

Terms and Conditions of Purchase Order.

1. Terms and conditions of delivery and payment

By accepting our order, the supplier agrees to our conditions of purchase unconditionally. The same applies for the delivery of ordered goods without written purchase order. Delivery and payment conditions, which deviate from our conditions of purchase are valid only when approved explicitly in writing by us in advance.

Our terms and conditions of purchase shall continue to apply also if we unconditionally accept the delivery of the supplier in knowledge of the conflicting terms and conditions of the supplier or such terms and conditions of the supplier which deviate from our terms and conditions of purchase.

The order data must be specified on all written documents.

2. Confirmation of order

The supplier is obliged to accept this order within 10 days of our order submission by signing and returning the duplicates of the order.

The buyer is not bound to deviating price, deadline or production data if he has not explicitly confirmed them in writing.

A delivery without any prior confirmation of the order is regarded as an acceptance of our purchase order with the conditions included.

3. Time of delivery

The ordered goods must arrive at the site of the buyer on the specified days of delivery. The supplier is obliged to advise us immediately and in writing if circumstances occur or become apparent to him that will make the required delivery date impossible to meet. In case of a delay in delivery, we shall be entitled to legal claims. In particular, we shall be entitled to demand compensation for damage due to non-performance or to withdraw from the agreement if the grace period expires without any resolution.

4. Shipment

The delivery must be made free of charge to the address of the buyer unless agreed differently in writing. Each delivery must include a delivery or dispatch note with precise specification of the order data. If a price ex works or ex sales warehouse has been

agreed, the shipments must be transported at the lowest possible cost unless the orderer has explicitly specified a specific transportation company. The supplier shall assume the additional expenses of an expedited transportation which is required to observe the date of delivery.

5. Cost of packing

We shall not assume the cost of packing. If packing material is sent back, at least two-thirds of the charged amount must be credited. The buyer shall not acknowledge the charges for security deposit for packing. Any damage occurring due to improper packing shall be charged to the supplier. The supplier is obliged to take back the packing.

6. Invoice

Two copies of the invoice with precise specification of the order data and details must be rendered without any delay for each delivery or service.

The second copy must be clearly marked as a duplicate. The supplier shall be responsible for all consequences resulting from the non-observance of these obligations if he does not furnish proof that he was not responsible for them. In particular, invoices with mistakes shall not be deemed submitted until they are corrected or completed.

7. Payment

The amount of invoice shall include the legally valid value-added tax. The payment shall be made after all the goods have been received or the service has been performed and the invoice has been received at our option within 14 days after deducting 2% cash discount or in the net amount within 30 days after receiving the invoice. The payment of the invoice does not mean that we have acknowledged that the delivery conforms to the agreement and is free from defects.

The supplier's claims against us may be assigned to a third party with our prior explicit consent only.

8. Complaints about defects and compensation

The specifications of the buyer about quantity, measurement, quality and workmanship must be observed precisely. If the de-



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liveries and services do not conform to the buyer's specifications and agreements, the buyer shall be automatically entitled – also if the inspection was limited to spot-checks – to, at his option, either withdraw from the agreement completely or partially without any compensation or demand a reduction of the purchase price. Or, at his own discretion, implement the required follow-up work himself on account of the supplier in as far as the supplier is not in a position to implement this follow-up work within an appropriate period of time, or if there is imminence of danger or a special requirement of urgency. If there are any defects which are determined only when the goods are treated or processed or made use of, then the buyer shall be entitled to demand also those expenses which did not yield any benefit. Complaints about obvious defects can be lodged by the buyer within five days after receipt of the goods. The legal provision specified under § 377 para.2 and para. 3 HGB (Commercial Code) shall be applicable to hidden defects.

9. Order documents

The supplier must provide all documents to the buyer which are required for using the delivered parts, machines and systems, for instance operating instructions, connection diagrams, maintenance schedules etc..

The details on the enclosed drawings are binding for the execution. The dimensions, tolerances, and surface finishes on the drawings are binding and the supplier accepts them in whole. Pattern pieces just serve as explanations of the drawings.

Documents, models, molds and tools of the buyer – even if they are produced by the supplier on account of the buyer – shall continue to be the property of the orderer and must be returned to the orderer in a usable condition. They may not be provided to third parties and may not be used by the supplier on behalf of third parties or for himself and for advertising purposes. The supplier must keep them property stored and maintain them so that they can be used at any time. Third parties within the meaning of this provision are also all companies which market the products of the supplier.

10. Right of protection

The supplier assures that no rights of third parties are violated within the Federal Republic of Germany in connection with his delivery. If a third party asserts claims against us because of violation of its rights, then the supplier is obliged to release us from these claims after receiving our first written request.

11. Tools of the supplier

If the buyer remunerates a part of the costs of tools, he shall acquire a proportionate ownership to these tools if the supplier agrees to the same within two weeks after the agreement on remuneration. The agreement of the supplier shall be considered implied after expiration of this period. The buyer must point out this consequence to the supplier at the beginning of this period.

12. Subsidiaries

The passing on of the order (in whole or in part) to subcontractors requires our prior written approval. Such will not be refused without good reason. However, such approval does not change anything in the supplier's sole responsibility towards us.

13. Frustration of contract

In cases of acts of God or if our clients change their orders without us having a hand in it such that our relevant order with the supplier is affected directly, we may change delivery dates, grade and kind of the goods as well as their amount, or withdraw from the contract in whole. If we withdraw from the contract, we will negotiate with the supplier about the raw material in work and about the manufacture expenditure already produced.

14. Inspection certificate

If agreed, the supplier must enclose an inspection certificate in the shipment in case the goods must be inspected in accordance with special conditions.

15. Federal Data Protection Act

We are entitled to store or process the data of our suppliers in accordance with the Federal Data Protection Act within the scope of the specification of purpose of the contractual relationship.

16. Jurisdictional venue and applicable law

The law of the Federal Republic of Germany governs these general terms and conditions and all legal relationships between the buyer and the supplier. German International Private Law and UN Law on Sales shall not be applicable to any legal relationships based on these general terms and conditions.



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The place of performance for all obligations arising from this contractual relationship shall be Berlin, Schwäbisch Hall or Dillingen. The jurisdictional venue for all disputes, also for legal actions based on dishonoured bills of exchange and cheques, shall be Berlin, Schwäbisch Hall or Dillingen if the customer is a fully qualified merchant, legal entity governed by public law, separate fund governed by public law or does not have any general jurisdictional venue in the home country.

17. Partial invalidity

If a provision of these general terms and conditions of purchase or a provision related to other agreements is or becomes legally invalid, then the legal validity of all remaining provisions or agreements shall not be affected thereby.



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