

General Terms & Conditions

1 Preamble

- 1.1 These general delivery conditions are the basis of the contractual agreement. Changes or deviations must be made in writing, apart from that, it is always sufficient to use the text form for notices given on the basis of these general delivery conditions. The goods delivered on the basis of these general delivery conditions are in the following also referred to as "delivery item".
- 1.2 The customer and the supplier (REINTJES) agree that the business basis for the conclusion of the agreements existing between them can only be based on those facts that are explicitly mentioned in the contract. The financing of shipbuilding projects or the possibility to resell REINTJES products when installed as component or within the context of a boat sale are in principle no facts constituting the business basis of the contract.

2 Information and product documentation

- 2.1 The statements and information contained in product documentations and price lists are only binding insofar as the contract expressly refers to them.
- 2.2 Insofar as REINTJES makes drawings and technical documentation concerning the delivery item or its production available to the customer before or after the conclusion of the contract, these remain the property of REINTJES. Drawings, technical documentation or other technical information may only be used by the customer for the purpose for which they were provided unless otherwise agreed by REINTJES. They may not, without the consent of REINTJES, otherwise be used, copied, reproduced or passed on or made public to third parties.
- 2.3 Immediately after awarding the order, the customer has to provide REINTJES with all information being necessary for the execution of the order.
- 2.4 Information that are received only after the order was placed are not considered in the current order. However, it is up to REINTJES to regulate the integration of the information in a separate agreement. Thereby, REINTJES shall be entitled to additional remuneration, if the information made available by the customer result in costly changes of the services when compared to those services described in the order. This price adjustment shall now and here be deemed agreed.

3 Acceptance inspections

- 3.1 Acceptance inspections agreed in the contract are carried out at the place of manufacture during normal working hours, unless otherwise agreed. If the contract does not contain any provisions concerning technical details, then the inspections shall be carried out in accordance with

general practice in the appropriate branch of industry concerned in the country of manufacture.

- 3.2 REINTJES will inform the customer in writing and in due time so that the customer can join the examinations. Should the customer not join the examination then he/she will receive a testing protocol whose correctness the customer may no longer contest. The customer shall bear all travel and cost of living expenditure for his/her representatives arising in connection with the examinations.
- 3.3 If the delivery item proves to be contrary to the contract during the acceptance inspections, then REINTJES shall rectify the defect without delay in order to produce the compliant condition of the delivery item. Repeat examinations can only be requested by the customer in the event of significant defects.

4 Delivery

- 4.1 The delivery item is delivered "ex works"(EXW). If REINTJES undertakes to supply the delivery item on request of the customer to its place of destination, then the risk shall pass at the time when the first forwarding agent receives the delivery item at the latest. Partial deliveries are not permitted unless otherwise agreed.
- 4.2 Should the delivery be delayed for reasons for which the customer is responsible, or by the action or omission to act of the customer, including suspension of service/payment, then an appropriate extension of the delivery time shall be granted. That applies regardless of whether the reason for the delay occurs before or after the agreed delivery time.
- 4.3 Should the delivery item not be delivered at the agreed time, the customer is entitled to liquidate damages from the date on which delivery should have taken place. The liquidated damages shall be payable at a rate of 0.5 per cent of the purchase price for each completed week of delay. The liquidated damages cannot exceed 7.5 per cent of the purchase price. If only part of the delivery is delayed, the liquidated damages shall be calculated on that part of the purchase price which is attributable to such part of the delivery item which in consequence of the delay cannot be used as intended. The liquidated damages become due at the customer's demand in writing but not before delivery has been completed or the contract is terminated under clause 4.4. The customer shall forfeit his/her right to liquidate damages if he/she has not lodged a claim in writing for such damages within six months after the time when delivery should have taken place.

- 4.4 If the delay in delivery is such that the customer is entitled to maximum liquidated damages and if the delivery item is still not delivered, the customer may demand in writing delivery within a final reasonable period which shall not be less than one week. Where REINTJES fails to deliver by this last deadline for a reason for which the customer cannot be held responsible, the customer shall be entitled to terminate the agreement – by informing REINTJES of such termination in writing – in respect of such part of the delivery item which, due to delay of REINTJES, cannot not be utilized appropriately.
- 4.5 If the customer withdraws from the contract he/she has the right to demand for compensation for the losses suffered due to the delay on the part of REINTJES. The total compensation, including the liquidated damages, shall not exceed 15 per cent of that part of the purchase price which is attributable to the part of the delivery item in respect of which the contract was terminated by the customer.
- 4.6 More extensive claims exceeding the liquidated damages according to clause 4.3 and the termination of the contract with limited compensation according to clause 4.5 cannot be enforced by the customer in case of non-delivery on the part of REINTJES. All other claims against REINTJES based on such delay shall be excluded.
- 4.7 If the purchaser anticipates that he/she will be unable to accept delivery of the delivery item at the delivery time, he/she shall forthwith notify REINTJES in writing thereof, stating the reason and, if possible, the time when he/she will be able to accept the delivery.
- 4.8 If the customer fails to accept delivery at the delivery time, he/she shall nevertheless pay any part of the purchase price which becomes due on delivery, as if delivery had taken place.
- 4.9 Unless the customer's failure to accept delivery is due to force majeure, REINTJES may by notice in writing require the customer to accept delivery within a final reasonable period. If the customer does not take receipt of the delivery within said time, REINTJES may terminate the contract in whole or in part. REINTJES then shall be entitled to compensation of damages resulting from the customer's default.
- 5 Purchase price**
- 5.1 Unless otherwise agreed, one third of the purchase price is payable when the contract is concluded and one third after REINTJES has informed the customer that the delivery item or a substantial part of it is ready for consignment. The final payment becomes due upon delivery. Payments have to be made within 30 days from the date of the invoice.
- 5.2 Regardless of the means of payment used, settlement shall only be deemed to have been made once the full amount has been irrevocably credited to the account of REINTJES.

- 5.3 If the purchaser fails to pay by the stipulated date, REINTJES can demand interest from the day on which payment was due. The interest rate amounts to 9 per cent above the base rate.
- 5.4 In case of delayed payment REINTJES may suspend the performance of its duties after giving written notice thereof to the customer until such time as the payments are received.
- 5.5 If the customer delays the payment for a period exceeding three months, REINTJES can withdraw from the contract and demand compensation for the damages incurred.
- 6 Property**
- The delivery item shall remain the property of REINTJES until all claims against the customer emerging from whatever contractual relationship have been paid. This shall also apply in the event of further processing, combining or blending and also in the event that the delivery item is resold to third parties. In this case the customer herewith assigns all of his/her claims against the third party to REINTJES by way of security; REINTJES hereby accepts the assignment. Upon request of REINTJES, the customer shall support REINTJES in its efforts to protect ownership of the delivery item in the respective country.
- 7 Liability**
- 7.1 The liability of REINTJES is limited to defects occurring within six months from delivery.
- 7.2 The customer shall without undue delay, i.e. at the latest two weeks after receipt of the delivery item, notify REINTJES of any defect which appears. The notice shall contain a description of the defect. Should the customer fail to provide REINTJES with notification of a defect within the time-limit specified, the customer shall forfeit the right to have such defect remedied.
- 7.3 Where the customer notified REINTJES of a defect but no defect can be found for which REINTJES is liable, the customer must compensate REINTJES for the damage incurred as a result of such notification.
- 7.4 The customer shall at his/her own expense arrange for any dismantling and reassembly of equipment other than the delivery item, to the extent that this is necessary to remedy the defect.
- 7.5 The necessary transport of the delivery item and/or parts thereof to REINTJES in connection with the remedying of defects will take place at customer's risk and expense. In case of such a transport the customer has to follow the instructions of REINTJES.

7.6 If the attempt to rectify the defect fails, the customer is entitled to demand a reduction of the purchase price in proportion to the reduced value of the delivery item, provided that under no circumstances shall such reduction exceed 15 per cent of the purchase price or in the event of any defects excluding the suitability of performance, he/she may withdraw from the contract after having informed REINTJES accordingly, if the customer – in consideration of all pertinent circumstances – can no longer be reasonably expected to continue the contract. Possible claims for damages on the part of the customer are limited to a maximum of 15 per cent of the purchase price.

7.7 REINTJES is not liable for defects arising out of materials provided, or a design stipulated or specified by the customer.

7.8 REINTJES is liable only for defects which appear under the conditions of operation provided for in the contract and under proper use of the delivery item. The liability is excluded with bad maintenance of the product, improper installation, incorrect repair by the customer, or in case of modifications made without the consent of REINTJES. Furthermore, the liability does not cover damages as a result of normal wear and tear.

7.9 Notwithstanding the above provisions, the liability for defects in any part of the delivery item shall be limited to one year from the date of delivery.

7.10 REINTJES shall not be liable for property damages caused by the delivery item after it has been delivered and whilst it is in the possession of the customer. Furthermore, REINTJES shall not be liable for any damage to products manufactured by the customer, or to products of which the customer's products form a part. If a third party holds REINTJES responsible for a damage caused by the delivery item in the sense of the above paragraph, the customer has to indemnify, protect and hold REINTJES harmless.

7.11 REINTJES accepts no liability for any production downtime, loss of profit, loss of use, loss of contracts or for any other consequential or indirect loss whatsoever.

7.12 If a third party raises a claim described under point 7.10 against one of the parties, the party receiving the claim has to immediately inform the other in writing of the same.

8 Force majeure

8.1 Either party shall be entitled to suspend performance of his/her obligations under the contract to the extent that such performance is impeded or made unreasonably onerous by any of the following circumstances: industrial disputes and any other circumstance beyond the control of the parties such as fire, war, general military mobilization, insurrection, requisition, seizure, embargo, restrictions in the use of power as well as defects or delays in deliveries by subcontractors caused by any such circumstance as referred to in this clause.

8.2 Circumstances pursuant to this clause which occur before or after conclusion of the contract shall only entitle a party to cease performance of his/her contractual obligations insofar as their effects on performance of the contract were not foreseeable at the time of conclusion of the contract.

8.3 The party citing force majeure has to inform the other party without delay and in writing of the occurrence and end of such circumstances. If force majeure prevents the customer from fulfilling his/her contractual obligations, he/she shall compensate REINTJES for expenses incurred in securing and protecting the delivery item.

9 Place of arbitration, choice of law

9.1 Any and all disputes arising out of contracts being concluded on the basis of these business relations – regardless of the legal basis on which they are submitted – can, accordingly to the choice of REINTJES, be decided by an arbitration tribunal under exclusion of normal legal recourse. Place of arbitration shall be Hannover, Germany. The language of arbitration shall be German. The customer is bound to present himself/herself before a court of law or an arbitration court examining the claims lodged against him.

9.2 The contract is subject to the law of the Federal Republic of Germany under exclusion of the United Nations Convention for the International Sale.

As of January 2017