

General Conditions for Sale – Export of Braunschweiger Flammenfilter GmbH

I. General

All sales of Braunschweiger Flammenfilter GmbH – hereinafter abbreviated BFG – present and future, shall be subject exclusively to the following conditions, even if BFG did not explicitly object to possible purchase conditions of the buyer. Upon receipt of the ordered goods these conditions are deemed unconditionally accepted by the buyer even in case of his prior objection.

II. Purchase contract

Any purchase contract will become effective only in accordance with the written order confirmation by BFG's as the seller. The buyer may not, wholly or partly, return the goods unless an explicit agreement has been reached beforehand.

III. Delivery

The dates quoted for delivery indicate the anticipated time of delivery which BFG tries to meet. In case of delayed delivery of a supplier of BFG, the delivery time will be extended accordingly. Partial deliveries are allowed. In case the buyer does not meet his (payment) obligations, BFG is entitled to withhold outstanding deliveries.

IV. Transfer of risk

The risk in the goods shall pass to the buyer upon handing-over to the transport agent.

V. Payment

The prices are "ex factory Braunschweig", without packing, plus the applicable value added tax if prescribed by the law of the Federal Republic of Germany. Other terms of delivery have to be agreed upon in writing and must be confirmed by BFG. Unless agreed otherwise, the payment terms are "30 days net" after receipt of invoice resp. dispatch of the goods. Any discount, in particular cash discount, needs BFG's written approval. If payment has not or not fully been effected in time, the buyer shall pay interest at the rate of 5 per cent above the German discount rate. The buyer may set off counter claims against BFG only on condition that those are undisputed or upheld by a court. In case that statel measures will come into force after the date of the order confirmation and lead to price increases, the buyer has to bear those. If there are justified doubts as to the credit-worthiness of the buyer, BFG is entitled to demand advance payments and/or to withhold outstanding deliveries.

VI. Warranty and product liability

BFG as the seller warrants that the goods are free from defects in design, fabrication or material when subjected to proper use. The warranty is limited to six months after commissioning resp. to a maximum of twelve months after delivery, provided that storage, assembly and maintenance are carried out properly. The warranty is restricted to the repair of the products or a replacement of defective parts. Further claims of the buyer for damages including actions in tort shall be excluded to the extent legally admissible. In any case claims for damages are confined to the extent of the General Liability Insurance coverage of BFG. Any reclamation has to be advised in writing to seller within 1 week after delivery inasmuch as the defect is discoverable upon due inspection of the goods, in other cases 1 week after discovery. BFG's products are safety devices which need carefull installation and handling. Therefore the warranty resp. product liability is excluded if the description and the assembly and maintenance instructions have not or not exactly and completely been followed.

VII. Reservation of Title

All goods shall remain BFG's property until the purchase price and all outstanding or future claims arising out of the business relationship have been paid in full. In case of payment by cheque against bill of exchange the retention of title remains in force until payment of the bill of exchange by the buyer. The buyer has the right to sell the goods in the ordinary course of business on condition that he meets his (payment) obligations, otherwise BFG is entitled to claim the return of the goods and to dispose thereof. When reselling, the buyer assigns to BFG all receivables from his customers resulting from the resale. BFG is authorized to collect these receivables; however, at any time after a default has been made by the buyer, BFG shall be entitled to require the buyer to notify the amount of such receivables as well as the names of his customers. Eventually BFG is authorized to notify the assignment of receivables to the customers of the buyer and to collect these receivables. BFG undertakes upon request of the buyer to release its securities to the extent that they exceed the receivables by 20 per cent or more. If the preceding conditions do not comply with the applicable law, buyer is deemed to agree to arrangements which, under the applicable law, correspond as close as possible to the intent and effects of the regulations given in clause 7 paragraph 1 through paragraph 3.

VIII. Applicable law and jurisdiction

German law shall apply. The UN Convention on Contracts for the International Sale of Goods is expressly excluded. The place of performance and jurisdiction, including claims arising out of cheques or bills of exchange, shall be Braunschweig, Federal Republic of Germany. BFG is entitled to sue buyer in courts having jurisdiction with regard to buyer. If any of these provisions shall be invalid, the remaining provision shall not be affected thereby.