

General Terms and Conditions of Sale

§1 General – Scope of Applicability

- (1) Any supplies which we make shall be subject solely to these General Terms and Conditions of Sale unless other conditions have been expressly approved by us in writing. Our General Terms and Conditions of Sale apply even if we, in the knowledge that the conditions of the purchaser either contradict or derogate from our General Terms and Conditions of Sale, execute the order without reservation.
- (2) All agreements, made between us and the customer for the purpose of executing this contract, are stipulated in this contract in written form.
- (3) Our conditions of sale only apply to persons who on conclusion of the contract were exercising their commercial or independent professional activity (entrepreneurs) and to legal persons under public law or to special assets governed by public law; the statutory provisions apply to business with persons who are not entrepreneurs.

§2 Offer / offer documents

- (1) Unless otherwise expressly agreed, a supply contract comes into existence when we issue written order confirmation.
- (2) We shall retain title and copyright in illustrations, drawings, calculations and other documents. This shall apply also especially to written documents designated as "confidential". The customer shall not pass such documents to third parties without our express written consent.

§3 Prices – terms of payment

- (1) Unless the order confirmation states otherwise our price shall be "ex works" excluding packaging and insurance.
- (2) Our prices do not include statutory value-added tax. The statutory VAT shall be indicated separately on the invoice at the rate applicable on the date of invoice.
- (3) Discounts may only be deducted subject to special written agreement.
- (4) Unless otherwise agreed, the selling price shall be paid without deductions as shown on the order confirmation.
- (5) The purchaser may not exercise any right of set-off unless his counterclaims have been affirmed in a court judgement, are undisputed or have been acknowledged by us. Further, the Purchaser may only exercise a right of retention to the extent that its counterclaim arises from the same contractual relationship.

§4 Delivery period

- (1) The beginning of the delivery period results from the stipulated agreements, but requires the final clarification of all technical and commercial issues.
- (2) Compliance with our delivery obligations further presupposes the timely and proper fulfillment of the obligations of the customer, such as the provision of the necessary official certificates or approvals or conducting a down payment. If this is not the case, then the delivery time will be extended. This does not apply, if we are responsible for the delay.
- (3) Compliance with the delivery period is under reserve of a correct and timely self-delivery. We share foreseeable delays as soon as possible. The delivery period is complied, if the item has left our factory before its expiry or readiness for dispatch has been notified. If a customer approval has been agreed upon, the acceptance date or the notification of readiness is the binding date.
- (4) If the default of the delivery period is due to force majeure, labor disputes or other events which are beyond our control, the delivery period shall be extended in an appropriate manner. We will inform the customer of the start and end of such circumstances as soon as possible.
- (5) If the customer is in default of acceptance or if he contravenes his part culpably other duties of cooperation, we are entitled to demand compensation for damage caused to us so far, including any

additional expenses. Further claims remain reserved. If the above conditions are present, the risk of accidental loss or accidental deterioration of the goods is in the time transferred to the customer, in the latter is in default of acceptance or payment; he remains obliged to consideration.

(6) Unless intentionally delay in delivery of which we are responsible or grossly negligent breach of contract, we are liable close legal regulations. Otherwise our liability for damages is limited to foreseeable, typically occurring damage.

7) If we get in delay of delivery and the customer develop damage, he shall be entitled week a general compensation amounting to 0.5%, but not more than max. 5% of that part of the delivery which is not timely due to the delay and not according to contract can be used to require.

(8) The customer, after it has been set us a reasonable grace period of the due date for the performance and this time again not respected, is in the right to withdraw from the contract.

§5 Passage of risk - acceptance

(1) Unless the order confirmation states otherwise supply shall be "ex works", i.e. the risk of loss or damage to the merchandise shall pass to the purchaser as soon as the merchandise is placed at its disposal in the condition specified in the contract or as soon as the purchaser has been notified that the merchandise is ready for despatch.

(2) If acceptance is required, passage of risk shall be on acceptance. Acceptance shall be carried out on the acceptance date without undue delay or, alternatively, when we have given notification that the merchandise is ready for acceptance. The purchaser may not refuse acceptance on the grounds of an immaterial defect.

(3) If despatch or acceptance are impossible or delayed owing to circumstances which are not within our sphere of responsibility, risk shall pass to the purchaser on the date on which notice is issued that the merchandise is ready for despatch or acceptance. If so requested by the purchaser we will take out insurance at the purchaser's cost.

(4) Part-shipments may be made.

(5) We will not take back transport or other packaging other than pallets. The purchaser shall dispose of the packaging at its own cost.

(6) If the purchaser so requests, we will take out insurance against transport damage; the costs incurred herefor shall be borne by the purchaser.

§6 Claims for defects

(1) The purchaser shall only be entitled to redress for defects if it has duly complied with its duties to inspect the goods and report defects under § 377 of the Commercial Code (Handelsgesetzbuch).

(2) We shall not accept liability, in particular, in the following cases: incorrect or improper use, faulty assembly, etc. or commissioning by the purchaser or third parties, natural wear and tear, faulty or negligent treatment, improper maintenance, unsuitable operating materials, defective construction work, unsuitable construction land, chemical, electro-chemical or electrical influences – to the extent that we are not responsible for these. We shall not accept liability for the consequences if the purchaser or a third party carries out repairs improperly. The same applies to changes made to the merchandise without our consent.

(3) If a defect in the delivery item is present, the customer is entitled to choose between supplementary performance in the form of removal of defects or delivery of a new defect-free product. If subsequent performance fails, the customer is entitled at his option, to demand withdrawal or reduction.

(4) We are only liable for damages if the defect on intent or even gross negligence on our part. In case of culpable breach of a contractual obligation in the rest of the compensation is limited to foreseeable, typical damage.

(5) The liability for culpable injury to life, limb or health remains unaffected; this also applies to mandatory liability under the Product Liability Act. Unless otherwise provided above, liability is excluded.

(6) Any claims of the purchaser shall become statute-barred after 12 months after transfer of risk

§7 Reservation of title

(1) We shall retain title in the merchandise until all payments arising from the supply contract have been received. If the purchaser acts in breach of contract, in particular, if it is in default with payment, we are entitled to take back the goods. Taking back the merchandise shall not constitute withdrawal from the contract unless we make an express written statement to this effect. Attachment of the merchandise shall be deemed to be withdrawal from the contract. Once we have retaken possession of the merchandise we are free to realise it; the proceeds from such realisation shall be offset against the purchaser's obligations less reasonable realisation costs.

(2) The purchaser shall treat the merchandise with care; in particular it shall insure it sufficiently against fire, water and theft at reinstatement value at its own cost. If maintenance and inspection work are necessary the purchaser must carry these out in good time at its own cost.

(3) The purchaser is entitled to re-sell the merchandise in the ordinary course of business; however, it shall here and now assign to us all claims in the amount of the final invoice amounts (including VAT) of our claim against his customers or third parties which it acquires from the resale irrespective of whether the merchandise was or was not processed before resale. The purchaser shall still be entitled to collect this receivable after assignment. This shall not prejudice our right to collect such claims ourselves. However, we undertake not to collect the claim as long as the purchaser meets its payment obligations from the proceeds received, does not fall into default with payment and in particular as long as no application for the institution of composition or insolvency proceedings have been filed and payments have not been stopped. However, if this is the case we may demand that the purchaser notifies us of the claims assigned and their debtors, that it provides us with all data required to collect the claims, the associated documents and notifies the debtors (third parties) of the assignments.

(4) Any processing of or alteration to the merchandise carried out by the purchaser shall always be carried out for us. If the merchandise is processed using items which do not belong to us we shall acquire co-ownership in the new item in the ratio of the value of the merchandise (final invoice amount including VAT) to the other processed goods at the time of the processing. The same shall apply to the item which is created through processing as to merchandise supplied subject to reserve.

(5) If the merchandise is combined irreversibly with items which do not belong to us we shall acquire co-ownership in the new item in the ratio of the value of the merchandise (final invoice amount including VAT) to the other processed goods at the time of the processing. If the mixing process takes place in such a way that the purchaser's item must be regarded as the principal item the parties shall be deemed to have agreed that the purchaser shall transfer co-title to us pro rata. The purchaser shall hold the sole property or co-property which has been thus created in custody on our behalf.

(6) As collateral for our claims against the purchaser the purchaser shall also assign to us all claims which arise vis-à-vis third parties as a result of combining the merchandise with real property.

(7) We undertake to release the collateral to which we are entitled at the request of the purchaser to the extent that the realisable value of our collateral exceeds the claims to be secured by more than 10 %; we shall select the securities to be released.

§ 8 Defect of title

(1) If the use of the delivered goods to a breach of intellectual property rights or copyrights in Germany, we will in principle and at our expense to the purchaser the right to further use or modify the delivery item in a reasonable for the purchaser manner such that a breach of property rights no longer exists.

(2) If this is not possible on commercially reasonable terms or within a reasonable period, the purchaser is entitled to rescind the contract. Under these conditions, we shall also have a right to withdraw from the contract.

(3) In addition, we will release the purchaser against undisputed or legally established claims of copyright holders.

(4) However foregoing claims exist only if

- the purchaser informs us immediately of asserted property or copyright infringement
- the customer supports us to a reasonable extent in defending the asserted claims or enables the implementation of modification measures,
- all defense measures including out-of-court settlements,
- the legal defect is not due to an instruction of the customer and
- the infringement was not caused by the fact that the purchaser alters the delivery item himself or using it in a manner not contractual has

§9 Applicable law/place of performance/place of jurisdiction

(1) If the purchaser is not a businessman, the place of jurisdiction shall be our domicile; however, we are entitled to sue the purchaser at the court competent for its place of residence.

(2) The law of the Federal Republic of Germany shall apply excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG).

(3) Unless otherwise stated in the order confirmation the place of performance shall be our domicile.