

# GTC's

General terms and conditions of the Hauser Company, Nuernberg

## 1. Field of application

The general terms and conditions hereinafter (GTC s) are valid for the production of all goods of the Hauser Company LTD., Bartholomaeusstrasse 26 D, 90489 Nuernberg.

## 2. Offer and signing of the contract

Our offers are subject to change and without obligation for later deliveries. Supply contracts become obligatory only with our written confirmation. Changes, amendments or additional agreements need written confirmation.

## 3. Prices and conditions of payment

The prices are valid for deliveries ex works excl. packing, shipping costs and value added tax. Invoices are to be paid In Euro. Our conditions of payment 7 days with 2% discount or 14 days net are valid. For new customers we reserve us the right of prepayment less 3% discount. With publication of this price list all former price lists and verbal agreements are no longer valid. Prices are valid till 31.12.2009 — subject to change.

## 4. Product information

We reserve us technical and optical changes of the products during the validity of the catalogue. We don t take any responsibility concerning literal mistakes and eventual colour variations regarding the products pictured in the catalogue. We reserve us also the right for technical reasons in our production to execute an over- or short delivery of +/- 10% of the ordered quantity with special colours and advertising prints as well as minor differences in form and colour.

## 5. Advertising print and standard print colours

Preconditions are clear and precise indications concerning stand, line widths and differences as well as typewritten Text. In case we have no exact placement instructions or should it not be possible to observe these, we reserve us the right to place the advertising print at an appropriate place. We are not liable for wrong deliveries resulting from unclear indications and typescripts. Standard print colours are white, yellow, orange, red, green, blue, grey, black, gold, silver. Please observe that the desired print colours can only be obtained approximately on a white underground. The screens and printing blocks produced by us can be used only once. For the prints we need 1:1 slides (positive films); for silk screening layer above, for tampon printing layer beneath.

## 6. Delivery

The delivery dates given by us are without obligation. Late deliveries caused by operating troubles, strikes, traffic blocks or other unforeseeable obstacles give us the right to deliver at a later date or to retire from the contract without any claim of the customer to obtain damages. Any delivery delay unacceptable for the customer entitles him to withdraw from the contract excluding all claims for indemnity. If a delay in delivery is existent the customer is entitled to withdraw from the contract after expiration of a reasonable time limit. The withdrawal has to be made in writing and needs written confirmation. The delivery of all goods takes place at customer s risk and expense, even so when delivery freight paid has been agreed upon. If shipments are damaged resp. incomplete an investigation of fault has to be arranged for immediately after receipt. With the delivery of the goods to the company charged with the transportation the liability switches over to the customer. The shipping instructions of the customer are only binding when they have been agreed upon in writing and have been confirmed. Generally we deliver, however, at our best discretion and excluding every liability.

## 7. Packing, brands and industrial property rights

The customer is responsible for the observation of all packing instructions, product codes and information. The Customer reassures that in connection with his order no rights of third parties are infringed upon and obliges himself to exempt us from claims of third parties. The customer is not allowed to change our label HAUSER, to use it beyond the sale of the goods or to apply other labels / quality marks on the delivered goods. When ordering articles, which, on demand of the customer are fitted with signs of the customer or third parties, the customer reassures, that the corresponding rights of use are at his disposal. When, however, claims of third parties are put in, the customer has to release us from these claims.

## 8. Guarantee and liability

Complaints concerning our deliveries and services including wrong deliveries have to be notified to us in writing within 3 working days after receipt of the goods or upon provision of the service. A latent defect has to be notified to us in writing within 3 working days after discovery of the defect. If obvious lacks are not criticised in time the guarantee does not apply. If the goods delivered by us are changed without our contribution or if rules of use or storage are not observed our warranty liability does not apply. In case of a justified notification of defects the customer is entitled to demand remediation. The right to choose if a replacement delivery or an action to remedy the defects take place, will be decided by us in our sole discretion. If there is no remediation or replacement delivery the customer is entitled to retire from the contract or to adequately diminish the payment. The customer has to prove the damage. To put in warranty claims is without influence on the payment obligations and payment deadlines. In case of a well-founded notification of defects our liability is limited to the value of the rejected goods.

## 9. Assignment

Assignment of claims which result from the business connection with us for the customer is excluded.

## 10. Reservation of proprietary rights

The delivered goods remain our property till complete payment. If the customer acquires whole ownership or co-ownership by processing or conditioning of our goods we are entitled to the ownership in that amount which corresponds to the relationship of our delivery to the other linked goods. In case our ownership expires by combination or processing it is agreed by now, that the ownership of the customer concerning the goods will switch over to us on a value basis regarding our part. Until fulfilment of all our pecuniary claims resulting from the business connection an exploitation or a transfer by way of security of the goods delivered by us resp. of the goods on which we have a co-ownership is prohibited. In case of a resale the customer cedes to us the demands resulting from resale in the amount of the value of the goods delivered by us with all ancillary rights independent from the fact whether the goods are sold with processing or without. For reasons of precaution we accept the assignment. After the assignment the customer is precariously entitled to collect the accounts receivable. Our competence to collect the accounts receivable ourselves remains unaffected. On behaviour contrary to the contract by the buyer we are entitled to retire from the contract and to demand back the goods.

## 11. Place of performance and jurisdiction

In case of entire or partial invalidity of one of the aforementioned clauses this does not affect the validity of the clauses esp. of the contract. Place of performance and jurisdiction for all deliveries, performances and payments is Nuernberg. The German law is applicable for the contractual relationship excluding UN Convention on International Sales of Goods (CISG)