

PVM - Shop

terms and conditions

§ 1 Buyer, Products

(1) PVM do not export to private consumers (natural persons who are acting for purposes, which are outside their trade, business, or profession), or accepts them as Buyers. All Buyers who purchase goods from PVM under false or misleading details cannot claim any rights deriving from consumer protection legislation. The same applies for Buyers who misuse PVM products for private uses. Re-selling Buyers inform their customers accordingly.

(2) PVM products are intended exclusively for use in motorsport racing. They are not designed for other usage, unless the quality statement specifies otherwise.

(3) PVM are responsible for the compliance with the relevant German regulations, which are decisive unless otherwise agreed. The observation and implementation of the relevant foreign trade law (e.g. import or foreign exchange licences etc.) and further laws outside Germany is the Buyer's obligation.

§ 2 Offer, Closing of the Contract

(1) Offers, list-prices, descriptions in leaflets or advertisements made by PVM are given in good faith but without commitment unless otherwise stated. If not otherwise agreed in writing, samples of PVM products serve as an approximate indication of the properties of the goods. Advice and information are provided to the best of PVM's knowledge, but are not legally binding. All illustrations or drawings in the catalogue are without obligation, i.e. divergences in terms of the look or the size of the parts delivered are possible.

(2) A contract is closed when PVM confirm the order in writing to the Buyer.

§ 3 Prices and Payment

(1) Prices include the scope of delivery as stated in the contract. All prices are for delivery Ex Works PVM. Unless otherwise agreed packing shall be at the discretion of PVM and shall be charged at self-cost. The Buyer is obliged to dispose of all packing materials. Mounting and installation of the products and auxiliary equipment is the Buyer's obligation.

(2) All Payments are to be effected in EURO. Unless otherwise agreed PVM's invoices have to be paid in advance or by irrevocable and confirmed letter of credit. All expenses occurring herewith are on buyers account.

(3) In case of bankruptcy or insolvency all payments are due immediately.

(4) The Buyer may only set off a claim or make use of a right of retention if its claims are uncontested, or have been legally granted in a final judgment.

§ 4 Delivery Times, Acts of God, Part Deliveries

(1) Delivery Times start when PVM confirm the order in writing to the Buyer, but not before the Buyer provides PVM with licenses or other necessary formalities (if applicable) and with the stipulated payments.

(2) Delivery dates shall not be binding on PVM unless confirmed as such in writing. Delay is only possible, if the Buyer has complied fully with all of its responsibilities that may apply regarding the delivery.

(3) If PVM are liable for delay in delivering the ordered products and if the Buyer can substantiate that he has incurred damage as a result, he is entitled to liquidate damages (but not a penalty) as follows: For each completed week of delay, liquidated damages shall amount to 0.5% of the price for the delayed product, up to a maximum of 5% of that price. Buyer's claims for damages extending beyond this limits shall always be excluded. However, with reaching the 5%-maximum the Buyer -after having granted an additional reasonable period, combined with the announcement that delivery will be refused- has the right to notify PVM in writing of the termination of that part of the contract concerning the delayed product.

(4) Acts of God, sovereign intervention, strikes, lockouts; or plant, sales or supply disruptions on PVM's premises or those of PVM's suppliers free PVM from their contractual obligations, including any claims of compensation. However, PVM retain the right to deliver at a later date. Each party may, by notice in writing, terminate the contract if performance is being prevented for more than 6 months.

(5) Deliveries will be made as they become possible; part deliveries may be made and invoiced.

§ 5 Passing of Risk, Transport, Confiscation

(1) Unless otherwise agreed in writing, all deliveries will be effected exclusively Ex Works PVM in Mannheim, Germany ("EXW" Incoterms 2000). The goods are dispatched on charge and at the risk of the Buyer. Transport insurance shall be provided by the Buyer. Wishes of the Buyer will be honored if possible and at the Buyer's expense.

In case that PVM select the type and route of shipment, PVM assume no responsibility for least expensive transportation, full utilization of capacity or use of the desired car or container sizes.

(2) Attachments or confiscation of the reserved goods by third parties must be promptly reported to the supplier. In all cases, intervention costs arising from such action are the responsibility of the Buyer if they are not borne by third parties.

§ 6 Delay of Acceptance

(1) In every case of delayed Acceptance the Buyer is obliged to bear the costs of storage, insurance, protection measures etc., at least 0,5% of the product's price for every month setting. PVM -after having granted an additional period, combined with the announcement that PVM will sell the products in another way or terminate the contract - is entitled to sell the products to a third party and supply the Buyer within an additional reasonable period of time or to terminate the contract wholly or partly and claim compensation amounting to at least the delayed delivery's price.

(2) Any delay of Acceptance does not affect PVM's claim to the purchase price.

§ 7 Objections, Acceptance of Responsibility

(1) The Buyer is obliged to examine the goods delivered immediately after receipt on damages regarding quality, quantity and application or faulty products. Otherwise the goods are regarded as accepted, i.e. PVM can not be hold liable for any damages or faulty products. Damages have to be reported immediately after the examination or immediately after the examination should have taken place. The report has to be expressed in written form with an exact description of the damage found.

(2) PVM are not responsible for damages that are caused by negligence in treatment, wrong storage or servicing of the products. Unauthorized reworking and improper treatment result in the loss of all product defect complaint rights.

(3) With PVM's agreement goods objected have to be sent to PVM for examination in appropriate packing. Should a complaint be justified, PVM may even in case of substantial defects chose wether the product is being repaired or replaced within a resasonable period granted. If replacement and repair are not possible or faulty, PVM shall, in Buyers option, either take back the goods or adjust the purchase price. Any other liabilities will not be accepted by PVM.

(4) PVM only can be hold responsible for damages of faulty products originally produced by PVM.

(5) Warranty claims and claims for damages on part of the Buyer that extend beyond those explicitly specified under 7.1.-7.4., irrespective of the legal theory, in particular claims in respect of business interruption, lost profit, indirect or consequential damages, shall be excluded, except where liability is mandatory according to the Produkthaftungsgesetz (German Product Liability Act) or in cases of willful wrongdoing, gross negligence or failure to conform to warranted characteristics that shall explicitly protect the Buyer from indirect and consequential damages, or if essential contractual obligations are violated. Claims for damages in respect of violation of essential contractual obligations shall however be restricted to contract-typical, foreseeable damage and to a maximum of 15% of the purchase price of the damaged product, except in cases of willful wrongdoing or gross negligence of PVM's management and executives. The provisions stated in this section shall not be deemed to be a change in the burden of proof to the detriment of the Buyer.

(6) Claims of any kind will only be accepted if they are in writing by fax or mail. No claims via telephone will be accepted.

§ 8 Term of Limitation

All claims of the Buyer based on a lack of conformity with the contract shall be superannuated within 12 months from the passing of risk (no. 5). PVM's liability is limited to any lack of conformity, which appears within this period.

§ 9 Product Liability

(1) The Buyer is obliged to inform PVM of any dangers he comes to know of, that may derive from the use of PVM products.

(2) In case that PVM are being charged with claims based on Foreign (i.e. Non-German) Product Liability Acts PVM will meet these claims, if justified, to a maximum per year of x 5 Mio. and a x 1 Mio. maximum for each

case, while the exceeding amount is being borne by the Buyer. The Buyer has to insure this risk accordingly on his own account and has to prove this towards PVM by presenting the insurance contract in certified copy.

§ 10 Non-Performance

As far as PVM are unable to deliver in whole or partially, the Buyer may terminate the contract by notice in writing to PVM in respect of that part which is not delivered, save where acceptance of partial performance should be an unreasonable demand.

§ 11 Late Payment

(1) In the event that the Buyer is in default with any payment due to PVM, PVM shall be entitled to claim default interest at a rate of 3 % above the Basis Interest Rates (Basiszinssatz) of the Europäische Zentralbank. PVM reserve the right to claim damages in excess of the said default interest if it can prove that it actually suffered such higher damage, and the Buyer shall be obliged only to pay damages below the said default interest if it can prove that PVM actually suffered such lower damage.

(2) PVM are suspended from every delivery obligations before full payment of all outstanding invoices and interest for late payment.

(3) If payment is delayed over two months PVM have the right to terminate all contracts with the Buyer in written form and claim compensation.

§ 12 No Assignment

The Buyer shall not be entitled to assign its rights under the Contract - except for claims for payment - to any third party without PVM's prior written consent, which consent shall not be unreasonably withheld.

§ 13 Retention of Title and Ownership

(1) All delivered goods remain property of PVM until all his purchase price claims resulting from the whole business relationship are fully settled. If the validity of the retention of ownership is subject to special conditions or regulations in the country of destination, the Buyer is responsible for the observation and compliance with those conditions or regulations. He shall inform PVM thereof.

(2) In case the law of the country where the supplied goods are consigned does not allow the reservation of ownership in accordance with the above provisions, PVM may request the Buyer to provide alternative securities which will be acceptable to PVM.

(3) If the value of securities existing for PVM exceeds its total claims by more than 10 %, PVM are obliged to free securities of its choice if so requested by the Buyer; the selection of securities to be released is the responsibility of PVM.

(4) The Buyer shall assist PVM in taking any measures necessary to protect PVM's ownership and title to the product in the country concerned. The Buyer shall inform PVM if any dangers regarding their property should occur. This applies especially to disposals of third parties or authority measures.

(5) PVM are entitled to take back any goods delivered under retention of title if the Buyer does not fulfil his contractual obligations, especially if payment is delayed.

(6) The Buyer shall insure the delivered goods at his costs against theft, fire, water damages and other risks for the time until full payment is effected.

(7) To secure any claims, the Buyer assigns to PVM all claims, including any in the future which may exist against third parties. PVM are entitled to notify assignment of claims.

(8) If products to which PVM have retained ownership are manufactured, altered or combined with other products which PVM do not own, in order to create a new product, PVM shall acquire co-ownership in this new item according to the relation of the value of the new item as a whole to the value of the delivered goods.

(9) Any bills of exchange or cheques are only deemed to be fulfilment with receipt of the entire payment.

§ 14. Place of Performance, Jurisdiction, Applicable Law, Severability

(1) Place of performance is 68199 Mannheim, Germany, the head office of PVM.

(2) Place of binding and final jurisdiction for all disputes arising from or in connection with contracts under these Export Terms and Conditions is Mannheim, Germany. However, PVM reserve the right to invoke the state courts at Buyer's usual place of business.

(3) With the exclusion of its conflict of law principles and the United Nations Convention on Contracts for the

International Sale of Goods, German law shall govern.

(4) Should one or more of the provisions of the Contract or these Conditions be or become invalid or unenforceable, the validity and enforceability of the other provisions hereof shall not be affected.

February 2002