

General terms and conditions of delivery and payment for contract tanning and processing orders

1. Area of applicability

The conditions set out hereinafter are an integral part of the order. Thus, a one-time acceptance of the conditions is part of the order. Each order is subject to the terms and conditions of the technical and organisational procedure applicable upon placing the order.

General terms and conditions of business of our clients are not part of the contract, not even if we do not explicitly contradict such terms and conditions. Any assurance of characteristics, secondary agreements and amendments have to be confirmed by us in writing.

2. Order acceptance and contract tanning or processing services

An order is deemed accepted if it has been confirmed by us in writing with respect to the type, scope and price. The acceptance and/or implementation can be refused if the goods deviate from the confirmation. The order is subject to service contract law. We shall be communicated the intended use, type of processing and information about the delivered goods. If information about the delivered or desired product is lacking, we make the decision to the best of our knowledge.

3. Ownership situation of the raw material

Upon special request, we shall be informed whether the goods are the property of a third party or are encumbered by third-party rights, e. g. retention of title, transfer by way of security, resale or pledging. If we are notified about claims of a third party concerning the goods situated at our premises and if such claims are credible, we are entitled to deposit the goods. In the event of deposition, the client cannot make any damage claims against us. If the ownership situation of the goods situated at our premises changes, we shall be notified in this respect immediately. Missing or insufficient information about the ownership situation are subject to liability claims against the client. We are not liable for damages subject to missing or insufficient information about the ownership situation.

4. Execution of the order

If the information concerning item 2. and 3. is not provided, we are not obliged to process the goods.

5. Taking of samples and examination

We are entitled to take samples of the goods accepted within the framework of an order. Irrespective of any special agreement, we are not obliged to effect an incoming goods inspection upon receipt of the goods.

6. Processing deadlines

We strive to comply with processing deadlines but cannot assume any liability in this respect. Unforeseen events not caused by us, in particular cases of force majeure, discontinuance of work, operational or transport disruptions, fire, strikes and lock-outs, scarcity of water, coal, electricity and gas, general scarcity of material and other extraordinary circumstances entitle us to completely or partially withdraw from the contract or to reasonably extend the processing deadlines. Damage claims of the client are excluded in this case. The client, however, shall be entitled to withdraw from the contract if the impediment continues for more than one month.

7. Security interests

- a) Upon handover of the goods to be processed, the client shall establish a contractual lien for us for all our present and future claims from the business relationship. Our statutory lien and right of retention of title shall remain unaffected in this respect.
- b) The client assigns its expectancy rights to acquisition or recovering of ownership in the goods to be processed to us. These rights survive until complete payment of the secured claims is effected.
- c) Until complete payment of our services, we acquire pro-rata co-ownership of the new item in the relation of the processing value.
- d) The client shall be entitled to sell the goods in the ordinary course of business. In the amount of the processing work rendered by us, we remain the indirect owner of the goods so that we can assert replacement use claims against upstream suppliers of the client or collateral owners of the goods, if they request the goods.

Should the goods be sold, the claims shall be assigned to us in the amount of the value of the service rendered by us. The claims may only be assigned to third parties with our consent.

8. Liability

We are not liable for:

- a) goods which have been pretreated by third parties,
- b) isolated errors, spots or minor colour deviations,
- c) defects due to preserving damage,
- d) losses and damages which are covered by the insurance of the client,
- e) losses and damages which occurred in spite of proven exercise of due diligence,
- f) incorrect and incomplete information of the client upon acceptance of the order,
- g) Foreign matters causing damage to the client's goods unless this is due to a proven fault on our part,

- h) the quantity of the delivered raw material,
- i) the transport -safe cargo securing,
- j) defects of or due to the raw material or its quality

9. Insurance

The goods forwarded to us are not insured against any risk, neither against fire damage. The insurance of the goods is completely up to the client; we are not liable for missing or incomplete insurance coverage.

10. Complaints

Complaints are only taken into account if they are received by us in writing within 10 days upon receipt of the processed goods with the client. Upon expiry of this time limit, any complaint is excluded. The client is obliged to always provide a sufficient number of the defective skins as exhibits. In the event of justified complaints of our services, we are at liberty to reprocess the goods or, at our discretion, provide, process and deliver replacement goods.

The client, however, shall be entitled to demand a reduction of the processing remuneration or the rescission of the contract if the reprocessing fails or if the replacement goods do not meet the quality requirements.

Further claims are excluded; this shall in particular apply to claims on grounds of loss of profits or claims for compensation of any subsequent damages.

11. Terms and conditions of payment

Unless agreed to the contrary, payments shall be made immediately upon the due date without deductions. Stipulated payment dates shall be complied with. In the event of default, we shall be entitled to charge default interest following a prior reminder. Should the client be in default with a due payment, cease his payments, if an insolvency proceeding is opened against his assets or in the event of a considerable deterioration of the client's financial circumstances, each payment date shall become null and void and the claim shall become due immediately. In such cases, we may request cash payment prior to effecting any further delivery. Payments are always used to settle the earliest debt plus the costs and default interest incurred in this respect.

In the event of extensive orders, payments on account or partial invoicing can be effected.

12. Counterclaims

The setting of against non-recognized counterclaims or counterclaims that were not legally established, the withholding of due invoice amounts and unjustified deductions of any kind of fees are not allowed.

13. Prices and transfer of risk

Our prices are ex works Rehau. Invoices shall be paid immediately net cash without any deduction.

Upon leaving our works, the risk involved with the goods passes to the client independent from how the goods are transported.

The cargo securing including the provision of proper means for cargo securing is up to the client. Any liability by us on grounds of lack of cargo securing or any other claims on grounds of the goods not being loaded in a transport-safe manner are excluded.

14. Amendment of conditions

Should one or several of the above-specified provisions be or become invalid or cease to be in force, this shall not affect the validity of the remaining provisions.

15. Place of performance and place of jurisdiction

The place of performance for any and all claims based on the business transactions governed by these conditions, in particular delivery and payment, is Rehau. Hof is the place of jurisdiction.

16. Note

We would like to again explicitly point out that our services relating to raw material, wet blue, wet white and crust ware are not rendered by us as contractor but only as your service provider since the goods are not our property.

Of course, we undertake to render our services in a proper manner. However, we are not liable that any desired result is actually achieved. Our contractual relationship is exclusively governed by the provisions concerning the service contract.