

# Reich LLC

## General Terms and Conditions of Sale



### 1. Supply Contract Conditions

- A. The following General Terms and Conditions shall apply exclusively to the customer's purchase of Reich LLC's goods:
- B. Reich LLC shall not be bound by any terms and conditions provided by the customer or any other terms and conditions.
- C. An order is considered accepted by the customer upon receipt by the customer of a written order confirmation. This written order confirmation controls with respect to the specifics of the order, including the terms of delivery, over any conflicting provisions that may exist in any other agreements.
- D. In connection with the order confirmation, documents from the customer, such as illustrations, drawings, indications on weights, dimensions and performance data, are to be deemed non-binding unless expressly stated as binding.
- E. Deviations from Reich LLC's General Terms and Conditions, supplementary agreements and any other informal understandings will only be binding when they have been expressly confirmed by Reich LLC in writing. The same applies to deferred amendments and supplements to already completed contracts for delivery.
- F. Reich LLC reserves the right to modify contract provisions, as long as they do not affect material customer interests regarding the intended use of the goods as specified in writing by the customer at the time of order.

### 2. Acceptance of Order

- A. In the absence of any separate agreement, the contract is deemed accepted by Reich LLC by Reich LLC's written order confirmation or the delivery of the goods.
- B. The customer is liable for the correctness of the documents, such as drawings, samples, models, templates and the like which the customer has to provide to Reich LLC.
- C. If no clear specifications of tolerances are provided for by the customer in the drawings or the order, Reich LLC shall manufacture according to the norms for tolerance limits for the particular production process for the goods that are customarily experienced by Reich LLC in the line of business for the goods.

### 3. Price and Payment

- A. The price shall be as stated in the purchase order and does not include the costs for packaging, shipping, insurance, customs fees, and all city, state, and federal excise taxes, including, without limitation, taxes on manufacture, sales, receipts, gross income, occupation, use and similar taxes, all of which shall be added to the invoice for the purchase order as a separate charge to be paid by the customer.
- B. The invoice for a purchase order shall be payable net cash 30 days after receipt of the invoice. Reich LLC reserves the right to increase the agreed prices to account for increases in price of material as well as manufacturing costs that may arise at any time between customer's acceptance of a purchase order and delivery of the purchased goods.
- C. Except as consented to by Reich LLC, the customer has no right to withhold, setoff, or counterclaim any invoiced payments when due.
- D. Payments by bill of exchange or check are only accepted on special agreement and are subject to a different discount rate than the rate offered for cash payments. If bills of exchange and checks are accepted, a payment credit is granted subject to their being honored.
- E. In case of a delayed payment, Reich LLC will charge interest in the amount of 3% above prime as defined by Wells Fargo Bank, N.A. until full payment including accrued interest is received. These provisions do not in any way limit Reich LLC's remedies, and Reich LLC is entitled to pursue any other remedy provided by law.

### 4. Terms of delivery

- A. All deliveries shall be made F.O.B. Reich LLC's place of business, with bills of lading addressed to the customer with method of shipping determined by Reich LLC in Reich LLC's sole discretion.
- B. The goods shall be identified in the purchase contract, and risk of loss shall pass to the customer when the goods are placed in the hands of the carrier.
- C. The terms of delivery provided for in the purchase order remain in effect as long as the purchased goods have been shipped before the delivery deadline as specified in the purchase order or as extended by the terms provided for herein.
- D. The delivery period may be extended by the time the customer takes to provide Reich LLC with the information

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and documentation that is necessary for Reich LLC to fulfill and deliver an order.

- E. Reich LLC reserves the right to extend the delivery period based on delays in the shipment of materials from Reich LLC's suppliers and on account of activities related to labor disputes - especially strikes and lockouts, as well as in the event of other circumstances beyond Reich LLC's control, such as war, riot, and other interruption of Reich LLC's operations, insofar as such hindrances are proven to considerably affect the completion or delivery of the order.
- F. The customer may not refuse independent partial deliveries.
- G. The customer shall not be able to refuse delivery and acceptance of an order involving special production on the basis of a non-conforming quantity of goods delivered as long as the quantity delivered is within 10% of the quantity ordered.

### 5. Warranty

- A. Reich LLC ensures that the delivered goods do comply with any applicable foreign and domestic legal provisions that are applicable, any applicable rules and regulations, as well as any documents that are in support of an order, such as drawings or descriptions, samples, specifications, or conditions of acceptance. Furthermore Reich LLC ensures that all goods do comply with those technical standards and safety regulations that are specific to North America. THIS WARRANTY IS EXPRESSLY MADE IN LIEU OF ANY AND ALL OTHER WARRANTIES EXPRESS OR IMPLIED INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS.
- B. Reich LLC does not guarantee for damages, which are caused by unsuitable or improper use, noncompliance of "process advices", faulty or negligent treatment. If the customer arbitrarily alters the goods without Reich LLC's written approval Reich LLC is not liable for the consequences. Reich LLC does not give warranty in case of insignificant defects.
- C. The customer has to inform Reich LLC about obvious defects in written form no later than two (2) weeks after delivery. If not, all such claims related thereto are excluded. The customer has to send back the defective goods. Provided the notice of defects is legitimate and placed in time, Reich LLC will choose to either repair the goods or replace them against faultless ones to fulfill Reich LLC's warranty obligations. In this case the

forwarding expenses will be borne by Reich LLC. In case the repair or additional delivery should fail, the customer is entitled to demand a reduced price.

### 6. Claims because of Defects

- A. When the production is according to a drawing provided by the customer, Reich LLC is only liable for failing to manufacture according to the customer's specifications provided in such drawing.
- B. Customer's exclusive remedy in the event that any of the goods do not conform to the description provided by the customer or Reich LLC's standard warranty shall be a replacement of the item or parts. All goods claimed to be nonconforming must be shipped to Reich LLC, at Reich LLC's expense. Such goods will be returned repaired or replaced within a reasonable time. Reich LLC's acceptance of any goods so shipped shall not be deemed an admission that the goods are nonconforming, and, if Reich LLC finds that any goods returned are not defective, such goods will be reshipped to the customer at the customer's expense and the customers will be charged for the shipping charges initially incurred by Reich LLC. Reich LLC shall accept returns of nonconforming goods from the customers of Reich LLC's goods upon the same terms set forth herein and on Reich LLC's standard warranty. If any of the goods are found to be nonconforming, customer expressly waives its rights to consequential or incidental damages. The parties also agree that, regardless of the failure of the sole and exclusive remedy, Reich LLC will not be liable for any consequential damages of whatsoever kind or nature. The parties intend the exclusion of consequential damages as an independent agreement apart from the sole and exclusive remedy herein. It is acknowledged that the items sold are not so unique or the circumstances such that either party shall be entitled to the remedy of specific performance.

### 7. Miscellaneous

- A. This agreement shall be governed by the Uniform Commercial Code and other applicable law in effect in North Carolina on the effective date of this agreement.
- B. Buncombe County, North Carolina shall be the sole and exclusive jurisdiction and venue for any litigation, special proceeding, or other proceeding between the parties that may be brought or arise out of or in connection with or by reason of this agreement.