

GENERAL CONDITIONS OF PURCHASE DELBY COMMERCE GMBH

1. Applicability

(i) These General Conditions of Purchase apply to all orders of Delby Commerce GmbH ("Purchaser"), in respect of the purchasing of goods from the supplier ("Seller").

(ii) The Seller's quotation is incorporated into and made a part of this Purchase Order only to the extent of specifying the nature and description of the goods ordered and then only to the extent that such items are consistent with other terms of this Purchase Order.

(iii) No other terms or conditions shall be binding upon Purchaser unless Purchaser has specifically accepted them in writing.

2. Delivery

(i) The property and risk in the goods shall pass to Purchaser not earlier than Purchaser has received the goods.

(ii) Seller will be liable for delay in delivery after the date agreed on unless such delay is prevented by events beyond Seller's control (and not occasioned by its fault or negligence), in which case Seller will inform Purchaser immediately and unless a new date is agreed the Seller's time for delivery will be extended by a period equal to the period of such prevention.

3. Prices and Payment

(i) Unless otherwise indicated in the Purchase Order, the price includes packing and carriage to the contractual Delivery Point.

(ii) Payment of invoices will be made at the end of the month following the month in which they are dated (i.e. on a nett monthly account basis) provided that the goods or services are received on or before the date of invoice unless otherwise is agreed to by Purchaser.

4. Inspection

(i) Purchaser and any persons authorized by Purchaser may, before delivery, inspect or identify (and reject if necessary) the goods. Such inspection or identification shall not constitute acceptance by Purchaser of the goods in question.

(ii) Purchaser is under no obligation to inspect the goods before or after delivery.

5. Warranty and liability

- (i) Seller warrants that the goods are free from defects and are according to the specifications agreed on by Purchaser.
- (ii) If within 2 months from the date the goods have been received by Purchaser, Purchaser notifies Seller that the goods are not according the contract description or specification Seller will replace the defective goods at Seller's expense or reimburse Purchaser (including all costs made by Purchaser). The replacement goods shall be subject to a like warranty.
- (iii) If the goods turn out to be defect Seller is liable for all damages, including all costs made Purchaser, as a result of the defect.
- (iv) If Purchaser has committed herself, in writing, to specific distribution rules she will act accordingly and commit her buyers to the same distribution rules. Once Purchaser has committed her buyers to the distribution rules she is not liable for any offenses to these rules committed by her buyers.
- (v) Any liability of Purchaser is always limited to the amount of the invoice regarding the purchase order concerning the liability.

6. Cancellation

Purchaser may cancel the purchase of (part of) the goods under the purchase order by giving the Seller written notice to that effect if Seller fails to perform according to the terms agreed on. In such a case Purchaser cannot be held liable for any damages and Seller is liable for all damages, including consequential damage, as a result of the non-compliance.

7. Changes

No change or variation may be made to any goods nor to the price or delivery date without Purchaser's previous written consent.

8. Law

The Purchase Order shall be governed exclusively by the laws of Germany and the English version of this Purchase Order and or these General Conditions shall prevail, notwithstanding the translation of the whole or part of the Purchase Order and/or these General Conditions into another language for the convenience of one or the other or both of the parties.

Any dispute regarding the purchase or these General Conditions will be exclusively at the discretion of the German court.