

# General Terms of Business and Delivery of CarTFT.com

(effective from October 1, 2010)

## 1. General Information

All deliveries, services and quotations by CarTFT.com are subject to these terms of business and delivery. These terms do also apply to all future business transactions, even if they are not repeatedly or explicitly agreed upon. Once the merchandise has reached the customer or the service has been rendered, these terms are considered to be accepted. General terms of business of the customer, especially purchasing conditions, are herewith explicitly invalidated; i.e. they are not accepted, even if they are not invalidated by ourselves upon their receipt. Any exceptions to these terms are subject to our written confirmation.

## 2. Deliveries and Services

2.1. The offers made by CarTFT.com are without engagement and are subject to the punctual prior supply of the goods by CarTFT.com's own suppliers. A contract is concluded with CarTFT.com's written order confirmation or with the customer's acceptance of the goods/services rendered. The customer is bound to his contract application for three weeks.

2.2. CarTFT.com reserve the right to withdraw from contracts, if facts prove that the customer is insolvent.

2.3. Any reasonable technical or design deviation from information given in the manufacturer's brochures, catalogues or any of his other written documents, and any model, construction or material change due to technical progress or further development will be reserved. This will not be prone to become a legal action against CarTFT.com.

2.4. Unless otherwise agreed upon, all prices are to be understood excluding packaging, transport and Value Added Tax (VAT).

2.5. Unless otherwise indicated, CarTFT.com reserve the right to raise the price reasonably in case that there may occur cost increases after a contract is concluded - especially cost increases caused by price increases of the supplier or by exchange rate fluctuations. CarTFT.com will prove these price increases to the customer upon request.

2.6. CarTFT.com maintain the right to ship and bill reasonable partial shipments.

2.7. If not otherwise stipulated in writing, delivery dates are considered as being kept when the ordered goods have been handed over to the shipping agency on the confirmed delivery date. In case of a delivery delay which is not caused on behalf of CarTFT.com the ordered goods can be stored at the customer's costs and risk.

2.8. The delivery dates indicated by CarTFT.com are without obligation; they are subject to the punctual prior supply of the goods by their own suppliers, and subject to unexpected circumstances and hindrances no matter if they occur at CarTFT.com or at CarTFT.com's suppliers, especially force majeure, national measures, non-granting of official approvals, industrial conflicts of any kind, sabotage, shortage of raw material and delayed material supplies which are no fault of CarTFT.com's own. Such cases shall postpone the delivery date accordingly, even if occurring when delivery has already fallen in delay. In this case, any extension of the delivery date given by the customer shall be postponed by the duration of the unexpected circumstance. If a delivery by CarTFT.com is delayed for more than four weeks, the customer shall have the right to withdraw from the purchase, after an additional written extension, without any right to claim for damages according to §§ 280 ff. code of Civil Law (BGB). In any case, the customer shall not have the right to claim for compensation due to delayed deliveries. CarTFT.com maintain the right to withdraw from the contract if the delivery delay due to one of the above mentioned situations exceeds six weeks and is beyond the control of CarTFT.com.

## 3. Examination and Risk

3.1 The customer is obliged to examine the goods on receipt for completeness and accordance with the invoice. If the customer does not claim in writing within eight days from receipt of the goods, the goods will be deemed as delivered completely and in due order, unless the occurring fault has not been detectable during examination.

3.2 Minor faults which do not impair the function of a product do not entitle the customer to refuse it.

3.3 The risk shall pass to the customer as soon as the goods are handed to the shipping company, the shipping company's designated contract partner or to other persons who are entitled by CarTFT.com. This does also apply to goods which are to be delivered carriage paid. Incoterms in accordance with the actual rules only become part of the contract if separately agreed upon. As far as the delivery is delayed or made impossible through no fault of CarTFT.com, the risk passes to the customer as soon as he is informed that his goods are ready for dispatch. If the customer is self-collector, the risk passes to him as soon as he is informed that his goods are ready for collection. The conditions according to 3.3 do also apply to all return consignments to the customer after repair or other services which are rendered against payment.

## 4. Reservation of Proprietary Rights

4.1 Until all customer's liabilities to CarTFT.com, deriving from present or future legal justification, have been fully met, the customer concedes to CarTFT.com the below mentioned securities which CarTFT.com can release on demand of the customer, if their value exceeds the liabilities persistently by more than 20%.

4.2 All goods shall remain the property of CarTFT.com until fully paid (reserved goods). Any working up or processing of the goods will be carried out by CarTFT.com as manufacturer according to § 950 code of Civil Law (BGB) without any obligation for CarTFT.com. In case the reserved goods are worked up or processed or connected with other goods, CarTFT.com automatically gain a share in the ownership of the new goods, i.e. in case of working up or processing proportionally to the value of the reserved goods, in case of connection proportionally to the value of the other goods. Any buyer who shall be the sole owner, grants to CarTFT.com the right to share in the ownership of the new goods proportionally to the mentioned values, and is prepared to store the goods without any costs for CarTFT.com. If the goods worked up or processed or connected with others are resold, the below mentioned conditions of proprietary rights of CarTFT.com will apply only to the value of the reserved goods.

4.3 As long as he is not in arrears in payment, the customer is entitled to work up and sell the reserved goods for proper business purposes. Pawning or transfer to ownership as security of a debt are inadmissible. Any liabilities (including all balance claims) resulting from the resale of the reserved goods or any other legal justification relating to the reserved goods (assurances, prohibited actions, etc.) are transferred, this very moment, to their total amount from the customer to CarTFT.com for securing purposes. Until revoked, CarTFT.com entitle the customer to collect the claims, transferred to CarTFT.com for his account, in his own name. This authorization for collection does not in the least comprise any authorization according to § 185, paragraph 1, code of Civil Law (BGB), especially not the right to dispose of the claim in the course of any other cessions. In general, any cession is inadmissible unless it is a cession in the course of real factoring which is advised to CarTFT.com, and the proceeds of which exceed the value of CarTFT.com's secured claim. CarTFT.com's claim is due immediately on the crediting of the factory proceeds. The authorization for collection can only be revoked, if the customer does not meet his liabilities to CarTFT.com properly.

4.4 In case a third party claims the reserved goods, the customer will mention CarTFT.com's ownership to them and inform CarTFT.com accordingly without delay.

4.5 If the customer falls into arrears in payment or culpably fails to fulfil other substantial obligations, CarTFT.com may withdraw from the contract if the customer refuses payment even after a respite set by CarTFT.com. Furthermore, CarTFT.com are entitled to take back the reserved goods, or, if necessary, to demand the cession of the buyer's right against the third party for the return of the reserved goods. The reserved goods are, generally, taken back at the price of the day, at maximum at the price indicated in the original invoice. Neither the taking back of the reserved goods, nor their pawning by CarTFT.com shall mean the cancellation of the contract, unless the hire purchase law ("Abzahlungsgesetz") is applied.

## 5. Payment

5.1 The invoices are payable in advance, COD-cash, COD-check, advance payment or cash on collection of the goods, depending on how agreed upon. Unless especially arranged otherwise, the goods are dispatched by parcel service, transport agency or own vehicle, freight collect.

5.2 CarTFT.com are entitled to balance customer's payments towards older debts, despite any contrary terms of purchase of the customer. CarTFT.com is entitled to balance payments first towards the costs, second towards the interests and at last towards the liability itself. The customer shall be notified correspondingly.

5.3 Any payment shall only be considered as being effected when the money is at CarTFT.com's disposal. Checks are only accepted as means of payment, and are not acknowledged as being paid before CarTFT.com have received the amount on their account.

5.4 In case the customer falls into arrears with his payment, CarTFT.com are entitled to debit the customer with interests based upon § 247 paragraph 1 code of Civil Law (BGB). CarTFT.com are allowed to prove a higher interest damage.

5.5 All claims shall become due immediately, if the customer falls into arrears with one or more obligations, culpably fails to meet other substantial liabilities of this contract or if we come to know circumstances which reduce the creditworthiness of the customer, especially payment stops, pending juridical agreements, or bankruptcy proceedings. In these cases, CarTFT.com is entitled to hold back any pending deliveries, or to despatch them only against securities or payment in advance.

5.6 The customer is only entitled to balance or to hold back payments, if his right to do so has been lawfully proven or cannot be denied.

## 6. Warranty

6.1 If the goods are inferior within the meaning of § 434 code of Civil Law (BGB), the customer can claim additional fulfillment of the contract according to § 437, fig. 1 code of Civil Law (BGB). The goods are considered to be inferior, if they differ from the quality stipulated by contract. In case the quality is not stipulated by contract, the goods are considered to be flawless, if they are suitable for the purpose presumed by contract, or if their quality can be expected by the customer because it is normal for this kind of products. The parties are well aware of the fact that the current state of technology makes it impossible to exclude software mistakes under any applications and conditions.

6.2 Warranty does not apply in cases of damage or defects caused by the following: the wear and tear of normal usage, improper use, handling mistakes and negligence of the customer, operations with wrong current supply or voltage, or use of improper power supplies, fire, lightning, explosion or over-voltage, any kind of moisture, wrong or defective programme, software and/or processing data as well as any spare parts, unless the customer proves that these circumstances have not caused the defect queried. Warranty does not either apply in case the serial numbers, type designations or similar marks have been removed or made illegible, or, unless already mentioned, the supplier's terms of guarantee have been violated.

6.3 The juridical term of limitation is two (2) years for original goods, starting with the assignment of the risk according to fig. 3.3. This term of limitation does also apply for the replacement of subsequent defects, unless no claims are made for tort. The warranty for used products, so-called B-type products, is excluded.

6.4 The customer must censure obvious defects in writing immediately, i.e. without culpable delay, however, within eight (8) days from receipt of the goods at the latest. Hidden defects are covered by the rules of law. If it is proved that the product has already been defective at the time of purchase, CarTFT.com reserve the right to choose between repair and replacement. CarTFT.com can refuse the additional fulfillment of the contract, if it is actually impossible or unreasonable, or if it is connected with excessive costs. CarTFT.com reserve a period of four (4) weeks from receipt of the defective product for the additional fulfillment of the contract. In the second place only, the customer has the option to either cancel the contract or reduce the purchase price. However, the customer is only entitled to cancel his purchase order, if CarTFT.com fail twice to fulfill the contract additionally. Yet, the customer does not have the right to cancel his purchase order, if the defect queried is insignificant. In case of withdrawal or conversion, the customer is credited the amount totalling the purchase price less the value of the buyer's utility advantage. This utility advantage is defined as the customer's use of the product in proportion to the approximate product lifetime.

6.5 In case of false deliveries through CarTFT.com, the consignment is to be returned to CarTFT.com within five (5) days. After that, CarTFT.com are entitled to take back the goods only at the actual daily price deducting transport charges and a handling fee of € 10.00.

6.6 The buyer is obliged to let CarTFT.com check and examine the defective product. In the case of warranty the defective part resp. device must be forwarded for repair to CarTFT.com, Hauffstrasse 7, D-72762 Reutlingen along with a detailed description of the defects, the indication of model and serial number/s and a copy of the invoice received with the goods. All reclaimed goods must be forwarded to CarTFT.com at the customer's expense. If goods do not arrive freight or postage prepaid, CarTFT.com can refuse the acceptance. In case of the exchange of parts, bare-bone systems or replacement of complete devices, new warranty periods will be restricted to repaired or exchanged components. If there is important data left on the device forwarded to CarTFT.com for repair purposes, the customer is obliged to ensure that copies exist of all these pieces of data, since data could get lost during repairs. CarTFT.com will not take any responsibility for lost data or for any consequences resulting from such loss.

6.7 In case of repair, CarTFT.com will take over the labour costs. CarTFT.com shall also take any further costs of repair and replacement, especially the transportation costs of the replaced device, unless these costs are unreasonably high compared to the invoice value of the goods.

6.8 Replaced parts become the property of CarTFT.com.

6.9 If an examination reveals that warranty does not apply for a complaint, CarTFT.com are entitled to charge the customer for any occurring costs. Examination and repair costs are charged according to the current service price list of CarTFT.com. Furthermore, the current terms of repair of CarTFT.com are applied.

## 7. Liability and Further Warranties

7.1 CarTFT.com does not assume any guarantee for features given by the manufacturer or the supplier. The same does apply for advertising statements made in the manufacturer's or supplier's leaflets. In this respect, any claims for indemnification by the customer are made impossible, especially if they are caused by the customer's negligence upon concluding the contract or by his failing in his additional duties – no matter which are the legal arguments. CarTFT.com shall not be legally liable for loss of profit or other property losses of the customer.

7.2 This exoneration from liabilities will not apply, if the damage or defect is caused on purpose or by gross negligence.

7.3 The above mentioned exclusions of liability and limitations do not apply for claims under the product liability law. As far as CarTFT.com's liability is excluded or limited, the personal liability of our employees, workers, staff, representatives and agents is excluded or limited as well.

## 8. Commercial Protective Rights and Copyrights

8.1 The customer is not entitled to modify software, to adapt it to non-compatible hardware or to work on it in any other way. He must not remove, change, cover or deface any marks on the contractual product regarding copyrights, trade-mark or other protective rights.

8.2 Any software is registered at the manufacturer and, with regard to the use, is subject to the corresponding manufacturer's conditions. The customer is obliged to emphasize to his consumer that multiple use of the software and further assignment of rights of usufruct are prohibited.

8.3 CarTFT.com does not assume any liability for the contractual product not to insult any commercial protective rights or copyrights of third parties.

8.4 If the product supplied has been manufactured according to the customer's specifications, the customer has to release CarTFT.com from all claims caused by violation of commercial protective rights and copyrights of third parties.

## 9. Export Permits

9.1 All resale of goods supplied by CarTFT.com outside the F.R.G. is subject to the export rules according to the law of Foreign Trade, especially the embargo regulations, the regulations for dual-use-goods as well as the regulations of the US export right. The customer is obliged to self-responsibly make inquiries about the necessary regulations.

9.2 Any further sale of the goods from the customer to a third party, with or without knowledge to CarTFT.com, requires the transfer of these export conditions. The customer is held responsible for the orderly observance of these regulations.

9.3 The customer is obliged to provide CarTFT.com, upon request, with the necessary information regarding his capacity as an entrepreneur, regarding the application and the transport of the goods supplied and regarding the statistical compulsory registration; furthermore, he has to submit to CarTFT.com his V.A.T. ident number.

## 10. EC Import Sales Tax

10.1 If the customer's headquarters are outside of Germany and not within the European Community, the customer is obliged to keep the EC import sales tax regulations of the corresponding EC member nation upon the import of goods.

10.2 The customer is obliged to replace any expenditure - especially any processing fee - caused to CarTFT.com and resulting from insufficient or incorrect information given to CarTFT.com about the import sales tax.

10.3 Any liability of CarTFT.com resulting from details given by the customer concerning import sales tax resp. relevant data for this is out of question, unless CarTFT.com's action was intentional resp. an act of gross negligence.

## 11. Applicable Law

11.1 The customer is entitled to transfer his claims resulting from the contract.

11.2 The entire conditions of sale and legal relations between CarTFT.com and the customer are under the law of the Federal Republic of Germany. The same does apply for the contractual relations between the contract

parties. If the customer is a full-trader according to the code of commercial law or a legal entity of the public law, the export trade law as a pure consumer protection law is not applicable. Münsingen/Germany is the exclusive court of jurisdiction for all quarrels resulting directly or indirectly from the contract. However, CarTFT.com are entitled to sue the customer at any other court of jurisdiction. Furthermore Hohenstein-Oberstetten/Germany is the place of settlement and place of delivery as defined by the packagingdirective.

11.3 If one or more regulations of these general terms of business and delivery become inoperative or if there are any details which are not covered sufficiently, the contractual parties commit themselves to entering into negotiations with the aim to replace or complete inoperative or incomplete regulations, so that they correspond with the economic purpose to the greatest possible extent. The validity of the remaining regulations will not be affected by this.

11.4 CarTFT.com process orders by using electronic data processing. The customer hereby expressly agrees upon the processing of such data known to CarTFT.com within the framework of contractual relations and necessary for the completion of orders. The customer also agrees that CarTFT.com use the data resulting from this business relationship, in accordance with the data protection law.

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