
KARL MAYER (China) Ltd.

TERMS AND CONDITIONS OF DELIVERY AND PAYMENT FOR THE ONLINE SHOP

of 01.01.2017

1. General / Scope of Application

- 1.1. The following terms and conditions (hereinafter "Terms & Conditions") apply exclusively to the sales, deliveries and services of KARL MAYER (China) Ltd.(hereinafter referred to as "KARL MAYER") within the territory of the People's Republic of China, which are arranged through the online shop of KARL MAYER (China) Ltd. ("Online Shop") with a customer ("Customer") .
- 1.2. Consumers (as defined hereinafter) are expressly excluded from the use of the online shop. No contracts shall be concluded with them. A consumer is any natural person who enters into a legal transaction for purposes that can be primarily attributed neither to their commercial nor to their independent professional activity. An entrepreneur is any natural or legal person or a legal partnership who/that, on conclusion of a legal transaction, does so in their commercial or professional capacity. Therefore, the Law on Protection of the Rights and Interests of Consumers of the People's Republic of China shall not be applied to any transaction, including but not limited to sales, deliveries and services, occur on or through the Online Shop.
- 1.3. Any terms & conditions of a customer, which differ from the terms & conditions herein or the legal provisions, will not be accepted by KARL MAYER. Said conflicting terms & conditions shall not become part of any contract between the Customer and KARL MAYER, except otherwise agreed by KARL MAYER in writing.
- 1.4. By submitting an order, the Customer accepts the Terms and Conditions, The Terms and Conditions shall be duly performed by the Customer, except otherwise agreed by KARL MAYER.

2. Offers, Conclusion of a Contract, Subject and Scope of Performance

- 2.1. The presentation of products on the Online Shop does not constitute a legally binding offer; it is a non-binding online catalogue of products only. The Customer can place these products in the shopping cart without being under any obligation to buy and he can also correct its entries at any time prior to sending the final binding order by utilizing the tools provided, for which an explanation on how to use them is also provided. The descriptions of products and relevant terms and conditions presented on the Online Shop shall be deemed as an invitation for offer. By clicking on the order button, the Customer is placing a legally binding order for the goods contained in the shopping cart. Confirmation of receipt of the order follows immediately after placing the order by email and does not constitute acceptance of the contract.
- 2.2. The order made by the Customer on the Online Shop constitutes an irrevocable offer. A contract shall be concluded immediately once KARL MAYER confirmed the order. KARL MAYER may accept the order by sending an order confirmation in a separate email (hereinafter referred to as "Order Confirmation") or by delivering the goods within two days. KARL MAYER shall in principle not be obliged to check whether the details or specifications provided by the Customer that serve as a basis for KARL MAYER's offers or Order Confirmations infringe any third party's intellectual property rights, property rights or any other rights. Any risks detected by KARL MAYER shall be reported to the Customer. In case any losses occur due to the said risk, the compensation shall be borne by the Customer.

- 2.3. Information and data contained in data sheets, brochures or other advertising and information material supplied by KARL MAYER shall merely serve as reference and guidelines and will only become binding content for the contract if expressly agreed by KARL MAYER in a separate email or in a written contract. The documents presented on the Online Shop, such as illustrations, drawings and measurements are also without obligation and non-binding, unless they are expressly designated as binding in a separate email or in a written contract.
- 2.4. Structure and durability details and any other technical information and data do not represent a guarantee unless expressly stated as such in a separate email or in a written contract. The same shall also apply to the procurement risk, including but not limited to the uncertainty of inventory and the due date of delivery as well as other general risks occurred during the purchase.
- 2.5. Unless otherwise agreed in in a separate email or in a written contract, KARL MAYER delivers products within reasonable tolerances.
- 2.6. Technical changes caused by manufacturing processes or legislative changes or changes resulting from normal product maintenance shall be admissible, provided they are deemed acceptable to the Customer.
- 2.7. The languages available for the conclusion of the contract are English and Chinese.
- 2.8. KARL MAYER will store the contract information and send the Customer the order data as well as these terms and conditions via email. The terms and conditions can be viewed at any time - here on these websites, too. Previous orders can be viewed in our Customer login area under the Customer's account.

3. Scope of delivery

- 3.1. The nature and extent of the sales, deliveries and services on the Online Shop shall be determined by the Order Confirmation of KARL MAYER.
- 3.2. If none, or not all, of the selected products are available at the time the Customer places a binding order, then KARL MAYER will inform the Customer of this within three working days by email as of the online order is received by KARL MAYER. Payments already made will be refunded within ten working days as of KARL MAYER is aware that such selected products are not available. If the product as a whole or in the selected number is not available, KARL MAYER can dispense with Order Confirmation or alternatively is entitled to partial deliveries.

4. Period of delivery

- 4.1. The delivery date stated in the Order Confirmation applies.
- 4.2. Events such as acts of God, industrial action, unrest, regulatory action and similar circumstances beyond the control of KARL MAYER shall release KARL MAYER for the duration of the disturbance and the extent of repercussions from its duty of fulfilment of contract. This shall also apply when these circumstances come to pass at subcontractors of KARL MAYER or when these events occur at a point in time at which KARL MAYER is already in default. KARL MAYER will inform the Customer about the commencement and end (or an estimated duration) of such impediments to performance within three working days or a reasonable period as of the event occurs.
- 4.3. Customer fully acknowledges and agrees that claims for compensation by the Customer due to non-fulfilment or delayed fulfilment on the part of KARL MAYER shall in any case be excluded to the extent permitted by law, with the exception of the restrictions dealt with in clause 6.8.
- 4.4. The risk of loss of or damage to the goods will be passed to the Customer when the goods are handed over to the Customer or the first carrier for transmission to the Customer(s), even if KARL MAYER has taken on services such as loading or transportation.
- 4.5. In cases where the service/delivery is delayed for reasons that are the responsibility of the Customer, the risk will be transferred to it at the point of receiving the note of delivery. KARL MAYER shall in such cases be entitled to charge the Customer for the goods as if delivery had taken place, and store them at the Customer's expense and risk. Upon the Customer's request, KARL MAYER shall insure the goods against theft, breakage, transport and fire and water damage.

5. Prices, Payment and Delivery conditions

- 5.1. The prices are in CNY ex works, excluding packaging, freight, transport insurance, installation and other incidental expenses – for delivery within China plus statutory applicable VAT, – for delivery outside China, prices are in Euro, and plus additional taxes, duties and charges. Details on the amount of incidental costs can be found in the presentation of products or products descriptions on the Online Shop. All pricing is subject to the latest version of the International Rules for the Interpretation of the Commercial Contract Forms (hereinafter referred to as "INCOTERMS").
- 5.2. In the Online Shop, the payment shall be made by telegraphic transfer from the bank account of the Customer.
- 5.3. The Customer may only be remedied to the claims that have been found to be uncontested by KARL MAYER or legally adjudicated or judged.
- 5.4. KARL MAYER only provides shipping by dispatch and not to packing stations. KARL MAYER delivers worldwide, but not to those countries in which due to the embargo regulations of Germany or the EU or China delivery is not possible. Furthermore, no delivery is made to countries where KARL MAYER has no strategic customer support network. The Customer must investigate whether delivery to the desired country is possible prior to placing an order with KARL MAYER.
- 5.5. The Customer has the option of collecting goods from the place designated by Karl Mayer, including the offices in Changzhou and other cities in China during the office hours indicated below: Monday to Friday, 09:00–16:00 except holidays. The Customer must inform Karl Mayer at least two working days prior to collection, so that the goods can be made ready.
- 5.6. The Customer, as an entrepreneur, is not granted right of termination or return to the extent permitted by law. In case of contract termination or products return, therefore, the Customer has to bear the costs. In such case, KARL MAYER may claim 30% of the total price as liquidated damages from the Customer. If the actual losses of KARL MAYER could not be remedied by the aforesaid liquidated damages, the Customer shall indemnify KARL MAYER for all actual losses.

6. Acceptance Inspection, Warranty, Customer's Duties for Claims for Defects, Liability and Claims for Compensation

- 6.1. The Customer is obliged to inspect the products or services as soon as they are delivered. The Customer shall sign an inspection report and seal it with the company stamp in which the Customer confirms the acceptance of the products or services, the absence of any visible defect and the accuracy of the delivered quantity. If a minor defect is ascertained, the Customer is not permitted to refuse acceptance. In the event of non-acceptance, the Customer shall inform KARL MAYER of the reasons and set a new reasonable deadline for acceptance if a correction of the defects is possible and can reasonably be expected of both parties. If the product or service is not accepted, then the reasons shall to be recorded in the inspection report. Once the acceptance is given by the Customer, it shall deem that the product or service is visually free of defects and subsequent damage is the responsibility of the Customer.
- 6.2. If the Customer has started to use the product(s), then it will be deemed as tacit acceptance. It will be presumed that acceptance is the commencement of utilization.
- 6.3. If overdue acceptance is not due to KARL MAYER's intention or negligence, then the acceptance will be assumed after five working days after delivery.
- 6.4. The warranty period for parts delivered by KARL MAYER is 12 months, from the date of delivery ex works. This warranty shall not apply to parts subject to natural wear and tear. All defects and flaws detected during the above stated period where the cause is proved to be demonstrably traceable to KARL MAYER's faulty material or failure of performance will be remedied by KARL MAYER. In case a notice of the defect fails to be sent to KARL MAYER in writing within 48 hours from when it is found, the losses or damages due to the overdue notice shall not be compensated by KARL MAYER. The supply of replacement parts is determined on the basis of "Ex works Changzhou, China". Any charges associated with provision are the responsibility of the Customer. Replaced parts shall pass into the ownership of KARL MAYER.
- 6.5. In cases where faulty parts are sent for repair to the delivering factory, the freight out and home shall be borne by the Customer. The freight shall be borne by KARL MAYER merely in cases where it has been proved that the defects are caused due to the fault of KARL MAYER. Damages arising from excessive strain, the use of unsuitable materials, faulty operating conditions, insufficient maintenance, faulty operation, chemical, electromechanical or electric impacts or any other use than the intended shall not be covered by warranty. KARL MAYER shall not be liable for any other indirect or direct damages.
- 6.6. Faulty assembly or commissioning by the Customer or third parties or, modifications or inappropriate repairs carried out by the Customer or third parties will result in disclaimer of warranties and/or granted guarantees. The warranty obligation of KARL MAYER applies only to the Customer. It will expire automatically when the products are sold by the Customer to any third party(ies).
- 6.7. Minor variations from the agreed or common conditions shall not constitute a defective product or service. The general operating instructions or examples of application contained in the KARL MAYER product brochures or other advertising media do not release the Customer from its duty of examining whether the products are suitable for the exact purpose intended. The Customer shall not terminate the order or contract in any case by claiming serious misunderstanding on the information presented on the Online Shop. Special wishes of application by the Customer shall only be binding if KARL MAYER has confirmed to the Customer in writing that the products delivered will be suitable for the use intended by the Customer.
- 6.8. The Customer shall only be entitled to revise or terminate the order or contract if KARL MAYER fails to fulfill fundamental contractual obligations within a reasonable period or when the performance does not remedy the defect despite at least three attempts have been made by KARL MAYER.
KARL MAYER shall be liable by law for any proved culpable injury to life, body or health or any claims resulting from the product liability as well as other deliberate or grossly negligent violations of statutory obligations. Any other claims shall be excluded, which shall be also applied to the claims for damages including those resulting from missed profits or other financial losses suffered by the Customer.
In the case of violation of fundamental contractual duties by KARL MAYER, except the fulfilment of contract is not possible due to force majeure or the Customer's cause, KARL MAYER shall be liable for the damages. KARL MAYER's liability shall be limited to the damage typical for the contract and predictable on execution of contract. In the event of default, KARL MAYER shall be liable at 0.5% of the value of overdue performance for each full week, however, limited to a maximum of 5% of this value. Any liability going beyond the liability for damages shall be excluded irrespective of the legal nature of the claim being asserted.
- 6.9. The reasons and amounts for the aforementioned liability limits will also apply to the legal representatives, employees and other proxies and/or vicarious agents of KARL MAYER.

7. Ownership Reservation

- 7.1. KARL MAYER shall remain the owner of all delivered products until settlement in full of all claims arising from the business relationship with the Customer. This shall also apply if payments are received for specially marked accounts payable. This shall also include claims from cheques and bills of exchange as well as claims from open bills or current account.
- 7.2. The Customer shall not attach or assign as security any products that are subject to such reservation of ownership..
- 7.3. Potential machining or processing or mixing by the Customer shall take place on behalf of KARL MAYER. Insofar as the property of KARL MAYER should get lost in the process, the Customer herewith assigns his rights of ownership in the new product to KARL MAYER. The product henceforth will be deemed on loan to the Customer. In the case of resale of delivered products subject to retention of title, the Customer shall herewith assign to KARL MAYER all receivables and other claims against the purchaser, including all ancillary rights resulting from this resale as security to the full amount, that is, also with respect to a surplus, until the settlement of all claims of KARL MAYER against the Customer. KARL MAYER hereby accepts the assignment. The Customer shall store the property originating from processing or moderation of goods subject to retention of title free of charge for KARL MAYER.
- 7.4. The Customer shall ensure that the products with retained ownership are insured appropriately against all usual risks, in particular against fire, burglary and water damage risks at its own expense and that they are handled with care and properly stored.

- 7.5. Any attachments or captures by third parties of products that were delivered by KARL MAYER with retained ownership must be reported to KARL MAYER in writing immediately. Any costs of intervention that may arise shall in any case be borne by the Customer.
- 7.6. In the case of a transfer of its right and obligation to a third party, the Customer shall be obliged to inform the third party about the reserved property of KARL MAYER and transfer such duties arising hereof to the third party in writing.
- 7.7. In cases where the total value of the securities existing for KARL MAYER exceeds the claims of KARL MAYER by more than 10% and upon the Customer's request, KARL MAYER shall release those securities at its sole discretion.
- 7.8. In cases where the Customer is in default of payment, including but not limited to overdue payment, KARL MAYER shall be entitled to take back the products with retained ownership after the expiration of a grace period determined and set by KARL MAYER, even if KARL MAYER has not terminated the contract.

8. Transfer of Risk

- 8.1. Shipping shall always be at the Customer's risk ex works in accordance with the latest version of INCOTERMS even in cases where free delivery has been agreed by KARL MAYER. The Customer shall be fully responsible for proper storage of goods arriving at the destination. The arrangement of insurance against fire, theft, etc. shall be the responsibility of the Customer.
- 8.2. In cases where shipping or delivery is delayed due to the fault of the Customer, the risk will, in both cases, be transferred to the Customer on the day of readiness for shipment; however, upon request by and at the expense of the Customer, KARL MAYER shall be obliged to take out insurance as instructed by the Customer.

9. Liability

As far as legally permissible, claims not expressly conceded in these conditions shall be ruled out. Other than that, they shall be restricted to compensation for damage to the products have been delivered and in total to the damage that typically arises in business of the type in question based on the value of the delivered products, unless caused by deliberate or by grossly negligent violation of contract by KARL MAYER. All claims made against KARL MAYER arising from the aforesaid legal grounds shall come under the statute of limitation after no more than 12 months after the transfer of product risk to the Customer, unless otherwise stipulated by law.

10. Place of jurisdiction

- 10.1. Place of jurisdiction for all disputes arising from the contractual relationship hereof shall be solely Wujin People's Court, Changzhou, China. Apart from that, the place of jurisdiction shall comply with the law.
- 10.2. The content and interpretation of invitation for offers, offers, Order Confirmations, contracts and any other correspondence with KARL MAYER shall be governed by the law of the People's Republic of China.

11. Final remarks

- 11.1. KARL MAYER reserves all intellectual property and copyrights to its quotes, drawings and other documentation relating to the transaction hereunder. They may not be made accessible to any third party(ies) or given access to in any other way. The reproduction of such items shall only be permitted within the scope of operational requirements and copyright regulations. The same shall apply to products manufactured with the help of these means of production. Upon request, or when no order is placed, all documentation provided by KARL MAYER must be returned without delay to KARL MAYER.
- 11.2. Amendments and additions to the Terms and Conditions have to be made in writing. The requirement stipulating written form cannot be waived verbally.
- 11.3. If individual provisions of these Terms and Conditions or further agreements should be or become ineffective, this shall not affect the validity of the remaining provisions of the contract. The contracting parties shall strive to replace such an ineffective provision by a provision the economic result of which comes as close as possible to that of the ineffective provision. The same shall apply to any contractual loopholes.
- 11.4. In case any discrepancy between the Terms and Conditions hereof and any subsequent Order Confirmation or contract, the former shall prevail, except otherwise stated by KARL MAYER in writing.
- 11.5. Upon issue of these Terms & Conditions, any previous provisions expressed in other words shall cease to be valid.

KARL MAYER – China

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