



Lederfabrik Gmelich + Söhne GmbH  
Kreuzstr. 65  
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## General Terms and Conditions of Purchasing of Lederfabrik Gmelich + Söhne GmbH

### I. Applicability of the terms

1. The following General Terms and Conditions of Purchasing shall apply exclusively with regard to entrepreneurs, to governmental entities and special governmental estate—but not with regard to consumers.
2. Supplier's terms that are contrary to or that deviate from our terms shall not be recognized. A lack of response on our part to different terms of the supplier does not imply approval of those terms. Our lack of a response to a conflicting confirmation of an order is also not to be viewed as agreement to such terms. These General Terms and Conditions of Purchasing shall apply to deliveries and services of all types, as well as to all future transactions with a supplier according to item 1.
3. Every deviation from our orders in a contract confirmation shall be a rejection of our order. If the delivery is nevertheless carried out, this is to be considered as an agreement with our General Terms and Conditions of Purchasing.

### II. Contract conclusion, contractual documents

1. Our order is non-binding if it is not confirmed by the supplier within 10 days in writing with the price and delivery date. Other side agreements shall only become effective upon our written confirmation.
2. Confirmed dates are fixed dates.
3. All contractual documents, samples, methods of operation, formulations or other documents or materials that we deliver to the supplier remain our property and may not be brought to the attention of third parties without our consent. This documentation may only be used for the contractually agreed purposes and must be returned subsequent to processing the contract without request being made therefor.
4. Supplier commits to treating as confidential all commercial or other information that is not commonly known (therefore in particular such information as is in conformity with the foregoing paragraph), of which supplier becomes aware by virtue of the business relationship with us. Supplier must accordingly obligate his upstream suppliers/subcontractors. This obligation also continues to exist after the termination of the business relationship.
5. We may also request changes in the subject matter of the delivery or the service after the contract is concluded to the extent that this is reasonable for the supplier. In the course of this, reasonable consideration must be given to the effects on both parties concluding the contract, in particular

with respect to additional or reduced costs and scheduled dates for delivery or performing the service.

6. Natural disasters, riots, governmental measures, strikes, lockouts or the occurrence of unforeseeable events that lie outside of our control and that result in a stoppage or limitation of our production discharge us from the obligations to accept delivery entirely or during the course of the impediment. In these cases supplier's claims for consideration or damages are excluded.

### III. Prices, payments

1. The prices indicated in the order are fixed prices. Unless otherwise agreed in writing, the price includes "free to the door delivery" in addition to proper packaging.
2. Unless otherwise agreed, payment shall be made within 10 days after deducting a 3 % discount or in 30 days net cash.
3. We are entitled to rights of retention and offset to the extent permitted by law. In particular for deficient delivery or services, we are entitled to withhold payment until proper performance is provided.

### IV. Shipping, packaging, delivery dates, transfer of risk of loss

1. The time of delivery stated in the order is binding. The delivery date is the date on which the delivery arrives at the delivery address provided by us.
2. Notification of deliveries must be provided to us by means of a dispatch notice in which the type, quantity and weight of the goods must be stated. Dispatch notices, bills of lading, invoices and all correspondence must bear our order or contract number.
3. The supplier must ensure that the shipment is properly carried out, e.g. there is appropriate protection for goods that are sensitive to cold or hot temperatures.
4. If it is foreseeable for the supplier that it will not be possible to comply with a delivery date, supplier must contact us immediately and provide us with information concerning the estimated length of the delay.
5. In the case of late delivery, and a late notice all damages accruing to us from this contract must be compensated. A reminder letter may be dispensed with if a time is specified according to the calendar for the performance. We can demand compensation in lieu of performance after unsuccessful expiration of a notice period set by us.



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6. For late delivery we are entitled, irrespective of the supplier's fault, to withdraw from the contract after the unsuccessful expiration of a reasonable notice period set by us. For a delay longer than 14 days, it is also possible for us to withdraw from the contract without setting an additional grace period.

7. The risk of loss transfers to us with unloading the delivery at the receiving location designated by us. If acceptance of delivery is agreed or is provided for by statutory provisions, the risk of loss does not transfer to us until acceptance of the delivery is made.

#### **V. Reservation of ownership, claim assignment**

1. A supplier's reservation of ownership will only then become an integral part of the contract if the reservation of ownership lapses upon payment of the price agreed for the reserved goods, and we have an authorization of resale or forwarding within the proper course of business. A reservation of ownership extending beyond this shall not be accepted by us.

2. Where applicable, the materials we have handed over for processing within the scope of a contract shall remain our property. Combining, mixing or processing with other materials shall be carried out exclusively on our behalf so that we become co-owners in the new object on a pro rata basis. A combination with other movable objects that are to be viewed as the principal objects may only take place with our express written agreement. The supplier shall be liable to us for the loss of or damage to our property.

3. The supplier is not authorized to assign an existing claim against us to a third party or to have such claim collected by a third party unless we have previously given our written consent for this.

4. The supplier shall only have the right to compensation or rights of retention against our claims with undisputed claims or those that are legally established.

#### **VI. Quality, notice of defects, warranty and product liability**

1. The deliveries must comply with statutory provisions and the latest state of the art in science and technology. The agreed specifications must be followed.

2. For our rights in the event of defects in quality and title, the statutory provisions shall apply with the following supplementation:

a) The statute of limitations for defect claims is 2 years, insofar as the law does not provide for a longer time period.

In those cases in which acceptance of delivery is provided by law or contract, the statute of limitations commences with acceptance.

b) For a defective delivery we are entitled to request reworking or a replacement delivery according to our choice. In the case of imminent danger or in case the supplier is in default with supplementary performance requested by us or such performance is refused or fails, we are entitled, at the supplier's expense, to remedy the defects or to have them remedied or obtain a substitution. We shall duly decide when "imminent danger" exists according to our discretion.

3. In the event of reworking or a replacement delivery, the statute of limitations for defect claims for the corresponding part begins to run anew from the date of supplementary performance.

4. We are entitled to assert a notice of defects within 2 weeks of their discovery and namely, without observing formalities. This also applies for delivered items that have been processed or handled. For apparent defects the notice periods for objecting to a defect is shortened to 2 weeks after receipt of the goods.

5. Supplier shall indemnify us for the product liability claims of third parties insofar as supplier is responsible for the defects that caused the liability. Supplier is obligated to obtain adequate insurance against all risks arising from product liability and to provide proof of this insurance to us upon our request.

#### **VII. Procurement risk**

The Supplier is responsible without limitation, also without supplier's fault, for acquiring the supplies and services required for the deliveries. In this respect, supplier bears the entire risk of procurement.

#### **VIII. Copyright**

Supplier guarantees that the industrial property rights and copyrights of third parties are not infringed by the delivery or service. Should third parties assert claims against us owing to industrial property right infringements, supplier is obligated to indemnify us for these claims.

#### **IX. Miscellaneous**

1. The supplier is not authorized to have the order or essential parts thereof carried out by a third party without our written consent.

2. The place of performance is Großbottwar, to the extent not otherwise provided in the contract.

3. Legal venue is likewise Großbottwar. However, we may also file suit against the supplier in a different court having jurisdiction.



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4. The law of the Federal Republic of Germany and excluding the UN Sales Convention (CISG) also applies for contracts with a connection to foreign countries.

5. Should one or more of the General Terms and Conditions of Purchasing listed be invalid due to statutory provisions, the remaining provisions remain unaffected thereby. Both contracting parties are obligated to fill gaps arising as a result of this by a provision that corresponds to the commercial purpose of the cancelled regulation.

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