

## **General purchasing conditions of the following companies in the BLANCO Group:**

BLANCO GmbH + Co KG, BLANCO CS GmbH + Co KG, BLANCO ImmoLog GmbH + Co KG, BLANCO International GmbH, BLANCO Logistik GmbH, BLANCO CS Kunststofftechnik GmbH

### **1. Area of applicability**

- 1.1 These purchasing conditions shall apply for all business transactions with ourselves insofar as you are a business person, a legal entity in public law or a special fund in public law even if these terms are not explicitly referred to. No other terms will be acknowledged unless we expressly consent to their application. In particular, the acceptance of deliveries and/or services or payment shall not constitute consent.
- 1.2 Our purchasing conditions shall also apply in their valid form for any future transactions with your company even in the event of individual cases where they are not enclosed.
- 1.3 Orders or agreements made verbally or by telephone shall only become legally binding when we issue a written order.

### **2. Conclusion of the contract**

- 2.1 Offers from you are without charge for us. Should they differ from our enquiry, you shall explicitly draw our attention to this fact.
- 2.2 A written order confirmation shall only be required if it is specifically requested in our order. Should your order confirmation differ from our order, you shall specifically make us aware of these points.
- 2.3 Should any errors occur upon conclusion of the contract for which we are not responsible, for instance due to transmission errors, misunderstandings etc., claims for compensation against us in accordance with para 122 BGB (German Civil Code) shall not be accepted.

### **3. Blanket order / release order**

- 3.1 In the event of blanket and repeat orders, we shall notify you of the quantities and types to be delivered in separate release orders. These release orders shall be binding unless they are contradicted within one week of the date of receipt of an order and no other provision has been made.
- 3.2 In the event of your being unable to deliver on call immediately, you shall notify us accordingly without delay and suggest delivery periods that are possible for you.

### **4. Delivery dates and delays**

- 4.1 Agreed dates and delivery periods are binding and must be observed. The decisive factor is the date of receipt of the goods on our premises or at the delivery address agreed or provided by us.
- 4.2 Should you become aware that delivery delays may be possible, you are to notify us accordingly without delay. This duty to provide information shall not affect our rights with regard to the delay in service.

- 4.3 Should the delivery be effected prior to the date indicated, we shall be entitled to refuse acceptance thereof. We also reserve the right to refuse part deliveries. If appropriate, we shall be entitled to return the goods at your expense and risk or to store them with third parties.
- 4.4 In the event of a delay on your part, we shall be entitled to demand a contract penalty of 1% of the total value of the order for each calendar week or part thereof of the delay, up to a maximum of 5% of the total value of the order. We reserve the right to assert the reservation required in accordance with para 341 (3) BGB until full payment of the service has been made. We reserve the right to claim for further damages.
- 4.5 In the event of a delay, we reserve the right to commission, at your expense, a third party to render the service which you failed to render on expiry of a reasonable period of respite granted by ourselves. This shall not affect the right to withdraw from the contract and to compensation for the corresponding damage. You shall reimburse us for all additional costs arising from the delay in delivery.
- 4.6 Should we be hindered from accepting the delivery due to circumstances beyond our control despite reasonable care, the time of acceptance shall be postponed for the period of the hindrance. In the event of the acceptance not being possible for longer than 6 months, we reserve the right to withdraw from the contract. You shall not have the right to claim for damages in this instance.

## **5. Delivery and transfer of risk**

- 5.1 The place of fulfilment for your deliveries and services shall be the receiving office or delivery address determined by ourselves. The risk of conveyance shall be borne by you. The risk of complete or partial loss, damage or other deterioration of the goods shall pass to ourselves on acceptance of the goods at the receiving office.
- 5.2 In the event of deliveries and services that require you to access our premises, you and your employees and any other vicarious agents undertake to comply with our plant rules.
- 5.3 Each consignment is to be accompanied by an auditable delivery note. Moreover, for third-party deliveries, we are to be sent a detailed dispatch note or a copy of the delivery note in good time. Delivery notes and dispatch notes are not to contain any information on pricing.

## **6. Prices and payment**

- 6.1 The agreed prices are fixed prices and include freight, packaging and any other incidental expenses, free receiving office / delivery address named by ourselves. We shall only accept price increases, irrespective of the reason, and also with regard to continuous delivery contracts, if this has been specifically agreed.
- 6.2 If you are responsible for the installation and/or assembly and nothing else has been agreed, you shall – subject to alternative provisions – assume all necessary incidental expenses such as travelling expenses, provision of tools and daily allowances.
- 6.3 Invoices are to be sent in single copies to the registered address of our administration department in Oberderdingen immediately on dispatch of the goods; a separate invoice with our order number is to be sent for each order with the sales tax indicated separately. Invoices not presented in a due and proper manner shall be deemed not issued. Invoices shall not be considered as order confirmation.
- 6.4 Unless otherwise agreed, payments shall be made within 14 calendar days from the date of delivery/service and receipt of the invoice less 3% cash discount or 30 days net. The cash discount shall be deducted from the invoice amount including sales tax. Payment periods shall commence on receipt of the invoice or, if the goods arrive before receipt of the invoice, on satisfactory acceptance of the goods, and on no account prior to the date agreed for receipt of the goods.

- 6.5 An assignment of your claims against us is only permissible with our prior agreement. Should you assign claims against us to a third party without our consent, then the assignment shall be effective. However, we shall then be free to effect payment to you or the third party with the effect of a discharge.

## **7. Inspection of goods, time for lodging complaints**

- 7.1 Acceptance of the goods is subject to the inspection for absence of defects, in particular with regard to correctness, completeness and suitability for purpose. Para 377 HGB (German Commercial Code) shall not apply. We will notify you of defects in the consignment as soon as they are detected in the course of a due and proper business process.
- 7.2 Under no circumstances will we accept incorrect or alternative goods. A separate complaint will not be lodged in this instance.
- 7.3 Goods that are justifiably the subject of a complaint will be returned at your cost.
- 7.4 We always issue charges (goods returns or additional costs) that are offset against outstanding payments. Please do not issue credit notes unless we have specifically asked you to do so.

## **8. Guarantee**

- 8.1 You are responsible for ensuring that the delivered goods and rendered services comply with the statutory and official regulations for their sale or use, and that they do not violate any industrial property rights or any other rights of third parties. You are also responsible for ensuring that none of the goods contain any substances listed in BLANCO's list of banned substances and substances to be avoided. BLANCO's list of banned substances and substances to be avoided is available at [www.blanco-germany.com](http://www.blanco-germany.com) which we will also be pleased to send you on request.
- 8.2. The consignments and services must be in accordance with the best technology available at the time of the delivery or in the foreseeable future, and with other statutory safeguards, technical inspection regulations and accident prevention regulations. In particular, DIN standards and VDE regulations (German Electrotechnology Association) must be observed. Furthermore, you are responsible for the quality of the material used, the professional engineering and design of the goods delivered by yourselves, and for the stated or agreed service.
- 8.3 We are entitled to the full statutory warranty rights. Irrespective of this, we are free to insist on the rectification of defects or a replacement consignment. In this instance, you will bear all the costs for the rectification of the defect or for the replacement consignment. Should you fail to rectify the defect or effect a replacement within a reasonable period of time, or if immediate rectification is required as a matter of urgency, then we shall be at liberty to arrange for rectification at your expense or to make covering purchases at your expense.
- 8.4 The statutory period of limitation for warranty claims is 5 years for buildings and physical objects which have been used in a building for their normal purpose and that has caused their defectiveness. In all other cases, the statutory period of limitation for warranty claims is 36 months from the transfer of risk unless specifically agreed otherwise. We will suspend the limitation of the warranty claims by notifying you accordingly in writing. The warranty period will recommence once you have declared the completion of the rectification measures or measures for subsequent delivery in writing (date goods received by BLANCO) or have refused rectification or a subsequent delivery in writing. Should legislation provide for a longer warranty period in the future, then this extended period shall apply.
- 8.5 In the absence of guaranteed properties and in the event of deliveries of poor quality or the incorrect goods for which you are responsible, we shall be entitled to require compensation for non-performance in place of other warranty claims, in which case our compensation shall include all subsequent expenses to which we are entitled. You shall indemnify us against any claims by third parties in this respect.

- 8.6 The assembly and operating instructions for delivered items whose handling is not known, or not yet generally known, are to be sent at the latest with the consignment, quoting our order number. Failure to do so will result in your being responsible for any and all damages that would not have occurred if the documents had been available.
- 8.7 In the event of defects of title, you shall also indemnify us against any third-party claims that might exist.

## **9. Product liability and quality assurance**

- 9.1 Should a claim be made against us on the basis of the product liability law or other regulations due to a product fault or if we incur damage in another way in connection with the delivery of a faulty product, in particular through call-back, then you shall indemnify us against any claims insofar as the damage is the result of a fault in the consignment or service for which you are responsible. You undertake to arrange for adequate product liability insurance and furnish us with proof thereof upon request.
- 9.2 Quality assurance of the appropriate nature and extent and in accordance with the best available technology is to be arranged and documentation of all the relevant data kept. In the event of a claim being made on the grounds of product liability, you shall furnish us with the relevant documentation and records in order to allow verification of a faulty product.

## **10. Property rights, confidentiality**

- 10.1 You assure us that the delivered items do not contravene any national or international industrial property rights, and guarantee us complete freedom and authorisation under copyright law to use them and trade with them on national and international markets. In the event of a claim being made against us by a third party due to the infringement of national or international property rights in relation to the delivered goods, you will indemnify us against all claims and reimburse us for any resulting damages.
- 10.2 All records concerning the order and any drawings, models, samples etc. shall remain our property and may not be passed on to any third parties or used by yourselves for your own purposes without our explicit consent. They are to be kept safe from unauthorised access or use and, unless otherwise agreed, are to be returned to us in good order and condition on delivery of the goods at the latest. You may not keep any copies. There is no right of retention.
- 10.3 You must not divulge any of the technical information or other non-public commercial or technical details of which you gain knowledge through our business relationship. Such information may only be used in the execution of orders for ourselves, and may only be made accessible to those members of staff whose services are required for carrying out the order.
- 10.4 If you are commissioned to make any tools, drawings or other means of production on our behalf and at our expense, it is agreed that these items will become our property immediately after their manufacture or production. Where we have assumed only a proportion of the costs, we shall acquire co-ownership appropriate to the share of the costs. You are revocably entitled to store these items for us, free of charge, and with due care. We shall retain all proprietary rights of use and enjoyment over these items for exclusive use of the same. You are not authorised to use these items without our consent for any purpose outside the scope of this order. You are entitled and obliged to the revocable safekeeping of these items. You shall label or mark the items in such a way that our property is also documented towards third parties. You have no right of retention over these items.
- 10.5 Subcontractors are to be bound accordingly.
- 10.6 Our prior written consent is required before you may use our association for advertising purposes.

**11. Limitation of liability**

In the event of a breach of contractual or non-contractual duties, in particular due to impossibility, delay, negligence during initiation of the contract or tortious acts, we shall only be liable in the event of intent of gross negligence, including on behalf of our executive staff and other vicarious agents. This liability shall be limited to predictable and typical contractual damage on conclusion of the contract.

These limitations shall not apply in the event of a negligent breach of basic contractual obligations if the contractual purpose is compromised and in the event of damage to life, limb and health.

**12. Title retention**

We accept the basic title retention over the goods delivered by yourselves. Other forms of security shall only apply with our explicit consent.

**13. General terms**

- 13.1 The place of performance for both parties for all obligations arising from a contract, and in particular for delivery and payment, shall be Oberderdingen or the place of performance stipulated by ourselves.
- 13.2 The place of jurisdiction for both parties with regard to the contractual relationship, and in particular for its origination and its validity, shall be Karlsruhe. We reserve the right to initiate legal proceedings at the place of your registered head office.
- 13.3 Should one party to the contract stop making payments, then a temporary liquidator shall be appointed, or if insolvency proceedings are filed over that party's assets or an out-of-court settlement be applied for, then the other party shall be entitled to withdraw from the non-fulfilled part of the contract.
- 13.4 Should an individual term of these conditions or other agreements made be or become invalid, this shall not affect the validity of the remaining contract in any way. The contracting parties shall be obliged to replace the invalid term with one that is as close to it as possible in terms of economic success.
- 13.5 The contractual relationship is subject to the laws of the Federal Republic of Germany. International sales laws (CISG) shall not apply.

Oberderdingen, January 2012