

## **General Conditions for Sale (July 2006)**

### **1. Scope**

- 1.1 The following conditions for sale are exclusive even if NTN does not object to conflicting conditions of the purchaser.
- 1.2 The conditions for sale of NTN, as amended from time to time shall also apply for all future sales of NTN. They are available under website [www.ntn-europe.com](http://www.ntn-europe.com).

### **2. Purchase Contract**

- 2.1 Each purchase contract will be concluded by the written order confirmation of NTN.
- 2.2 Alterations or amendments thereof need to be confirmed in writing.

### **3. Delivery**

- 3.1 The delivery time indicates the anticipated delivery date which NTN shall try to meet.
- 3.2 In the event that a sub-supplier of NTN fails to supply NTN in time, the respective delivery time will be extended accordingly.
- 3.3 In case NTN negligently causes a delay of delivery, the claims for damages of the purchaser are limited to the predictable and typically incurring damage.
- 3.4 In case the purchaser fails to comply with his (payment) obligations, NTN is entitled to withhold outstanding deliveries.

#### **4. Transfer of Risk**

- 4.1 Unless otherwise stipulated in the order confirmation, delivery shall be made "ex works NTN". The risk shall be transferred to the purchaser upon handing over to the transport agent.
- 4.2 A transport insurance on account of the purchaser may be negotiated, where required.

#### **5. Payments**

- 5.1 The purchase price agreed is exclusive of the applicable VAT.
- 5.2 In case of late payment the purchaser shall pay interest of 8% in excess of the basic interest rate.
- 5.3 The purchaser may offset with undisputed or legally enforceable claims only.
- 5.4 In case governmental regulations come into force after the date of the order confirmation leading to price increases, the purchaser has to bear those.

#### **6. Warranty**

- 6.1 The purchaser must inspect the goods immediately upon receipt and notify noticeable defects or shortfalls in the supply in writing within 5 working days at the latest, otherwise the goods are deemed to be accepted.
- 6.2 In case of a defect, the purchaser is entitled to primarily claim a replacement of the goods free of charge, provided that he complies with his (payment) obligations.
- 6.3 If the replacement fails, the purchaser may choose to rescind the contract or to reduce the purchase price.

- 6.4 In case NTN causes any damage negligently or breaches a substantial covenant, the claim for damages of the purchaser is limited to the predictable and typically incurring damages.
- 6.5 The liability of NTN for damages/injury relating to life or health is not limited; the same applies for the liability under the act on product liability.
- 6.6 Any further liability of NTN is excluded. The same applies with regard to public announcements of the manufacturer of the goods.
- 6.7 The statute of limitation for defective delivery shall be 24 months, commencing with the transfer of risk.

## **7. Reservation of Title**

- 7.1 The goods shall remain under reservation of title of NTN until full payment of the purchase price as well as of all other claims resulting from the business connection.
- 7.2 The purchaser must not resell the goods without explicit written approval of NTN. NTN will not withhold such approval provided that an arrangement will be made with regard to the payment/guarantee of the purchase price.

## **8. Applicable Law and Place of Jurisdiction**

- 8.1 In the event that a provision of these conditions for sale is invalid, the remaining conditions shall remain in force.
- 8.2 Place of jurisdiction is Düsseldorf.
- 8.3 German law shall apply exclusively; the United Nations Convention on Contracts for the International Sale of Goods shall be excluded.