

# General terms and conditions of sale and delivery of KLEEN-TEX Industries GmbH

## I. General

Following terms of payment and delivery are an integral part of the contract for all present and future delivery contracts unless other conditions have been agreed upon in writing in the contract. Other conditions of the customer are excluded even if they have not been expressly contradicted. By placing an order the customer agrees to the conditions as legally binding. In the event that single conditions should be invalid, the other conditions will remain legally binding. The supplier KLEEN-TEX Industries GmbH is referred to as KLEEN-TEX in the following.

## II. Order acceptance and obligation to supply

1) The offer and/or order confirmation of KLEEN-TEX determines the extent of the order. In case of orders by telegraph or phone or verbally agreed upon, the written order confirmation of KLEEN-TEX applies. All offers are without obligation until a written order confirmation. Supplements to an agreement have to be confirmed in writing. The cutting is not included in the delivery extent.

2) Deliveries are effected free buyer's address respectively ex works KLEEN-TEX and will be invoiced to and at the risk of the customer. Transport insurance could be done on costs of the customer, if needed.

3) The material made available to us is not insured against any risk or fire loss. Damages during transport have to be communicated in writing immediately upon receipt of the goods.

4) As far as possible, the agreed upon delivery time will be observed, however, in case of equipment failure, difficulties with obtaining the raw material or force majeure, it is not binding. A cancellation of the contract because of a delay in delivery respectively the claim of damages is only possible after a reminder and after granting a reasonable extension of the delivery time.

5) Partial deliveries, short deliveries or excess deliveries are allowed

6) Technical breakdowns at the suppliers company or at sub-suppliers, cases of force majeure, war, riots, lockouts, strikes, fire, confiscation of an important work piece, constriction of energy supply as well as the delayed arrival of important raw material exonerates KLEEN-TEX from the observation of the delivery times. However, they have to do their utmost to ensure a quick delivery after those obstacles have been overcome. In these cases, claims for damages by the customer are excluded. In case it should be obviously impossible to fulfill the contractual obligations, both parties have the right to withdraw from the contract and accordingly the contract is annulled. KLEEN-TEX has the right to store the ordered material at the expense and the risk of the customer if the acceptance of the material should be delayed for more than one week.

## III. Prices and terms of payment

1) The prices are calculated ex works or ex subsidiary of KLEEN-TEX, excluding freight and packing. These will be invoiced separately. The packing will not be taken back unless the packing consists of pallets that are property of KLEEN-TEX.

2) In the event that three months after the order confirmation the prices for material, the labor and payroll costs or taxes and duties should be increased, KLEEN-TEX has the right to adjust their costs accordingly. Advance payments or advance performance do not have any influence on the prices. They will be credited and then charged against the final price.

3) Invoices with a value of goods below or up to 1,000 €

as well as first deliveries have to be paid by prepayment.

4) All other deliveries are to be paid net upon receipt of the invoice. For orders with a value above 1,500 € KLEEN-TEX reserves the right to request payment in cash of one third of the order value upon receipt of the order confirmation, on third upon announcement that the goods are ready for shipment and the last third upon delivery. In case the delivery should be delayed for reasons KLEEN-TEX is not responsible for, KLEEN-TEX has the right to request two thirds of the contractual amount as down payment, also for orders up to 1,500 €.

5) Checks and bills of exchange are only accepted as payment and with the right to protest. KLEEN-TEX reserves the right to refuse the acceptance of bills of exchange. The fees for discounting and collection are at the expense of the customer. In case of a delayed payment, KLEEN-TEX has the right to charge default interest in the amount of 1.5 % per month

6) In the event that after the conclusion of the contract it should become obvious that the credit standing of the customer is not good, all outstanding payments become due immediately, regardless of the maturity of the bills of exchange that have been accepted. Under these circumstances, KLEEN-TEX has the right to fulfill outstanding orders only against advance payment or deposit as well as to withdraw from the contract after a reasonable period of grace or to claim compensation for damages due to non-payment. In case of a delay in payment, we do not have to affect any further deliveries from any contract. Payments are always used for the latest due obligation, plus default interest and fees.

7) The charging of not accepted counter claims, the withholding of due payments as well as unauthorized deductions of any kind are not allowed.

## IV. Reservation of proprietary rights

1) All deliveries remain property of KLEEN-TEX until payment of the total amount of the invoice, including all interests and fees. This reservation of proprietary rights also serves as security until payment of any and all open invoices.

2) The customer has the right to sell the delivered material during his ordinary course of business at his standard conditions, however, garnishments or transfers by way of security are not allowed. The customer has to inform KLEEN-TEX immediately in the case of a garnishment or any other impairment of their rights by third parties. If the customer is selling the delivered material, he assigns the claims against his customers with all ancillary rights to KLEEN-TEX from the time of the sale until complete payment of all outstanding accounts. On request of KLEEN-TEX the customer has to inform his customer about the assigning of the claims and he has to provide KLEEN-TEX with the information necessary to enforce the claims. The assertion of the reservation of proprietary rights as well as the garnishment of the material delivered is not considered as a withdrawal of the contract unless otherwise stated by law. The assertion of claims for damages is thereby not excluded.

## V. Warranty claims

1) Obvious defects have to be stated in writing immediately upon receipt of the goods. Dimensional deviations and color deviations cannot be avoided and cannot be objected. If the goods should be defective due to material defects or processing defects or if the promised characteristics should be missing, KLEEN-TEX has to either touch up the goods or replace them with faultless goods. If the touch up should not be successful, the customer may request a reduction of the price. Material that has not been treated cannot be objected to. Material that has been objected to, must be presented to KLEEN-TEX immediately.

2) First the customer has to give KLEEN-TEX the opportunity for a quick touch up as far as their liability is not excluded. KLEEN-TEX is only liable for defects in the amount of the production costs at the day of delivery respectively in the amount of the purchase price at which the raw material can be reproduced or bought.

3) Warranty claims fall under the statute of limitations after six months upon receipt of the material. Claims for damages are restricted to gross negligence or premeditation.

## VI. Place of fulfillment and jurisdiction

Place of fulfillment for both parties will be Kufstein/ Austria. Place of jurisdiction is Kufstein/Austria. This also applies to checks and bills of exchange. The Austrian law is applicable for all legal transactions

## VII. Other conditions

1) On all papers, drawings and samples created by Klee-TEX, Klee-TEX will have the property law and right. The customer is not allowed to forward them to third party without permission.

2) Upon delivery of goods for job processing the customer has to send us a list indicating single dimensions, total dimensions and all necessary information regarding the goods (i.e. indications for treating and washing).

3) KLEEN-TEX is authorized to extract raw or processed samples from the goods made available to us for processing. Those samples are to be treated confidentially. KLEEN-TEX does not have to test the raw material before processing.

4) A defect mark by KLEEN-TEX does not exonerate the customer from checking the processed material. There is no obligation to deliver the processed material with the original end pieces. End pieces and other minor parts that have to be cut off for proper processing and appearance, are considered as inevitable waste. The customer will accept 5 % scraps, at least 20 m<sup>2</sup> of the total lot. We will do our utmost to keep the percentage of waste as little as possible. KLEEN-TEX reserves the right of property and the copyright of all cost estimates, drawings and other parts of the offer. They must not be made available to third parties. Upon request, they have to be immediately returned to KLEEN-TEX if the order was not placed.

5) All documentation pertaining to the offer, such as dimensions, is approximate unless expressly stated as binding. KLEEN-TEX reserves the right to technical changes during the delivery time as long as the function and appearance of the ordered material is not changed fundamentally.

6) These terms and conditions may be contradicted in writing within one week days upon receipt. In that case the order is considered void.

7) With the order, the customer confirms that all drafts, samples, designs, logos, trademarks and company signs as well as lettering may be used and that the possibly necessary approval of third parties exists. The customer agrees that KLEEN-TEX is authorized to publish drafts, samples, designs, mats, logos, trademarks and company signs etc. made by KLEEN-TEX in flyers, advertisements, internet etc. The customer furthermore confirms that he will not prosecute KLEEN-TEX for using drafts, samples, designs, logos, trademarks, company signs or lettering, respectively that he will ensure that KLEEN-TEX is legally protected should third parties exercise the copyright breach law.

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