

General supply and payment conditions from 01.10.2014 for supply to companies (customers)

1. Scope

Our business relationships with companies as defined in § 14 BGB (hereinafter referred to as "customers"), including for information and advice, will be exclusively subject to these conditions. Once our supply and payment conditions have been introduced into our business with the customer, they will also apply to all other business relationships between us and the customer, unless otherwise agreed in writing. Customer conditions will only apply if and insofar as we have explicitly recognised them in writing. In particular, our silence on alternative conditions of this kind will not be seen as recognition or agreement, including for future contracts.

2. Information, advice, quality and features of the goods

(1) Information and advice with regard to our products are exclusively based on our experience to date. Any figures that may be provided should be viewed as average figures. All details about our products, particularly the illustrations, drawings and dimensions contained in our offers and printed materials, as well as any other technical details, should be viewed as approximate average figures. For the dimensions of wallpaper and edging, deviations of $\pm 3\%$ by area are standard for the industry and we reserve the right to such deviations.

(2) Descriptions and illustrations of the items to be supplied in offers and catalogues and in our advertisements only represent an indication of the features of our goods if we have explicitly stated that the quality shown corresponds to the features of the goods; otherwise they are non-binding general product descriptions.

(3) Certain features of the goods are only an indication of the quality of the goods if we have explicitly confirmed this in writing. We will only provide a guarantee if we have identified a feature as being guaranteed in writing.

3. Prices/Purchase quantity/Single rolls

(1) Unless otherwise specified, the prices are in € per roll of approx. 53cm in width and 10.05m in length when purchased by lot ex warehouse, plus the statutory level of value added tax, to be borne by the customer. The lot size is specified on the relevant price list and normally consists of 24 rolls for wallpaper and 12 rolls for edging.

(2) Partial quantities - i.e. quantities below the lot size are only supplied for collections specified by us. The supplement for partial quantities is 20% ("Room supplement"). This room supplement is not charged in cases where whole lots are ordered but we initially only supply partial quantities. The room supplement is charged where both lots and partial quantities are ordered.

(3) The prices contained in our price lists are binding. Price details on cuttings or sample cards are non-binding.

(4) Single rolls from lot or room deliveries cannot be returned.

4. Sample materials

(1) We only supply sample rolls in standard dimensions. Sample rolls ordered for display are charged and cannot be returned.

(2) Alongside these supply and payment conditions, orders of sample materials are also subject to our relevant conditions for sample material.

5. Completion of contract

(1) Our offers are provisional. They are an invitation to order. A contract only exists including in current business dealings - when we confirm the customer's order - including an order accepted by agents - in writing. Our order confirmation is binding for the content of the supply contract. For immediate delivery, our invoice can replace the order confirmation.

(2) For telephone orders or orders over the Internet, the customer bears the burden of proof for proper and correct transmission of the order.

(3) All agreements, subsidiary agreements, guarantees and amendments to the contract must be made in writing. This also applies to the waiving of the written form agreement itself.

6. Delivery, delivery time, delayed delivery, acceptance

(1) We only agree delivery dates in accordance with our production capacity. Binding delivery dates and periods must be explicitly agreed in writing. For non-binding or approximate (approx., around, week etc.) delivery dates and periods, we will make every possible effort to meet them.

(2) Delivery periods begin when the customer receives our order confirmation, but not until all details for carrying out the order have been settled and all other requirements to be met by the customer are in place; the same applies also to delivery dates. If the customer has demanded changes after placing the order, a new delivery period begins when we confirm these changes.

(3) Deliveries before expiry of the delivery period are permissible. The day of delivery is the day when the customer is notified that the order is ready to dispatch, otherwise the day when the goods are dispatched. We are entitled to make partial deliveries. Interest in our performance only applies, unless otherwise agreed, if we do not deliver a significant proportion of the order, or deliver it late.

(4) If there is a delay in our delivery, the customer must initially grant us an appropriate period of grace. If this period also lapses, the customer can assert his rights according to the legal regulations. Claims for damages due to a breach of trust regardless of the cause can only be made to the extent specified in section 12. If we have not made good our performance by a date determined in the contract or within a contractually agreed period, the customer can only withdraw from the contract, if he has linked his interest in performance to the promptness of performance in the contract.

(5) We will not be in default as long as the customer is in default with the performance of obligations towards us, including those arising from other contracts.

7. Reservation of own supplies; force majeure and other obstructions

(1) If we do not receive deliveries or services from our upstream suppliers for reasons beyond our control, or if they are incorrect or delayed, or in cases of force majeure, we will inform our customers in writing immediately. Force majeure is taken to mean strikes, lockouts, government intervention, shortages of power or raw materials, transport bottlenecks beyond our control, obstructions to business beyond our control, such as fire, floods or damage to machines and all other obstructions, which we have not culpably brought about from an objective viewpoint.

(2) If a binding delivery date or delivery period has been agreed and the agreed delivery date or delivery period is exceeded by more than eight weeks as a result of events covered by section 7.1 above, the customer shall be entitled to withdraw as a result of that part of the contract not having been fulfilled.

(3) Under the circumstances covered by section 7.1, we are entitled to postpone delivery by the duration of the obstruction or withdraw in whole or in part from the contract due to nonfulfilment, provided we have fulfilled the information obligation specified in section 7.1. In case of withdrawal, adherence to the contract must be unreasonable for us.

8. Dispatch and passing of risk

(1) Orders to the value of at least € 410.00 (net) for combined delivery to an address within Germany are delivered carriage free. The value comprises the number of rolls x net invoice price (excluding VAT). For orders of less than € 410.00 (net) the shipping is charged to the buyer. For parcel services, post and express goods deliveries that are not prepaid, the costs will be charged.

(2) Unless otherwise agreed in writing, we dispatch uninsured at the customer's risk. We reserve the right to choose the route and the mode of transport.

(3) The risk of accidental loss or accidental deterioration is transferred to the customer when the goods to be delivered are passed to the customer, the forwarding agent, the carrier or any other company used to carry out the dispatch, but at the latest when the goods leave our factory, the warehouse or our office.

(4) If dispatch is delayed due to the fact that we avail ourselves of lien as a consequence of a complete or partial delay in the customer's payment, or for any other reason that can be attributed to the customer, the risk is transferred to the customer from the date when we issue notification that the order is ready for dispatch at the latest.

9. Breach of duty/Guarantee

(1) Slight deviations from the original pattern in subsequent deliveries, within the limits defined by production techniques, cannot always be prevented and therefore across the industry do not detract from the quality in accordance with the contract. In particular, it cannot always be expected that a subsequent delivery will be suitable for application with remaining parts of earlier deliveries. This also applies to deviations, which are caused by the raw materials, over which we have no influence. Such deviations cannot, therefore, be used as grounds for complaints. No guarantee is provided for the perfectly uniform appearance of fabric-effect wallpapers. The goods must be checked and compared before application. They must be applied in accordance with our specifications and standard industry regulations.

(2) Any discernible defects including shortages should be reported to us in writing by the customer without delay, and within 12 days at the latest from delivery - even with regard to a part of the delivery that the customer can use. In case of delivery of goods with immediately discernible defects, these must also be reported to the transport company, who should record the defects. The transport company should provide confirmation of immediately discernible defects. Complaints must include an adequate description of the reason for the defect. A complaint not submitted within the specified period nullifies out any claims by the customer under the guarantee.

(3) One of the rolls subject to the complaint must be submitted with the roll inlay, as evidence in support of the complaint. If the goods have already been applied, the customer should submit at least sections, which allow the fault to be seen, along with the inlays from all rolls subject to the complaint.

(4) Defects in part of the delivery, insofar as the customer can reasonably use the rest, may not lead to a complaint about the entire delivery.

(5) If we admit a defect, we can choose to put it right free of charge or supply a replacement. Insofar as these supply and payment conditions do not contain any alternative provisions, §§ 439, 440 BGB shall also apply.

(6) If, as a result of defects of title or quality, the customer opts to withdraw from the contract after a delay in subsequent performance, he is not entitled to any additional claims for damages due to the defect.

(7) For demonstrable material, production or design defects unless explicitly otherwise agreed or there is a case under § 478 BGB (right of recourse) - we guarantee the products for a period of one year, calculated from the date of the start of statutory limitation. The above limitation period also applies - apart from any accusations of malice - to concurrent claims in tort and for any claims resulting from consequential damages.

(8) Further claims by the customer due to or in relation to defects or consequential damages, regardless of the cause, are only possible to the extent of the provisions of section 12, insofar as they are not claims for damages resulting from details of quality or features or guarantee, which the customer should protect against the risk of any consequential damages. Even in such cases, we will only be liable for typical and foreseeable damages.

10. Payment conditions

(1) Our invoices are payable within 10 days from receipt of the invoice at 2 % cash discount or within 30 days net. In the case of a direct debit authorization we grant a discount of 2,25%.

(2) Cash discount is only granted on the net value of the goods after deduction of all trade discounts

(discount basis) for cash payments. When setting off credit notes, the credit note must first of all be deducted from the invoice total. The net amount is the new discount basis. The deduction of cash discounts from invoices is not permissible, if previously due invoices have still not been settled.

(3) The customer will be in default of payment with no reminder from the 31st day after receipt of the invoice.

(4) When the customer is in default of payment, annual default interest at 4% above the basic rate of interest is charged. The payment date is the date when we receive the money or the credit reaches our account. We reserve the right to make claims in excess of this figure.

(5) The customer only has lien or setoff rights with regard to those adverse claims that are undisputed or have been legally established.

(6) If we become aware of a significant deterioration in the customer's financial circumstances, which could threaten our payment claim or if the customer is in default, we are entitled to demand that all of our claims are settled immediately, including those not yet due.

11. Retention of title

(1) We will retain the title to all goods supplied by us (hereinafter referred to as "Conditional goods"), until all of our claims resulting from the business relationship with the customer, including demands arising in the future from contracts concluded at a later date, have been fully settled. We are entitled to take back all Conditional goods, if the customer shall breach the contract.

(2) Until the ownership of the Conditional goods passes to the customer according to section 11 (1), the customer is obliged to handle the Conditional goods well. Also the customer shall insure the Conditional goods adequately (reinstatement value insurance), particularly against fire, theft and water damage. Claims on the insurance policy resulting from damage affecting the conditional goods are hereby assigned to us to the value of the Conditional goods.

(3) Until the ownership of the Conditional goods passes to the customer according to section 11 (1), the customer is obliged to inform us in written form if the Conditional goods are or are likely to be seized or otherwise interfered with by a third party. In case the third party is not able to reimburse our legal costs resulting to any action or claim according to section 771 German Civil Procedure code (Zivilprozessordnung ZPO) the customer shall pay our legal costs related to such actions.

(4) The customer has a right of disposal to the goods supplied in the course of ordinary trade, in particular to sell them. Bonding or offering as collateral is not permitted. If, in the case of resale to a third party buyer, the conditional goods are not paid for immediately, the customer is obliged to only resell under retention of title. The entitlement to resell the Conditional goods will lapse immediately if the customer stops his payment or falls into default of payment with us. For bonding or other intervention by third parties, the customer must make reference to our security interest, identify the goods to which we retain title accordingly and notify us without delay.

(5) The customer hereby assigns to us all claims, including securities and secondary rights, arising in relation to the conditional goods. He may not reach any agreement with his buyers, which excludes or restricts our rights in any way or negates the prior assignment of the claim.

(6) The customer is entitled to recovery of the claim assigned to us until we cancel this entitlement, which we are permitted to do at any time. At our request, he is obliged to provide us with the required information and documentation for the recovery of assigned claims and, insofar as we do not

do so ourselves, to immediately inform his buyers of the assignment to us.

(7) In the case of actions contrary to the terms of the contract, particularly default of payment, we are entitled to take back all conditional goods without first having to withdraw from the contract; in such cases, the customer is obliged to hand them over immediately. In order to establish the stocks of the goods supplied by us, we are entitled to enter the customer's premises at any time during normal business hours. The return of conditional goods only involves withdrawal from the contract if we explicitly declare this in writing or if there are compelling legal grounds.

(8) If the value of our existing securities in accordance with the above terms exceeds the total claims secured by more than 10%, at the request of the customer we are obliged to release securities of our choice to that extent.

12. Exclusions and limitations of liability

(1) We bear unlimited liability for our own deliberate or grossly negligent breach of duty and deliberate or grossly negligent breach of duty by our legal agents or employees, as well as for the breach of essential contractual obligations and in cases of admitted frustration and significant breach of duty. Furthermore, we bear unlimited liability in cases of injury to life, body or health, including that caused by our legal agents or employees. The same shall apply, insofar as we have provided a guarantee of the quality of our goods or performance.

(2) If we are not liable under section 12.1 above, we will be liable for any claims for damages made against us resulting from this contractual relationship due to culpable breach of duty, not in cases of ordinary negligence regardless of the legal grounds.

(3) In the case of the above liability under section 12.2 and liability without negligence, particularly for prior impossibility and defects of title, we will only be liable for typical and foreseeable damages.

(4) Liability resulting from the taking on of purchase risk will only affect us, if we have taken on the purchase risk explicitly by way of a written agreement.

(5) Any further liability is ruled out.

(6) The exclusions and limitations of liability in accordance with the above sections 12.2 to 12.5 apply to the same degree in favour of managerial and non-managerial staff and other employees, as well as our sub-contractors.

13. Place of performance; Legal venue; Applicable law

(1) The place of performance for all contractual obligations is the headquarters of our company. The exclusive legal venue for all disputes insofar as legally permissible - is Gummersbach. This applies equally, if the customer does not have a general legal venue in Germany. However, we are also entitled to initiate proceedings against the customer at his general legal venue.

(2) All legal relationships between the customer and ourselves will be exclusively subject to the law of the Federal Republic of Germany, excluding the UN convention on the sale of goods.

14. Changes to the conditions of business/Safeguard clause

(1) The customer will be informed in writing of any changes to these conditions of business. They will be viewed as approved by the customer, if the customer does not raise any objections within the specified time. We are obliged to refer to this legal consequence in the notification of changes. The customer must submit any objection to us within six weeks of receiving the notification of changes.

(2) If individual terms of this contract should be invalid, the remaining terms shall remain fully valid. In accordance with German data protection legislation, we draw attention to the fact that our accounting is carried out using an electronic system, and for this purpose we store the data obtained as a result of our business relationship with the customer.