

General Business Terms
of
JK-INTERNATIONAL GmbH
Köhlershohner Straße
53578 Windhagen

1 General information, scope

- 1.1 The deliveries, services and offers of JK-INTERNATIONAL GmbH, hereinafter referred to as JK-International, are exclusively carried out based on these General Business Terms. These are part of all contracts which JK-International concludes with its customers for the deliveries and services offered by it. They shall also apply to all future deliveries, services or offers to the customer, even if they are not once again agreed separately. (Excluded from the scope of these General Business Terms are maintenance work, repairs and services to be provided in this respect by JK-International, for which separate terms and conditions apply.)
- 1.2 Business terms of the customer or third parties shall not apply, even if JK-International does not object to their validity separately in an individual case. Even if JK-International refers to a letter which contains business terms of the customer or of a third party this shall not represent an agreement with the validity of such business terms.

2 Offer

- 2.1 The offers of JK-International are subject to change and non-binding and are to be understood as a request to the addressee to submit an application for a contract.
- 2.2 The prices apply ex works in Euro. They principally do not include freight, postage, insurance and other shipment costs and only apply within the Federal Republic of Germany.
- 2.3 The right is reserved to technical and design deviations from descriptions and details in brochures, catalogues and written documents as well as changes to models, construction and material over the course of the technical progress or in order to obtain if applicable necessary official permits without any rights being able to be derived against JK-International. This shall not apply to such deviations from descriptions in details, which are contained in binding offers of JK-International.

3 Delivery and passing of risk

- 3.1 The delivery is carried out ex works at the costs and risk of the customer.
- 3.2 Delivery dates or deadlines which have not been explicitly agreed as binding are exclusively non-binding details. The delivery time stated by JK-International shall only begin when all technical questions have been clarified.
- 3.3 The risk shall pass to the customer as soon as the object has been delivered to the carrier, the freight forwarder or the other person or institution determined to carry out the delivery or has left the plant for the purpose of delivery.

- 3.4 JK-International is entitled to partial deliveries and partial services at all times provided that this is deemed reasonable for the customer.
- 3.5 The goods shall principally only be insured against damages in transit at the explicit request and at the costs of the customer.
- 3.6 If the delivery is delayed at the request or due to the fault of the customer JK-International will store the goods at the costs and risk of the customer.

4 Terms of payment

- 4.1 Invoices are to be paid within 30 days after the invoice date without deduction insofar as not otherwise agreed in writing. The receipt of the payment at JK-International shall be decisive for the timely receipt of the payment.
- 4.2 Payments are to be made directly to JK-International. Employees of JK-International are only authorized to accept payments with a written collection power of attorney.
- 4.3 In case of default of payment JK-International is entitled, irrespective of the assertion of further damages on default, to request interest on default in the amount of 8 percentage points above the base lending rate p. a. For return debit notes JK-International shall further charge the customer a fee in the respective amount of Euro 18.-. Charges, which are additionally incurred to JK-International owing to a disturbed payment transaction will be passed onto the customer.
- 4.4 Incoming payments will be offset against outstanding liabilities of the customer together with interest and costs according to § 367 BGB [Civil Code]. If several identical liabilities of the customer have not been satisfied the customer is not entitled to determine on which liability it will pay.
- 4.5 In the event of a termination of the contract for which the customer is responsible or a cancellation for which it is responsible JK-International is entitled to request flat rate damages in the amount of 20 % of the agreed total price insofar as the customer or JK-International do not provide proof otherwise in an individual case.
- 4.6 The offsetting against counter-claims of the customer or the retention of payments owing to such claims is only permitted to the extent that the counter-claims are undisputed or have been declared final and binding.

5 Warranty and liability

- 5.1 The warranty period is one year from delivery or, insofar as an acceptance is necessary, from the acceptance.
- 5.2 The delivered goods are to be carefully inspected immediately after delivery to the customer or to the third party determined by it. They shall be deemed as approved if JK-International has not received a written report of defects with regard to the obvious defects or other defects, which were recognizable with an immediate, careful inspection, within seven workdays after delivery of the goods.
- 5.3 If the goods are faulty JK-International is initially entitled and obliged at its choice to subsequent improvement or replacement

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delivery. Insofar as the subsequent improvement or replacement delivery is impossible or has failed the buyer can cancel the purchase contract or reasonably reduce the purchase price.

- 5.4 Warranty claims do not exist if
- the defect is due to the fact that the customer made technical changes or extensions to the object of purchase or fitted these with spare parts neither approved nor delivered by JK-International;
 - the defect is a result of improper use, operation, deficient maintenance or service or to violent impacts;
 - the defect is due to wear and tear.
- 5.5 Claims for damages of the customer, no matter for what legal grounds, in particular from illicit act, producer liability, breach of obligations to provide advice, other breaches of contractual duties, breach of pre-contractual obligations or delay in the service are excluded for simple negligence of JK-International, its bodies, legal representatives, employees or other vicarious agents insofar as no physical damages were caused. This exclusion of liability shall not apply to the breach of essential contractual duties or to liability independent of the fault, in particular to the liability from § 443 BGB or for product faults according to the Product Liability Act.
- 5.6 If JK-International is liable in cases of slight negligence according to Subclause 5.5, the liability is limited to the compensation of the typical, foreseeable damages for the contract. Indirect damages and follow-up damages which are in addition only eligible for compensation insofar as such damages can typically be expected with the use of the object of delivery as intended.
- 5.7 The afore-mentioned exclusions of and restrictions to liability shall apply in the same extent for the benefit of the bodies, legal representatives, employees and other vicarious agents of the seller.

6 Software use

- 6.1 Insofar as software is included in the scope of delivery the customer is granted a non-exclusive right to use the delivered software including its documentation. It is handed over for use on the object of contract determined for this purpose. A use of the software on more than one system is forbidden.
- 6.2 The customer may only reproduce, modify or translate the software or convert from the object code to the source code in the extent as permitted by law (§ 69a et seq. of the Copyright Act). The customer undertakes not to remove manufacturer's details – in particular copyright - notices – or to change these without the prior explicit consent of JK-International.
- 6.3 All other rights to the software and the documentation including the copies remain with JK-International or with the software supplier. The granting of sub-licences is not permitted.

7 Reservation of title

- 7.1 JK-International reserves the right to the property to the delivered goods until the full payment of all claims to which JK-International is entitled against the customer

and additionally established from the business relationship with it, no matter for what legal grounds. The assertion of the reservation of title as well as the attachment of the objects of delivery by JK-International shall not be deemed as a cancellation of the contract insofar as this is not explicitly declared in writing by JK-International.

- 7.2 The customer is entitled to resell the delivered objects in the ordinary course of business if applicable according to the contractually agreed sales stipulations of JK-International; however it hereby now already assigns to JK-International all claims in the amount of the purchase price agreed between JK-International and the customer (including value added tax) to which the customer is entitled from the resale irrespective of whether the objects of delivery are resold without or after processing. The customer is authorized to collect these claims after their assignment. The authorization of JK-International to collect the claims itself remains unaffected hereby; however JK-International undertakes not to collect the claims as long as the customer properly satisfies its payment obligations and is not in default of payment. If this is however the case JK-International can request that the customer announces the assigned claims and their debtors, provides all information which is necessary for the collection, hands over the associated documents and informs the debtors (third parties) of the assignment.
- 7.3 The processing or conversion of the goods by the customer is always carried out for JK-International. If the objects of delivery are processed with other items which are not the property of JK-International then JK-International shall acquire the co-ownership to the new object in the ratio of the value of the objects of delivery to the other processed objects at the time of the processing.
- 7.4 If the objects of delivery are inseparably mixed with other items which are not the property of JK-International then JK-International acquires the co-ownership to the new object in the ratio of the value of the objects of delivery to the other mixed objects. The customer shall keep the co-ownership in safekeeping for JK-International.
- 7.5 The customer is obliged to treat the delivered goods under reservation of property rights of title carefully and to insure these against deterioration and loss at its costs until the transfer of ownership. In case of a breach of these obligations or with a substantial exceeding of granted terms of payment JK-International is entitled to request the immediate hand-over of the goods delivered under reservation of title from the customer.
- 7.6 The customer may neither pledge nor assign as collateral the delivered goods to third parties. In case of attachments and seizure or other disposals by third parties the customer has to inform JK-International hereof immediately and to make all information and documents available to JK-International which are necessary for safeguarding the rights of JK-International.
- Enforcement officers or third parties are to be informed of the property of JK-International.

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7.7 JK-International undertakes to release the collateral to which it is entitled insofar at the customer's request to the extent that the realisable value of the collateral exceeds the value of the claims which are to be secured, provided that they have not yet been settled, by more than 10 %. The selection of the collateral items which are to be released is the responsibility of JK-International.

8 Place of performance and place of jurisdiction

8.1 Provided that it is not otherwise derived from the contractual agreement the place of performance is the registered seat of JK-International.

8.2 The place of jurisdiction is the registered seat of JK-International. JK-International is however entitled to also file action at the head office of the customer.

9 Final provisions

9.1 This contract is subject to the law of the Federal Republic of Germany under the exclusion of the Convention of the United Nations on the International Sales of Goods (CISG).

9.2 Should individual provisions of this contract including these terms and conditions be or become invalid in full or in part or should a loophole be determined in this contract or these terms and conditions this shall have no effect on the validity of the other provisions. A provision shall be deemed as agreed instead of the invalid provision which shall as far as possible correspond with the sense and purpose of the invalid provision from a financial point of view. In the event of a loophole a provision shall be deemed as agreed which corresponds with that which would have been agreed according to the sense and purpose of this contract from a financial point of view if the parties had considered the matter from the start.