information cannot be disclosed to third parties, or used or evaluated a part from the business relationship with TC. This is especially true for written documents that are designated as "confidential"; prior to disclosure to third parties the buyer needs the written consent of TC.

§ 3 Offers

(1) Our offers are not-binding and without obligation.

(2) From TC provided information, technical advice and other information are provided to the best of our knowledge on the basis of past experience.

(3) The documents belonging to the quotation, such as illustrations, drawings and measurements are only approximate, but determined best of our ability but without obligation.

(4) We are entitled to offer differing, equivalent services or to use equivalent products.

§ 4 Placing of orders

(1) Orders shall not be deemed to be accepted unless we have confirmed the order in writing.

(2) We are entitled to provide services by companies authorized by TC.

§ 5 Prices

(1) The prices are in EURO and net prices. Legal value-added taxes are not included; It will be shown at the legal rate separately in the invoice on the day of invoicing.

(2) The indications in the order confirmation are binding for the calculation of the prices. The unit prices listed remain unchanged during the time of the agreed delivery period. In individual cases it can be agreed that the prices will be adjusted if costs change for TC at the time of delivery. Invoicing is based on the volume, weight or piece count actually delivered.

(3) Unless the contract does not state otherwise, our prices are "ex works". Costs and expenses of shipping, transportation, insurance and any packaging will be borne by the buyer, unless otherwise agreed in writing. The buyer will also bear the cost of any customs and the charges for customs clearance.

§ 6 Payments

(1) Invoices are payable immediately upon receipt without any deduction. The granting of a deferred payment term requires a written agreement. If the customer is in default of payment, we are entitled to charge interest at the rate of 10% above the base rate.

(2) Counterclaims claims of the buyer or the withholding of payments due to such claims is only permitted if a counterclaim is uncontested or has been legally established.

(3) TC is authorized to execute outstanding deliveries only against advance payment or security deposit if circumstances become known after the conclusion of the contract, which reduce the creditworthiness of the buyer

substantially and the payment of the outstanding claims of TC by the customer from the relevant contractual relationship is jeopardized.

§ 7 Delivery, delivery period and transfer of risk

(1) Deliveries are made ex works unless other conditions are stated in the order confirmation. Applicable are the Incoterms, which are listed in the order confirmation by TC.

(2) From TC proposed deadlines and dates for deliveries and services are always only approximate, unless a fixed deadline or a fixed date is expressly approved or agreed. If shipping was agreed, the delivery times and dates refer to the time of transfer to the shipper, freight forwarder or other third party responsible for the transportation.

(3) TC is entitled to make partial deliveries and partial performance if this is reasonable for the buyer.

(4) If TC comes with a delivery or service in default or if a delivery or service, for any reason becomes impossible, the liability of TC for compensation is subject to § 11 of these standard business terms and conditions is limited.

(5) If the delivery date cannot be met, TC has the right to deliver the goods at a reasonable alternative date. This new date will be determined in consultation with the buyer. If TC cannot respect this new delivery date, the buyer is entitled to demand the fulfillment of delivery within a reasonable period or otherwise to withdraw from the contract. Any further claims by the purchaser in this regard, if permitted by law, are excluded. TC is only bound to the delivery period if the buyer has fulfilled his contractual obligations.

(6) The risk is transferred to the customer at delivery of the delivery item to the carrier or to a third party which will execute the dispatch. This also applies to partial deliveries or if TC took over other services (eg shipping). If shipment / delivery might be delayed due to circumstances caused by the buyer, the risk passes to the customer at the date when the item is ready for dispatch and when the customer is informed accordingly.

(7) Storage costs after transfer of risk are borne by the buyer. In case of storage by TC there will be invoiced 0.5% of the purchase price per previous week, but a maximum of 10% of it.

(8) Delivery free on site or warehouse means delivery without unloading and assuming a passable road with a heavy Tautliner or flatbed truck (18 tons, trailer length of minimum 13,60 m). Waiting times are invoiced separately.

§ 8 Handling instructions

(1) The handling instructions of TC must be absolutely observed. If they are not available to the buyer, it should be requested from TC. Failure to follow the processing instructions will lead to the exclusion of warranties rights of the buyer. As far as the purchased item is resold, the handling instructions shall be made available to the buyer.

§ 9 Properties of wood

(1) Wood is a natural product, its nature given properties, variations and features are therefore always to be observed. In particular, the buyer has to take into account its biological, physical and chemical properties at purchase and use.

(2) The range of natural color, structure and other differences within one type of wood is one of the characteristics of natural wood product and does not constitute any complaints or liability base.

(3) If necessary, the buyer must ask for professional advice.

§ 10 Acceptance of the goods, complaints

(1) The buyer shall inspect the goods upon receipt and has to provide the information of any defects as soon as possible in writing to TC, within 8 days after receipt of the delivery at the latest.

(2) All complaints shall be stated as soon as possible and prior to any processing of the materials.

(3) Complaints and claims entitle in no case to refuse acceptance of the goods.

(4) Defect claims do not apply if there is only a minor deviation from the agreed nature of the goods or only a minor impairment of usability.

(5) Defects have no result on the agreed payment dates.

(6) In case of defects of the goods supplied TC is obliged or entitled within a reasonable time after its discretion, either initially to repair or replacement. In case of failure, that is, impossible, unacceptable, refusal or undue delay in repair or replacement delivery, the purchaser may rescind the contract or reduce the purchase price adequately.

(7) Goods returned by the buyer become the property of TC. Further claims, such as replacement of work, material, loss of profits, compensation for non-performance, etc., are excluded as far as legally permissible.

(8) The warranty is void if the buyer changes the delivered item without the consent of TC or let the item change by third parties and the rectification is thus impossible or unreasonably difficult. In any case, the buyer has to bear the costs of remedial action caused by the changes of the item.

(9) The warranty excludes natural wear as well as inappropriate handling, excessive use and negligence on the part of the buyer.

(10) If the buyer is a merchant, the statute of limitations for warranty claims fall under within 12 months from transfer of risk. This does not apply to claims resulting from intentional acts as well as from building related contracts.

(11) In case of a shipping damage the carrier must be informed and a notice on the waybill (CMR) and the delivery note must be made. The damage must be confirmed by the driver.

§ 11 Liability for compensations caused by fault

(1) The liability of TC for damages, regardless of the legal grounds, especially due to impossibility, delay, defective or incorrect delivery, breach of contract, breach of obligations in contract negotiations and tort, and in so far as it is in matters of fault, is limited in accordance with the § 11.

(2) If TC forwards technical information or acts as a consultant and this is not one of the owed scope of services and if this is done free of charge this is without any liability.

(3) TC is not liable in cases of ordinary negligence insofar as it is not a violation of breach of contract obligations. Essential for the contract are all those obligations which make the proper execution of the contract possible.

(4) If TC is liable pursuant to §11 on the merits for damages, this liability is limited to damages which were foreseeable by TC when the contract was concluded as a possible consequence of a breach of contract or TC could have known when applying due care and attention. Indirect and consequential damages which are the result of defects of the delivered item, also are only eligible for compensation, if such damage under normal use of the delivered goods are typically to be expected.

(5) TC's liability in all cases is limited to, and shall not exceed, the purchase price paid.

(6) The above exclusions and restrictions of liability apply to the same extent in favor of bodies, legal representative, employees and other assistants of TC.

(7) The limitations of § 11 shall not apply to the liability of TC of deliberate conduct, for guaranteed characteristics, on account of injury to life, body or health or under the product liability act.

§ 12 Retention of title

(1) All delivered items remain the property of TC until full payment of the sales price. The individual claims in a current account or the balance and its recognition do not cancel the retention of title.

(2) The buyer is obliged to treat the contract goods with care; in particular, he is obligated to insure them against fire, water and theft at replacement value.

(3) The buyer undertakes neither to pledge the goods nor to assign them as security. A resale as part of a normal business transaction is allowed.

(4) If the delivered goods are sold before payment of the purchase price, so the resulting receivable is deemed to the supplier of the goods transferred (extended retention of title)

(5) In case the reserved goods are processed and installed TC obtains ownership of the new item proportional to the invoice value of the goods to the other processed goods at the time of processing. The buyer grants co-ownership of the new object.

(6) If the delivered goods are connected to a movable property of a third party in such a manner that it is an integral part of the other thing that is to be regarded as the main item, the buyer transfers to TC already now the remuneration claim according of the value of the goods (invoice value incl. VAT if applicable). TC accepts this advance assignment. Disclosure of the assignment to a third party is TC only allowed if the buyer is in default with TC.

(7) If the buyer is with more than one month in payment default the buyer is required to ensure TC or its designees without delay any access to the reserved goods to determine the occurrence, value and availability. Other rights remain unaffected.

(8) In case of conduct contrary to the contract, in particular default in payment, we are entitled to withdraw the contract goods. Taking back the contract goods constitutes a withdrawal from the contract. We are entitled to sell these contract goods for recycling purposes. The proceeds of sale will be deducted - less reasonable costs - from the customer's liabilities.

§ 13 Place of jurisdiction, place of performance

(1) Unless otherwise specified by the contract, our registered office is the place of performance.

(2) As the place of jurisdiction for all disputes resulting of this contract is exclusively agreed the court of DE-88138 Weißensberg, Germany which has subject matter jurisdiction.

(3) The law of the Federal Republic of Germany shall apply; the UN -Convention on the International Sale of Goods shall be excluded.

(4) In questions of interpretation, the German version of TC General Sales and Delivery Conditions shall be binding exclusively.

§ 14 Final provisions

1. Additions, modifications or supplementary agreements must be recorded in writing.

2. If any provision of the contract are invalid or unenforceable or should become invalid or unenforceable, or if the contract contains gaps, the validity of the remaining provisions of this contract shall not be affected. The parties are in such a case obliged to replace any invalid provision by a valid one which comes closest to the economic purpose of the ineffective one.

Status: April 1, 2013