

## GENERAL TERMS AND CONDITIONS

### § 1 GENERAL PROVISIONS

ASCO GmbH (*Business address: Grasweg 27, 32657 Lemgo oder mailing address: Fuggerstraße 25, 33378 Rheda-Wiedenbrück, HRB 9529*) operates exclusively on the basis of the General Terms and Conditions stated here. Any agreements that include an alteration or amendment of these conditions of sale shall not be an integral part of contract. Verbal agreements and agreements made by telephone shall only be binding if ASCO GmbH has given its content in writing. Insofar as the Customer is a businessman in the meaning of the German Commercial Code (HGB) he shall submit to them. All sales documents belong to ASCO GmbH and are placed at retailer's disposal only for the time of co-operation. The sales and delivery conditions also apply to all future business dealings with the buyer. The purchase and sales instructions in the sales documents are a legally integral part of these sales and delivery conditions. Printing errors are exempt.

### § 2 Prices and payment

The prices in this price list are recommended selling prices in Euros. Our invoices will fall due immediately after the goods have been delivered. The buyer is required to pay within the agreed period. For new customers the delivery of the first two orders shall be made against prepayment. In general we grant 2 % cash discount for prepayment. Unless otherwise agreed, the purchase price shall be paid within 10 days 2 % cash discount, 30 days net after delivery. Calling-in with SEPA direct debit be made with 4 % cash discount after receipt of order. If the buyer fails to pay within this period and has no right of retention, he will be in default and no warning will be issued. The payment will be considered as being made upon receipt of the money in our account. We only accept cheques with prior agreement on account of performance (we are not obliged to do so). Cheques will be accepted as payment only after they have been credited to our account. In this case, the discount charges and other costs will be paid by the buyer. Requests for payment are to be charged interest at the legally valid rate of interest in the case of implementation. We are entitled to claim further unlimited damages. If the payment deadlines are exceeded by over 2 weeks, our claims from all deliveries are due immediately. We are entitled to make delivery dependent upon an advance payment of the purchase price and - if this is not made within a reasonable period of time defined for this purpose - we are entitled to withdraw from the contract. Agreements which exclude an advance payment of this type must be in writing.

### § 3 OFFER AND CONCLUSION OF CONTRACT

Our offers are subject to change in cases of doubt. Contracts therefore only come into effect when the order has been confirmed in writing or the goods have been dispatched. The order confirmation can be issued by letter, fax, email, internet or in any other electronic text form. Should the order confirmation not be in accordance with the order, the buyer is required to make the seller aware of this in writing within 3 working days after the order confirmation has been delivered. After this period of time, changes can only be made if the resulting costs are paid by the buyer. Supplements and alterations are only effective with our written confirmation. Illustrations, drawings and measurements are only approximate. Minor differences in measurements, construction and colour can result due to the characteristics of the products we manufacture. They cannot be regarded as defects. In particular, no responsibility can be taken for the consistency of colour in the case of materials and leather, inlays and lacquer work. This also applies to repeat orders.

### § 4 TREATMENT OF CUSTOMER OWN MATERIAL

Basically the fabric is manufactured without suitability test. We are not liable for wrinkling, flaw or other defects of received fabric. In case the provided material is unsuitable a warranty claim is excluded. The customer has to pay additional charges for a possible return consignment, a particularly complicated manufacture etc.

### § 5 DELIVERY DEADLINES

The delivery deadlines stated in the confirmation of order are approximate deadlines. The initial two orders are principally delivered only against cash on delivery or payment in advance. The delivery period begins as soon as all despatch details have been clarified and the buyer has fulfilled their obligation to co-operate, in particular an agreed advance payment. An agreed delivery time is to be regarded as having been adhered to if the goods have left storage or readiness for dispatch has been reported before the period has expired. Risks are transferred to the buyer one the goods have been dispatched, even if we are covering other expenses such as delivery charges, demonstrations or installations. If goods are stored at our own site, at least 1.0% of the contract price of the stored goods will be charged per month. We are entitled to store the goods off-site. Delivery delays which have been caused by the shipping agency or haulier will not serve as the basis for any claims for damages, unless this has been caused intentionally or due to gross negligence. Any corresponding claims for compensation against the transporter will be transferred to the buyer. Should ASCO GmbH fall behind with delivery, the delay that has been caused to the Customer shall not result in the right of recourse. In the event of delays of delivery caused by fire, explosion, sovereign intervention, strikes and other circumstances not to be answerable for by ASCO GmbH as well as their suppliers, ASCO GmbH shall be entitled to make up for the delivery after the reason for non-delivery has ceased to be. Damages during transport are to be reported by the buyer to the shipping company immediately in their own interests. Partial deliveries are permissible. In the case of sample deliveries, the additional freight costs for delivery and collection will be charged at a flat rate. Special agreements are an exception.

### § 6 RESERVATION OF OWNERSHIP

All deliveries of ASCO GmbH are carried out under reservation of ownership. Ownership of the goods that have been delivered (reserved goods) shall only pass on to the Customer upon receipt of all payments. The Customer shall not be entitled to pledge or to use as a collateral or transform the reserved goods before transfer of ownership. When reserved goods are processed or sold ASCO GmbH shall have to be informed immediately in writing ASCO GmbH shall acquire joint property in the proportion of the value of the goods delivered by ASCO GmbH. The Customer is obliged to inform his buyer upon request of ASCO GmbH that goods are under reservation of ownership. Ownership of the goods that have been delivered shall remain with ASCO GmbH until receipt of all payments due from buyer during the business connection. Reservation of ownership covers the acknowledged balance to the extent to which receivables are booked against buyer's account [current account under reservation]. If the buyer acts in a way which is contrary to contract, in particular with regards to the failure to pay, we are entitled to claim back the goods. The revocation of the goods will not represent a withdrawal from the contract unless we have state this is the case expressly and in writing. After the goods have been recalled we are entitled to resell the products. The resale can take place as a private sale to third-party traders and/or end consumers. In the case of a resale we are entitled to offer the third-party buyers a price reduction of up to 70% from the normal listed prices. The proceeds of the resale are to be deducted from the debts of the buyer, minus a resale charge flat rate of 10% of the sales proceeds. The buyer is entitled to sell on the goods in a proper transaction as long as they have not defaulted. The buyer hereby transfers to us all claims accrued from the resale to purchasers or third parties to the tune of the final invoiced amount (including VAT), irrespective of whether the purchased item has been sold on, either in the same state or after processing. The buyer is required to provide a precise list of claims with the names and

addresses of purchasers, the claim amount and invoice dates for us upon request, to provide and check all required information for the enforceability of the ceded claims. The buyer is also required to inform their purchasers of the transfer.

#### § 7 WARRANTY AND DEFECTS

Upon delivery of goods, Customer shall inspect goods straightaway for possible defects, wrong deliveries, incorrect quantities or other complaints. Obvious damages in packaging material or transit have to be claimed immediately and confirmed in writing on the packing list by the forwarding agent. All defects and damages shall be notified to ASCO GmbH in writing latest within 3 working days and documented by digital recording. Has the time limit expired an assertion of the warranty claim shall be excluded. As far as insignificant defects, differences in weight, shape, colour, measurements or quality, and also modifications which serve further development of product, are concerned, Customer's right of warranty claim is excluded. The Customer may only exercise the right of retention on part of the purchase price in proportion to a well-founded defect. ASCO GmbH is entitled to repair or replace goods that are defective or grant the Customer an appropriate price reduction, at his option. Customer shall not be entitled to further damage claims on account of the defect. Goods may only be returned with our consent. Whenever a defect of returned goods is based on the fact that the product is already being used or cannot be returned for one reason or the other, Customer is obliged to pay a loss compensation or to refund ASCO GmbH for the depreciation of used goods. To avoid any compensation, goods are to be inspected, but by no means to be used. In case of returns, goods shall be packed-up in original packaging material or similar firm cardboard. The statutory provisions shall apply for hidden defects. With regards to those costs resulting directly from an amendment or replacement delivery – as long as the claim is deemed as justified – we will pay the costs of the replacement item, including the delivery. Any costs resulting for the buyer are to be covered by the buyer themselves. Required assembly and travel costs which are incurred as a result of unjustified claims of defects are to be paid by the customer. If any changes or repair work have been carried out inappropriately by the customer or a third party without our prior written consent, we will no longer be liable for the resulting consequences. The customer is required to give us the opportunity to assess the claim, and in particular to make the damaged goods and its packaging available for us to inspect. If they refuse to do so, we are no longer liable for the defects. We are not liable for damage to the goods which is caused by wear and tear, unsuitable, inappropriate use or application which is not in accordance with the contract, incorrect assembly, excessive strain or inappropriate alterations, amendments and repair work carried out by the customer or a third party, incorrect or negligent use, unless this has resulted from our own negligence.

#### § 8 LAW AND PLACE OF JURISDICTION

German law applies exclusively to the contractual relationship, excluding the UN Convention on Contracts for the International Sale of Goods. 32657 Lemgo will be the agreed place for jurisdiction. We are, however, entitled to bring an action against the buyer at their place of general jurisdiction. Contractual additional agreements and alterations of these business conditions require our written confirmation in order to be effective. A transfer of rights arising from this contract requires our written agreement.

#### § 9 DATA PROTECTION

The customer has been informed on the scope, place and purpose of the collection, processing and use of the personal data necessary for the execution of orders. He consents to a possible collection, processing, use and, where applicable, deletion of personal data.