

General Terms of Purchase of the Following Companies of 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. Scope of application

- 1.1 These terms of purchase apply to all business transactions with us insofar as you are a business person, a legal entity under public law or a special fund under public law, even if these terms are not explicitly referred to. Unless we have expressly given our consent to their application, we will not allow any terms of business which may conflict with or be at variance with these provisions. In particular, the acceptance of deliveries and / or services or payment do not constitute consent.
- 1.2 All future business transactions with you are subject to our terms of purchase in their respectively amended forms even if they are not enclosed in individual cases.
- 1.3 Orders placed verbally or by telephone and agreements of the same nature will only become legally binding when an order has been placed by us in writing.

2. Conclusion of contract

- 2.1 Offers from you are without charge for us. Should these offers differ from our enquiries, you shall explicitly draw our attention to this fact.
- 2.2 We shall only be bound to our order if it is acknowledged in writing within a period of one week at the latest.
- 2.3 Should, upon conclusion of the contract, errors occur for which we are not responsible, e.g. due to transmission errors, misunderstandings etc., compensation claims against us in accordance with § 122 BGB (German Civil Code) are excluded.

3. Blanket order/release order

- 3.1 In the case of blanket and repeat orders, the quantities and types to be delivered will be announced by us by means of separate release orders. These release orders shall be binding unless they are contradicted within one week from the date of receipt of such an order and no other provision has been agreed upon.
- 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 which are possible for you.

4. Delivery dates and delay in delivery

- 4.1 Stipulated dates and periods of delivery are binding and are to be strictly observed. The decisive factor in this case is the receipt of the goods at our premises or at the receiving office or delivery address agreed upon or indicated by us.
- 4.2 You shall notify us immediately as soon as you become aware of the possibility of delays in delivery. Our rights concerning the delay in service remain unaffected by this duty to furnish information.

- 4.3 Should delivery be effected prior to the date indicated, we are entitled to refuse acceptance thereof. Part shipments can also be rejected by us. If necessary, we are 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 are entitled to demand a contractual penalty in the amount of 1.0 % of the total value of the order for each started calendar week of the delay, up to a maximum of 5.0 % of the total value of the order. We can assert the reservation required in accordance with § 341 (3) BGB until payment of the service has been effected in full. We reserve the right to assert claims for additional damages.
- 4.5 In the event of a delay, we are entitled to commission, at your expense, a third party to render the service which you failed to render if a reasonable period of respite granted by us expires without success. The right to rescind the contract and to compensation of the damage that has arisen remains unaffected. 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 which we cannot avert in spite of reasonable care, the time of acceptance will be postponed for the period of the hindrance. In the event of the acceptance not being possible for longer than 6 months due to these circumstances, we are entitled to rescind the contract. In such case you will not be entitled to assert claims for damages.

5. Delivery and passing of risk

- 5.1 The place of fulfilment for your deliveries and services shall be the receiving office or delivery address determined by us. The risk of conveyance will be borne by you. The risk of complete or partial loss, damage or other deterioration of the goods is passed to us after acceptance of the goods at the receiving office.
- 5.2 In the case of deliveries and services which require access to our premises by you, you and your employees as well as any other vicarious agents undertake to comply with our plant rules.
- 5.3 Each consignment is to be accompanied by auditable delivery notes. Moreover, in the case of third-party deliveries, a detailed dispatch advice or copy of the delivery note is to be sent to us in good time. Delivery notes and notifications of dispatch may not contain any information about prices.

6. Prices and payment

- 6.1 The stipulated prices are fixed prices and include freight, packaging and any other incidental expenses, free receiving office/delivery address named by us. Price increases, regardless of the reason, will only be accepted by us – also in the case of continuous delivery contracts – if an explicit agreement has been reached in this respect.
- 6.2 If you are responsible for installation and assembly and unless otherwise stipulated, you shall – subject to deviating provisions – assume all necessary incidental expenses such as travelling expenses, provision of tools and daily allowance.
- 6.3 Invoices are to be sent in duplicate to the registered seat of our administrative department in Oberderdingen immediately after dispatch of the goods; a separate invoice indicating the order number is to be issued for each order and sales tax is also to be indicated separately on the invoice. Invoices not issued in a due and proper manner will be deemed not issued. Invoices do not simultaneously constitute an acknowledgement of order.

- 6.4 Except as otherwise agreed, payments are to be effected within 20 calendar days from the date of delivery/service and receipt of invoice, less 3 % cash discount or 90 days net. The cash discount will be deducted from the invoice amount, including sales tax. The payment periods commence upon receipt of payment or, if the goods arrive before receipt of invoice, upon acceptance of the goods which give no clause for complaint, on no account, however, prior to the date agreed upon for the arrival of the goods.
- 6.5 An assignment of accounts receivable by you vis-à-vis ourselves is only permissible with our prior consent. Should you assign the accounts receivable vis-à-vis ourselves to a third party without our consent, the assignment is nevertheless effective. We may, however, at our own option effect payment to you or the third party with the effect of a discharge.

7. Inspection of goods, time limit for lodging complaints

- 7.1 Acceptance of the goods is subject to their inspection for absence of defects, particularly concerning correctness, completeness and suitability. § 377 HGB (German Commercial Code) is excluded in this respect. We will notify you of defects in the consignment as soon as they have been detected according to the conditions of a due and proper course of business.
- 7.2 Deliveries of the wrong goods or different goods will on no account be accepted by us. A special lodging of a complaint is not necessary in this respect.

8. Warranty

- 8.1 You are responsible for ensuring that the goods delivered and the services rendered comply with the statutory and official regulations for their sale or application and that they do not infringe on industrial property rights or any other rights of third parties.
- 8.2. The consignments and services must be in accordance with the best available technology valid at the time of delivery or in the foreseeable future as well as with other statutory protective provisions, technical inspection regulations and accident prevention regulations. In particular, DIN standards and VDE regulations (German Electrotechnology Association) must be complied with. Furthermore, you are responsible for the quality of the materials used, the professional engineering and design of the goods delivered by you as well as for the stated or stipulated service.
- 8.3 We are entitled to warranty rights to the full extent. Irrespective of this, we are entitled to demand, at our option, rectification of defect or a replacement consignment. In this case, you will assume necessary expenses for the purpose of rectifying the defect or of the replacement consignment. Should you fail to rectify the defect or effect subsequent delivery within a reasonable period of time or if such rectification or subsequent delivery is inadequate or immediate rectification of defect becomes necessary due to an urgent reason, we can arrange for the defects to be remedied at your expense or make covering purchases at your expense.
- 8.4 The period of limitation for warranty claims is 5 years for buildings and physical objects which have been used in a building according to their normal application and have caused the defectiveness of the latter. Otherwise the period of limitation for warranty claims is 36 months from the time of the passing of risk unless another provision has been explicitly agreed upon. The limitation of the warranty claims will be suspended by us by means of a written notification of defect sent to you. The warranty period will not begin to run again until you have declared the completion of the rectification measures or measures for subsequent delivery in writing (date of receipt at BLANCO) or until you have refused rectification or subsequent delivery in writing. Should a longer warranty period be regulated by law in the future, this longer warranty period will apply.

- 8.5 In the absence of guaranteed quality as well as in cases of deliveries of poor quality or of the wrong goods for which you are responsible, we are authorised to demand compensation for non-performance instead of other warranty claims, whereby our compensation includes all subsequent expenses to which we are entitled. You shall indemnify us from third-party claims in this respect.
- 8.6 The relevant assembly and operating instructions for delivered items whose handling is not or not yet generally known are to be sent, without being specifically requested to do so, at the latest together with the respective consignment while stating the order number. Should you fail to do so, you will be liable for all damages which would not have occurred if the documents had been available.
- 8.7 In the case of legal imperfections in title you will also indemnify us from any third-party claims which might exist.

9. Product liability and quality assurance

- 9.1 Should a claim be made on us on the basis of the law on product liability 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, you shall indemnify us therefrom insofar as the damage is the result of a fault in the consignment or service for which you are responsible. You undertake to take out adequate product liability insurance and to furnish proof thereof to us upon request.
- 9.2 Quality assurance of a suitable nature and extent and in accordance with the best available technology is to be carried out and documentation concerning all relevant data is to be kept. In the event of claims being made regarding product liability, you are obliged to furnish relevant documentation and records in order to allow verification of a faulty product.

10. Proprietary rights, maintenance of secrecy

- 10.1 You assure us that the delivered items do not infringe on 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 the national and international market. In the event of a claim made against us by a third party due to the infringement of national or international proprietary rights concerning the delivered goods, you will indemnify us from all claims and reimburse us for the damage arising as a result thereof.
- 10.2 All records concerning the order as well as drawings, models, samples etc. shall remain our property and may not be passed on to third parties or used by you for your own purpose without our explicit consent. Such documents are to be kept safe from unauthorised access or use and, except as otherwise stipulated, are to be returned to us in good order and condition upon delivery of the goods at the latest. You may not keep any copies, either. No right of retention exists.
- 10.3 Secrecy is to be maintained with regard to all technical data and other non-obvious commercial and technical details of which you gain knowledge through our business relationship. They may only be used for the execution of orders for us and only be made accessible to those members of staff whose services are required to carry out the order.
- 10.4 Should we have commissioned you to make tools, drawings and other means of production at our expense, it is hereby agreed that these items will become our property immediately after their manufacture or preparation. Where we have only assumed a share of the costs, we will acquire a co-ownership share in accordance with the share of the costs. You are revocably entitled to store these items for us without charge and with due care. We will acquire all proprietary rights of use and enjoyment concerning these items for exclusive use. You are not authorised to use these items without our consent beyond the scope of the order. You are entitled to and obliged to the revocable safekeeping of these objects. You shall label or mark the items in such a manner so that our property is documented vis-à-vis third parties. You are not entitled to any right of retention regarding these objects.

- 10.5 Sub-suppliers are to be obligated accordingly.
- 10.6 You may only advertise with the business relationship after receiving our prior written consent.

11. Limitation of liability

In the case of a breach of contractual or non-contractual duties, particularly due to impossibility, delay, negligence during contract initiation and tortious acts, we shall only be liable – including for our executive staff and other vicarious agents – in cases of intent and gross negligence; this liability is limited to predictable and contractually-typical damage when the contract was concluded.

These limitations do not apply in the event of a negligent breach of fundamental contractual duties insofar as the purpose of the contract is compromised and in the event of damage to life, limb and health.

12. Reservation of ownership

We accept the simple right of ownership for the goods delivered by you. Additional forms of security shall only apply with our explicit consent.

13. General provisions

- 13.1 The place of performance for both parties concerning all obligations arising from a contract, in particular, for delivery and payment, is Oberderdingen or the place of performance named by us.
- 13.2 The place of jurisdiction for both parties concerning all legal disputes arising from the contractual relationship as well as the origination thereof and its validity is Karlsruhe. We are also entitled to institute legal proceedings at the place of your registered seat.
- 13.3 Should one party to the contract stop payment, a provisional liquidator will be appointed or if insolvency proceedings are filed concerning the assets of one contractual partner or an out-of-court settlement is applied for, the other contractual partner is entitled to rescind the contract for the non-fulfilled part.
- 13.4 Should any individual provision of these terms and the other agreements made be or become void, the validity of the remaining contract shall in no way be affected. The contractual partners are obliged to replace the void provision by a provision coming as close as possible to the purpose of the contract regarding economic success.
- 13.5 The contractual relationship is subject to the laws of the Federal Republic of Germany. International sales laws (CISG) do not apply.

Oberderdingen, March 2008