# HÜNI + CO. **GENERAL TERMS AND CONDITIONS**

# HNI-006

## 1. Scope of application

Our deliveries, services and offers are based exclusively on the following Terms and Conditions.

Placing of the order includes agreement by the customer to our Terms and Conditions. If a customer has not received a separate copy of our Terms and Conditions, we assume that the customer will have taken note of our Terms and Conditions for the future after the 1st delivery has been made. Our Terms and Conditions apply exclusively to companies in the sense of Section 310 Paragraph 1 BGB (Bürgerliches Gesetzbuch, German Civil Code).

Our Terms and Conditions apply exclusively; we do not recognize any of the supplier's conditions that are contrary to or deviate from ours, unless we have explicitly agreed to their validity in writing. Our Terms and Conditions also apply if we are aware of any of the supplier's conditions contrary to or deviating from ours and nonetheless accept the service without reservation.

All other terms and conditions not conforming with ours will not form part of this agreement. If no settlement can be found in accordance with the interpretation of the agreement and taking into consideration the interests of the contracted parties, German law will take the place of the conflicting Terms and Conditions.

## 2. Placing of order and prices

2.1. Placing of the order by the customer represents a binding offer, which we will be able to accept within 2 weeks by sending a confirmation of order or by the transfer of the work to the customer. Previously issued offers from us remain non-binding only until award of contract.

2.2. We reserve our right of ownership of images, drawings, calculations and other documents. Before passing these on to third parties, the customer requires our explicit agreement in writing.

 $\ensuremath{\textbf{2.3.}}$  The agreed price shall be decisive. Our prices are ex the Friedrichshafen works, excluding packaging, transport costs, insurance and all kinds of subsidiary costs, plus VAT at the relevant applicable rate.

#### 3. Delivery period, terms of delivery and risk assumption

3.1. The delivery period begins on the day of full order clarification and the performance of all the customer's obligations to cooperate, at the earliest with the receipt of the work pieces in our works. In the case of unforeseen events in or outside our works, the delivery period will be extended appropriately.

3.2. Our deliveries are ex Friedrichshafen works, not free of charge, for the account and at the risk of the customer. The delivery shall be based on the order or respectively the quantity supplied by the customer. We have the right to make partial deliveries.

3.3. The information in our price lists, brochures and similar regarding technical details such as possible applications, dimensions, stable properties etc. does not represent any form of quality agreement, assurance or guarantee. We reserve the right to make necessary technical changes, insofar as these are reasonable for the customer. The customer is obliged to inform us about the intended application before the agreement is concluded.

#### 4. Goods inwards

Our goods inwards controls are restricted to establishment of conformity with the delivery notes and depending on the condition when delivered also on the establishment of evident transport damage and other defects detectable by us. Complaint according to Section 377 of the HGB (Handelsgesetzbuch, German Commercial Code) is timely if made within a period of 5 working days, counted from the receipt of goods or in the case of concealed defects from the time that discovery of the defect was declared. Any further inspections will only be carried out with the agreement in writing of the customer.

## 5. Conditions of payment

within 30 days after the invoice date. For payment within 10 days, we give a discount of 2%. Partial services may be invoiced separately.

If the customer's financial circumstances deteriorate significantly or the customer is in arrears with a payment, we are entitled to demand immediate payment of all outstanding invoices, including those that are not as yet due. Interest on arrears will be charged at the statutory amount above the basic interest rat , reserving the right to claim for further damage. The customer is only entitled to offset payments if the customer's counter-claims are legally established or uncontested and are synallagmatically linked with our principal claim or recognised by us.

## 6. Liability for defects

We have unlimited reliability based on the Produkthaftungsgesetz (Product Liability Act) of the Federal Republic of Germany. Further conditions apply as follows:

6.1. The customer is to inform us of the future application of the work piece to be coated, without a special request to do so. If the work piece is to be used at a later date for a purpose other than the application given, the customer will lose the rights to claim for defects under guarantee.

6.2. Our goods must be inspected by the customer immediately after arrival at their destination according to Sections 377 HGB (Handelsgesetzbuch, German Commercial Code). If recognisable defects are reported only after the start of assembly or further processing, or after passing on to third parties, all rights of the customer to claim for defects no longer apply. The same applies to subsequent changes to the objects subject to complaint by the customer or by third parties. Concealed defects must be reported as soon as they are discovered. We must be given the opportunity to inspect.

6.3. We will be liable to provide supplementary performance of our choice for any defects. If the type of supplementary performance we have chosen should be unsuccessful, the customer has the choice of a lower price (reduction) or cancellation of the contract (withdrawal) and compensation within the limits of liability (see Clause 7) instead of performance. This also applies if we seriously and definitively refuse subsequent performance.

6.4. The period of warranty shall be one year, starting with the handover of the goods to the customer. Claims for damages by the customer on grounds of a defect will lapse after one year after handover of the goods to the customer. This shall not apply if we have acted with intent or with gross negligence or if the customer suffers loss of life, physical injury or impairment of health.

6.5. In the event of malicious non-disclosure of defects, further claims remain unaffected.

6.6. The customer will receive no guarantees in the legal sense from us, unless these have been agreed individually in writing on conclusion of the contract.

#### 7. Liability for damages

7.1. We accept no liability for quality workmanship for faults that can be traced back to poor or unsuitable material quality, or material quality unknown to us. The exclusion from liability also covers the processing of used parts, as well as work pieces that have not been manufactured to conform with coatings or that have poor or problematical surfaces. The same applies if the coated parts are used for a purpose different from the one of which we were informed before coating. In this connection, we can provide no compensation for changes to shape, impairment of fitting accuracy or similar, unless this is caused by intent or gross negligence on our part.

7.2. Our liability for breaches of contractual duties and for damages that have not occurred on the object of the delivery itself, together with our liability for offence, is limited to deliberate intent and gross negligence by the user, our legal representatives or executive employees. This does not apply to loss of life, physical injuries or impairment of health, to claims based on violation of cardinal duties and compensation for damages due to delay (Section 286 BGB (Bürgerliches Gesetzbuch, German Civil Code)). To this extent, we are liable for every degree of fault. However, in cases of damage not resulting from loss of life, physical injury or impairment of health, we are liable only for reasonably foreseeable damage typical of the contract.

7.3. The customer is to take out an external insurance policy, as we for our part have no insurance for the property of others.

### 8. Form of declarations

Legally relevant declarations or notifications made by the customer to us or with effect for or against us to a third party must be in writing to be valid.

## 9. Place of performance - choice of law - place of jurisdiction

Unless otherwise agreed, our invoices are payable without any deduction 9.1. The place of performance for delivery and payment shall be Friedrichshafen.

> 9.2. The legal relationships between us and our customers are exclusively subject to German law.

> 9.3. The sole place of jurisdiction shall be the competent court for our registered office.