

Terms of Sale and Delivery 2

1. Offers.

All our offers are without engagement. All agreements and collateral agreements which differ from our general terms of sale and price lists are only binding after we have given our explicit confirmation in writing even if they have already been discussed with our sales staff. These terms of sale and delivery apply to all orders. The buyer's terms and conditions have no binding force, even if they form the basis of the order and no objections have been made. Our technical support is based on our research, experience and knowledge. Any information on suitability and application of our laminates and edgings is without engagement and does not release buyers from their obligation to carry out tests in order to make sure that our laminates and edgings are suitable for their purpose. The buyer's credit-worthiness is assumed at receipt of order. In case doubts about the buyer's credit-worthiness arise after order confirmation as a result of our credit agency's report, Melatec is entitled to ask for advance payment or withdraw from the contract. The buyer is not entitled to ask for a copy of the report.

2. Delivery.

The time of delivery is not guaranteed. Force Majeur or any other circumstances which arise through no fault of ours, i.e. production delays or transportation holdups, lack of raw materials etc. release us from any contractual obligation. In this case Melatec is entitled to withdraw either completely or in part from its delivery obligations.

3. Dispatch and Risk.

After dispatch the risk for the goods to be delivered is transferred to the buyer, even if Melatec pays for the transportation costs or if the goods are transported in our vehicles. If no agreement has been made to the contrary, the mode of dispatch will be determined by Melatec and the buyer shall pay the transportation costs.

4. Packaging.

If packaging is necessary, this will be charged at cost price and cannot be returned.

5. Prices.

As a general rule delivery is only made at list prices which are valid on the delivery day (plus value-added tax).

6. Terms of Payment.

Payment must be made in cash without any deductions within 30 days of the date of issue of invoice. For advance payment or immediate payment we grant a discount. Other conditions require a written agreement. Bills and cheques will be accepted only as an undertaking to pay. We reserve the right to accept bills. The terms and maturity may not exceed 3 months. If payment by bill of exchange has been agreed, it shall be possible for Melatec to discount the bill of exchange. A cash discount is not granted. For the first 30 days after the date of invoice the discount and bill charges are to be debited to the supplier's account and after that to the buyer's account. Non-payment at maturity date will be regarded as a default without prior reminder. In case of default all rebates, discounts and any other concessions which may have been approved will be forfeited. In addition, in case of default as well as in case of protested bills or cheques or in any other circumstances which cast any doubt on the buyer's credit-worthiness, all our accounts receivable, notwithstanding any agreed extensions of credit, will fall due immediately and will be legally enforceable, including interests on arrears at 4 % above the currently valid interest rate of the "Deutsche Bundesbank (German Central Bank)".

If delivery is effected in partial consignments, the purchasing price of each partial consignment falls due without regard to further deliveries. The buyer waives any right to withhold payment.

7. Reservation of Title.

All deliveries are subject to reservation of title. The title is only transferred to the buyer after all payment obligations have been met. This regulation also applies after the purchasing price for particular deliveries specified by the buyer has been paid.

The buyer is entitled to make use of the goods delivered subject to reservation of title in the regular course of business. The processing and finishing of goods delivered by Melatec is effected without any obligations. As soon as items are processed or blended or combined with other items, the buyer automatically transfers his legal ownership or partial ownership of the new item to Melatec.

It is agreed that the buyer has the custody of the items subject to reservation of property and the items manufactured from them, of which he has relinquished his legal ownership or co-ownership. The buyer may not transfer the items in which Melatec has a title or co-ownership by way of security nor pledge the same, nor the goods manufactured with the items in which Melatec has a title or co-ownership.

If the buyer sells the goods delivered by Melatec – in any condition whatsoever – he relinquishes the accounts receivable from his customer and any additional rights which arise from the sale until Melatec receives all accounts receivable. Melatec is entitled to ask the buyer to make assignments known to his customer and to hand over all documents necessary to enforce Melatec's rights against the buyer.

If the value of the securities given to Melatec exceeds the accounts receivable by more than a total of 20 %, Melatec is obliged to reassign this amount to the buyer on demand. The buyer shall inform Melatec immediately of any infringement on Melatec's rights by a third party.

8. Warranty of Quality.

Notification of defects must be made within 7 days of the arrival of the goods at their destination. This shall be done in writing before the goods are processed by specifying the defect and by indicating the defective material on the Melatec packing list. This has no influence on the fulfilment of agreed terms of payment. The buyer is obliged to examine the whole consignment upon arrival. A replacement delivery for goods which are defective will be effected as soon as possible. Despite the complaint the buyer shall, in the first instance, accept, unload and store the goods appropriately. Other claims, in particular in view of replacement, diminution of the price or compensation, or on the grounds of non-fulfilment of the contract are inadmissible. Failure to comply with the terms of payment exempts Melatec from seller's warranties. Melatec is not responsible for damages afterwards. In case of wrongly delivered goods or the absence of parts or accessories, the buyer may only claim subsequent delivery of wrong and missing parts.

9. Export Deliveries.

In case of deliveries outside Germany, the buyer bears the total risk which may arise as a result of the laws in the buyer's country. The supplier assumes no liability whatsoever. Any disputes will be settled before a competent court near the supplier's head office. The supplier is, however, entitled to apply to the courts of jurisdiction near the buyer's head office or residence. In legal disputes before German courts only German law applies.

10. Place of Performance

for delivery and payment is Schweinfurt.

11. Jurisdiction.

It is agreed that the courts of jurisdiction which are competent for Schweinfurt have sole jurisdiction. This also applies to the rights and obligations that may arise from bills and cheques. Arrangements which differ from the preceding terms and conditions are only valid if they are made in writing.

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