

HOFMANN

GLASTECHNIK

Delivery

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Payment Terms

Terms of delivery and payment

Preamble

The following terms and conditions for delivery and payment apply to all deliveries and services supplied by Hofmann Glastechnik GmbH. In case customers' purchasing conditions depart from our terms, they shall apply only if they are expressly confirmed by us in writing. Acceptance of the delivered goods shall be deemed acknowledgement of our terms and conditions. The place of delivery and performance of payments is Staudt.

Sales Prices

Prices charged for are those in effect on the day of delivery and, unless otherwise provided, are to be understood in EURO currency ex works, payable immediately net cash without discounts plus an additional amount for value added taxes (VAT) as applicable from time to time.

In case payment dates are exceeded, all legal consequences of default may take effect without any prior formal notice. We reserve the right to charge additional costs for reminders and interests at the rate applied by our bankers. The total balance will be due for immediate payment regardless of any other terms of payment provided. If there will be doubt in creditability, even if the order is already acknowledged, we have the right to ask for prepayment, irrevocable letter of credit or to terminate the contract.

In the event of default on payment, we are entitled to cancel the agreement in whole or in part and to recover the goods. The customer has an obligation to surrender those goods.

In the case of special design products, we reserve the right to increase the price within reasonable limits and to deviate from the agreed quantity up to $\pm 10\%$. The customer must take delivery of such surplus quantities. Special designs cannot be returned and orders cannot be cancelled without our written consent. Shared costs for moulds and tools for special designs ordered, are partly due to the account of the customer, but remain our sole property.

Delivery and Delivery Dates

We will do our best to keep the delivery terms stated. Due to the risks and peculiarities of glass-working, these terms are non committal, unless otherwise expressly stipulated. Our contractual obligations are subject to ourselves being supplied by our subcontractors correctly and in due course of time.

Unless otherwise agreed, we will only accept the return of packaging material to the extent that we are obliged to do so under German law or other legal requirements.

Warranties, Material Defects and Return of Goods

If, despite the greatest of care has been taken, the goods give cause for complaints, then defects must be notified without any delay after their discovery, in any case no later than 14 calendar days after receipt of the goods, otherwise the goods shall be deemed accepted. We will, at our election and subject to receiving notification of the defect within the required time, repair the goods or deliver substitute goods.

In case of any damages, including consequential damages, we shall only be liable in the case of willful conduct or gross negligence and at the most up to a value not exceeding the amount invoiced for the delivered goods. For loss or damage caused by delay or due to ordinary negligence, we shall be liable only for up to 5% of the products' purchase price. The customer may not demand compensation for expenses incurred in vain. Parts subject to wear and tear are excluded from warranty for defects. Claims on the basis of defects as to quality shall become statute-barred 12 months after delivery of our goods to our customer.

To proof any complaints, the delivered goods have to be returned to us upon request. Goods, that are not damaged and are returned to us, will only be accepted, if we are notified of the return before their dispatch. We reserve the right to only credit unused and faultless goods and to deduct adequate charges for repacking and restocking.

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Technical Documents, Non-Disclosure

Drawings, graphs, dimensions and weights are only of approximate value, unless they have expressly been stated as mandatory. The customer is responsible for working drawings submitted by him not to encroach upon proprietary or patent rights of third parties. He shall save us harmless against claims for compensation by third parties. Information submitted by Hofmann Glastechnik GmbH shall not be made accessible to third parties or to be reproduced or to be used for purposes other than agreed upon.

Property Rights and Copyright

Unless otherwise agreed, we only have an obligation to deliver products that we developed ourselves free from property rights and copyrights of third parties in the country in which the place of delivery is located.

Claims on the part of the customer shall be excluded, if the infringement of proprietary rights is a result of special instructions issued by the customer, an application or use of the goods that was not foreseeable by us, or as a result of the customer modifying the goods or using them together with goods not delivered by us.

Reservation of Title

We shall retain title to the goods until all of our claims, including claims arising in the future, are paid in full. The customer is entitled to process those reserved goods and to re-sell them, provided the following conditions will be complied with:

In case the reserved goods are processed or transformed by the buyer, we are deemed the manufacturer, within the meaning of Article 950 of the German Code of Civil Law, and acquire title of ownership to intermediate or finished products. The processing party is only a depository. If reserved goods are incorporated into or processed together with other items not owned by us, we acquire title of co-ownership to the new object in proportion of the value of the goods reserved to the value of said other items. Mortgages or chattel mortgages of goods reserved or of claims assigned are not allowed.

Reserved goods are allowed to be sold only by way of ordinary and regular business transactions and only if claims resulting from re-sales have not previously been assigned to third parties. Claims resulting from re-sales, and to which the customer is entitled, shall be considered as assigned to us from the moment the customer enters into a sales agreement with us, and also as far as our goods are incorporated into or processed together with other items. The declaration of recovery or reservation of title or assignment of the goods by us, constitute a declaration of withdrawal from the agreement with respect to the reserved goods.

If, in the case of non-domestic sales, the reservation of title agreed is not permitted with the same effect as under German law, then we shall retain title to the goods until payment of all of our claims. The buyer shall cooperate in all actions we may wish to take, in order to protect our ownership interest or alternative right in the goods.

Applicable Law

The substantive law of the Federal Republic of Germany and the provisions of the UN Convention on Contracts for the International Sale of Goods ("UN-CISG"), shall apply to all legal relationships and transactions established by the purchase contract.

Sole place of adjudication for both parties for all legal disputes arising out of a contract or in connection with the supply relationship, including matters of currency exchange, is Staudt. If we appear as the plaintiff, we are also entitled to bring an action before the court responsible for the Buyer's place of business.

If individual provisions of the respective agreement or these purchasing terms and conditions should be or become invalid, this shall not oppose the validity of the remaining terms and conditions. In such a case, a regulation shall be regarded as agreed, which is valid and feasible and comes closest to the intended result.