

General Terms of Delivery

Fashy GmbH Produktion und Vertrieb Gummi-Kraus, Kornwestheimer Strasse 46, 70825 Korntal-Münchingen

1. General / Conclusion of Contract

All goods delivered and services rendered by us are governed solely by the following General Terms of Delivery unless otherwise agreed.

Any conflicting general terms and conditions, in particular the Customer's conditions of purchase, are deemed not to be part of the contract, even if not expressly objected to by Fashy GmbH.

Within the scope of our business relations with the Customer our General Terms of Delivery shall be applicable and shall be deemed to have been agreed, even if reference to them is not explicitly made in any future contracts.

Our contractual obligation to make delivery shall be subject to our formal, written confirmation of order. We also reserve the right to effect immediate delivery in lieu of sending a written confirmation of order. All offers made up to this point in time are made without obligation.

2. Delivery

a) All deliveries are made for the Customer's account and risk. We accept no liability for any damage to or for the loss or destruction of the goods. We will not take out insurance with respect to the goods delivered. The Customer shall bear all transport costs. We reserve the right to make delivery of the goods, at our discretion, either ex works or ex any other location. If no specific method of shipment has been agreed, we shall be entitled to effect shipment of the goods using our best judgment, however without liability for having chosen the cheapest method of shipment.

b) Non-returnable packaging will not be charged to the Customer. Container rental, special packaging, etc., shall be charged to the Customer at cost price.

c) All information concerning delivery times are deemed to be approximate and are non-binding.

If any default in delivery is due to circumstances other than force majeure (operational interruptions, machinery defects, cessation of work, war, tempest and any other similar unforeseeable events), the Customer shall only have the right to hold us in delay upon our exceeding the specified deadlines by four weeks. If, in this case, the Customer grants us a reasonable extension of time, such extension having to be a period of not less than a further four weeks, the Customer shall be entitled to rescission of contract upon expiration of such extension.

However, the Customer shall only be entitled to claim damages for default and/or non-performance and for breach of any secondary contractual obligations if the default in delivery is due to any wilful intent or gross negligence on our part or on the part of any of our vicarious agents. The same shall apply in the event of any impossibility of performance for which we can be held responsible.

In the case of force majeure, all damage claims for losses resulting from any delay and/or non-performance shall be excluded. This shall also apply in the event that the incident of force majeure should arise at the time of any existing default in delivery on our part, any loss however being established on the basis of the time following the incident of force majeure.

However, in the event that we should nevertheless be found to be liable pursuant to any of the aforementioned provisions, our liability for any losses shall be limited to the total contract value. We shall not be liable for consequential damage (in particular, loss of profit, loss of sales, damage to any other property of the customer, etc.).

Force majeure within the meaning of this provision shall entitle us to rescind our obligation to make delivery, either wholly or in part, at our discretion or to postpone delivery.

We reserve the right to make part delivery in so far as this can be deemed reasonable for the Customer.

3. Prices / Terms of Payment

a) All prices quoted are to be understood to apply ex our place of shipment and apply only to the quantities requested, plus any statutory value-added tax or any other applicable taxes and, if appropriate, any transport charges, insurance, etc. (cf. Para. 2 a)).

Unless otherwise specified in our confirmation of order, all prices quoted are understood to apply in Euro amounts.

If delivery is made more than four months after our confirmation of order and if, owing to inflationary increases or any other similar circumstances, there should be a general increase in prices, in particular, due to wage or tax increases or increases in the cost of raw materials, we shall be entitled to adjust our prices accordingly.

Unless otherwise agreed, our invoices are payable within 30 days from the date of invoice without any deduction.

b) All outstanding accounts, including those not yet due or those specifying a later settlement date, shall fall due for immediate payment if the Customer should default with respect to any older accounts.

c) The right of the Customer to withhold payment or to assert his right to set-off against our claims is excluded, unless the Customer's counter claims are uncontested or have been legally ascertained.

4. Reservation of Ownership

All goods supplied shall remain our property until payment in full of all claims having arisen out of our business relations with the Customer, including incidental claims, damage claims and any claims falling due at a later date, has been received. This, in particular, applies if payment is made by cheque or bill of exchange up until the time of full discharge and also if any or all of our claims outstanding in conjunction with an overdraft facility granted to the Customer (current account) have been verified, the account has been balanced and the statement of account has been accepted.

Any modification or processing of the goods under reserve shall be deemed to have been carried out on our behalf as the manufacturer within the meaning of §950 of the German Civil Code, however, without any liability on our part. Any such modified or processed goods shall be deemed to be goods under reserve within the meaning of the aforementioned provisions.

In the event of the Customer having processed, combined or mixed the goods with other products not owned by us, we shall be entitled to co-ownership in the new product in the ratio of the invoiced value of the goods under reserve to the invoiced value of the other products used. In the event that our ownership rights should lapse as a result of our goods having been combined, mixed or processed by the Customer, the latter, upon entering into this contract, assigns to us his rights of ownership or any future interests in the new product or item in proportion to the value of the goods under reserve as invoiced; in case of processing, in the ratio of the invoiced value of the goods under reserve to the invoiced value of the other products used, and he shall hold the product in custody on our behalf free of charge. Our co-ownership rights shall be analogous to our interests in the goods under reserve pursuant to the above provisions.

The Customer is entitled to sell the goods under reserve only in the ordinary course of his business and subject to his standard terms and conditions and provided that he is not in

default with any of his payments to us under this contract, under the proviso that he enters into a retention-of-title agreement with this customer and that his claims arising out of such resale to his customers pass onto us in accordance with these General Terms of Delivery. The Customer has no further rights of disposal in respect of the goods under reserve. Reselling the goods under reserve shall also be deemed to mean any use of the goods under reserve by way of performance by the Customer of a contract for work or a work performance contract.

By entering into this contract, the Customer assigns to us all claims due to him in connection with any resale of the goods under reserve. Such claims shall serve as collateral protecting our interests to the same extent as the goods under reserve pursuant to the above provisions.

If the goods under reserve are resold by the Customer together with any other goods, the Customer hereby assigns to us his claims arising out of such resale in the ratio of the invoiced value of the goods under reserve to the invoiced value of the other goods. In the case of any resale of goods in which we have acquired a co-ownership rights in accordance with these General Terms of Delivery, the Customer shall assign to us that part of the claim due to him proportionate to the value of our co-ownership claim.

The Customer is authorised to collect any debts arising out of the resale of goods under reserve, until we revoke this collection authority. In particular, any such revocation of the authority to collect shall be admissible and is deemed reasonable if, owing to circumstances arising after the conclusion of contract, the Customer's financial position should deteriorate substantially or if we should learn after having entered into the contract that the deterioration of the Customer's financial position had already been in progress prior to the date that contract was concluded and such deterioration of the Customer's financial situation could jeopardise our claims for payment. In particular, a deterioration of the Customer's financial position is given if any enforcement proceedings are instituted against the Customer by a third party which are not abated by the Customer within two weeks from the time such action was first initiated against him and/or in the event of bankruptcy proceedings being instituted against the Customer. In such cases, we have the right to demand that the Customer immediately inform his customers of his assignment to us and that he provide us with all information and documentation necessary for us to collect. This shall not affect our right to direct disclosure of the assignment proviso to the Customer's clients, following due warning to the Customer to this effect. The Customer shall notify us without delay in the event of an attachment or any other impairment of our rights by any third party.

The Customer shall in no way be entitled to assign his claims, this also applies to any factoring transactions to which the Customer is not entitled, even in conjunction with his authority to collect debts hereunder.

We undertake to release any collateral of the Customer upon request by the Customer if the recoverable value of our collateral exceeds by more than 20% the claims to be secured; the choice of collateral to be released will be made at our discretion.

5. Warranty

a) Surplus or short deliveries varying by up to 10% from the quantity of the goods ordered shall be admissible and do not constitute a deficiency in performance. Similarly, we retain the right to effect product modifications which are admissible in so far as the designated use of the goods or their quality are not impaired in any way.

b) Advertising claims, in particular information contained in our brochures, do not constitute any quality descriptions. We give no warranty of quality in respect of the goods, nor any guarantee as to our products' service life within the meaning of § 443 of the German Civil Code.

We can give no warranty that the goods are suitable for use in the manner intended by the Customer if this differs from the customary use of our goods.

c) The Customer is obligated to notify us in writing of any obvious defects within eight days after receiving the goods at the latest. Failure to notify us within this period of time shall release us from our warranty responsibility, unless the Customer can prove that timely notification was not possible.

d) In the event of any legitimate complaints, the Customer has the right to demand subsequent performance by us within a reasonable period of time of not less than two weeks. We shall effect subsequent performance at our discretion either by removal of the defect or by making substitute delivery.

Failure on our part to effect subsequent performance on two successive occasions, shall give the Customer the rights stated under § 437 No. 2 and 3 of the German Civil Code.

e) Our warranty period is effective for 12 months from the time of passage of risk if the Customer is an independent contractor within the meaning of § 14 of the Civil Code. This shall not affect his rights of recourse within the meaning of §§ 478/479 of the Civil Code, provided that any claims for damages shall be subject to the 12-month period of limitation under this warranty as well as Para. 6 of these General Terms of Delivery.

6. Liability for Damages

Our liability for damages claimed by the Customer in connection with any breach of duty on our part for which we can be held responsible or any breach of duty on the part of our vicarious agents for which they can be held responsible shall be limited to the extent of any gross negligence, i.e. in the case of wilful intent or a grossly negligent breach of duty. Any liability hereunder shall be limited in money terms to the contract value; in the case of any current insurance policy covering the contract, our liability shall be limited to the amount covered by such insurance.

This limitation of liability shall not apply in the event of a fatal injury, bodily harm or injury to health.

7. Final Provisions

a) The place of performance governing both parties' obligations under this contract, including any obligations in connection with cheques or bills of exchange, shall be Korntal-Münchingen, even if sales or deliveries are effected from another location.

b) The sole place of jurisdiction for all disputes arising out of the contract, including notices of dishonour in respect of cheques or bills of exchange, shall be our principal place of business in Korntal-Münchingen. However, we reserve the right to resort to any other competent court of law.

c) These General Terms of Delivery shall be governed by the laws of the Federal Republic of Germany, excluding the United Nations' International Trade Law and any subsequent amendments thereof.

d) All changes or supplements to the contract require the written form to take effect. This also applies to any such changes intending to qualify this written form clause.

e) Should any of the provisions of these General Terms of Delivery prove to be invalid, this shall not affect the remaining clauses hereunder.

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