



direct sourcing GmbH
Wallbrunnstrasse 24
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www.diractsourcing.com

GENERAL TERMS AND CONDITIONS OF SALE (GTCS)

Version as at 1st April 2015

1. GENERAL

These General Terms and Conditions of Sale (GTCS) govern the offering, sale and delivery of all goods and/or services of direct sourcing GmbH (direct sourcing). These GTCS may only be varied or waived by written notification from direct sourcing. Any communication or conduct of the Customer which confirms an agreement for the delivery of goods by direct sourcing shall constitute an unqualified acceptance by the Customer of these GTCS. The general terms and conditions or similar documents of the Customer have no binding legal application, even when it is indicated that this is the case. Neither direct sourcing's unreserved acceptance and/or delivery of orders by the Customer shall be deemed or constituted as acceptance of any of the Customer's terms and conditions by direct sourcing.

Should any clause of these GTCS or any clause of any other agreement between direct sourcing and the Customer be declared null and void, this shall not affect any other clause and agreement.

All product information, whether this be technical or chemical information from direct sourcing or from direct sourcing's suppliers or manufacturers serves exclusively as a product description and contains no guarantee as to its accuracy. This information in particular provides no guarantees of the product characteristics. Offerings made in products and price lists, brochures or advertisements about weight, mass, fillings and price are provisional and only become binding when they have been specifically defined as such in the order confirmation or in the specifications. Analysis is carried out to order.

The Customer's written, oral or telephone order is binding on him for a period of one (1) month. The deal is concluded if direct sourcing confirms its acceptance of the order within this period or if the goods are accepted without reservation. direct sourcing will inform the Customer as soon as possible if it declines the order or is unable to deliver the goods.

direct sourcing reserves the right to check the intended use of the goods it is asked to supply and to examine the creditworthiness of the legal and natural persons responsible for the order.

2. DELIVERIES

An agreed and binding delivery period begins on the day on which direct sourcing receives written confirmation of the order from the Customer. This delivery time can be extended indefinitely if direct sourcing's contractual partner has not complied with all its contractual obligations.

Should an Act of God prevent direct sourcing from carrying out a delivery, the delivery date is automatically extended by the delay caused by of this Act of God as well as appropriate preparation time. Events that direct sourcing is not in a position to predict or avert are deemed to be Acts of God if they make it unreasonably difficult or impossible for direct sourcing to deliver the goods. Examples of this are delayed deliveries by direct sourcing's suppliers, strikes, political unrest, legislative measures, a scarcity of raw materials or energy, significant disruption within the company or to transport, and natural disasters or crop failures. Should these circumstances continue for more than a month, then direct sourcing is entitled to cancel the order. direct sourcing must explain to the Customer, on demand, whether direct sourcing will cancel the order or deliver the goods within a reasonable period to be determined by direct sourcing. The Customer is not entitled to claim damages.

Should direct sourcing exceed the agreed date of delivery by more than six weeks, then the Customer must stipulate a reasonable new date for delivery. Should this also expire without action, then the Customer is entitled to cancel the contract and to demand the repayment of any sums the Customer has already paid in exchange for the return of any good already delivered in perfect condition.

3. PRODUCT ACCEPTANCE

Delivery and transfer of risk are as set forth in the latest edition of INCOTERMS.

Should goods be lost or damaged in transit, the Customer must demand that the transport company take stock of the loss or damage, and inform direct sourcing.

If the Customer does not accept delivery of goods on time, direct sourcing is entitled to hold and store the goods at the risk and expense of Customer and to demand payment for the order or else, after a reasonable period of time has elapsed, to cancel the order and claim damages for contractual non-compliance.



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4. COMPLAINTS

Immediately on delivery, the Customer shall examine the goods for transport damages and visible defects and satisfy himself that the goods delivered meet all contractual requirements. The Customer shall inform the transport company of any visible transport damage on the delivery note and confirm these on the reception of the dispatch document as required by the transport company's insurance conditions. The guaranteed characteristics are exclusively those specifically defined as such in the order confirmation or specifications. Direct sourcing does not guarantee that the goods shall be identical to any samples, descriptions or previous deliveries. No legal claims may be made on the basis of minimal visible, olfactory, technical or other qualitative variations that fall within the range of tolerance of natural products. The Customer shall inform Direct sourcing of any other obvious defects in the goods immediately and no later than twenty-four (24) hours after delivery.

Should it be established that the goods have defects for which Direct sourcing is responsible, Direct sourcing is free to decide whether to reduce the invoice price, deliver replacement goods or reimburse the Customer. The latter two options are dependent on the Customer returning the defective goods. In no circumstances shall Direct sourcing reimburse the Customer for any further claims, in particular for direct or indirect damages or lost sales or profits.

Any claims do not affect the Customer's obligation as to the sums to be paid and the dates of payment. Should the Customer not fulfil his payment obligations or not do so by the agreed date, Direct sourcing's warranty obligations as stipulated above are suspended until the Customer has met his payment commitments in full.

Complaints to the authorities about goods delivered by Direct sourcing must be passed on to Direct sourcing no later than forty-eight (48) hours after delivery. If the period for complaints to the authorities (five (5) days) expires before Direct sourcing is informed about the complaint, no credit for invoices from the authorities will be allowed.

Direct sourcing's warranty does not extend to damages caused on the Customer's premises by inappropriate or negligent handling, natural shrinkage, moisture, overheating and any other unusual weather conditions, temperature variations or potential harm from pests. The Customer must prove that he is not at fault in any way.

All the disclaimers of warranty mentioned in these GTCs do not apply in situations where Direct sourcing is guilty of illegality or culpable negligence. However they do apply for the illegality and culpable negligence of auxiliary persons. Moreover Direct sourcing accepts no liability for cases in which its auxiliary persons are slightly at fault.

5. RETURNS

Direct sourcing will only accept and give credit for returns after prior consultation. Returns for which there has been no prior consultation and/or for which no postage has been paid will be automatically rejected. Direct sourcing also refuses to give credit for damaged goods or goods that have already been stamped with their price.

6. DATE WARRANTY

Direct sourcing warrants a minimum sales period for all goods by a printed sell-by date.

7. PAYMENT

Full legal and beneficial ownership of the goods shall remain with Direct sourcing unless and until Direct sourcing has received payment in full for the goods. In the absence of any other prior written agreement, payment is due on the date indicated on the delivery note and is to be paid at the place of payment defined by Direct sourcing with no discounts or deductions for expenses, taxes, duties, fees, customs duties or the like. If the date of payment is not fixed on confirmation of the order, it is deemed to be thirty (30) days from the date of invoice.

Should there be any restrictions on bank transfers of foreign currencies in the Customer's country, the Customer is liable for potential losses of currency that might occur between his payment in local currency and the unconditional withdrawal of Swiss francs at Direct sourcing's place of payment.

On principle, Direct sourcing will only accept orders when the Customer has paid all previous invoices. Any credit will be taken into account in the next invoice.

8. Governing law and jurisdiction

The parties agree that any suits, actions or proceedings that may be instituted arising out of or in connection with these GTCs, further agreements and resulting deliveries of goods shall be initiated exclusively before the competent courts for Direct sourcing's head office without prejudice to Direct sourcing's right to submit the relevant case to the competent courts for the Customer's head office. This contract is governed by the laws of Germany. The applicability of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded. The terms used by the parties shall have the meanings set out in the latest edition of the 'International Commercial Terms' (INCOTERMS) published by the International Chamber of Commerce (ICC) at Paris, France.