

General Terms and Conditions of Supply and Business

§1 General – scope of application

- 1) Our Terms and Conditions (T&C) of Sale shall apply exclusively; we shall only acknowledge T&C of Customer which deviate from or contradict our Sales T&C if we have expressly approved their validity in writing. Our Sales T&C shall apply even if we perform delivery to Customer without reservation despite knowledge of T&C of Customer deviate from or contradict from our Sales T&C. Silence on our part shall not mean approval.
- 2) All agreements made between us and Customer for the purpose of performance of the present agreement have been recorded in writing in the present agreement.
- 3) Our Sales T&C shall only apply towards enterprises in the sense of § 14 German Civil Code, public-law entities or public-law funds.

§2 Quotations - quotation documents

- 1) If the order is to be qualified as a quotation pursuant to § 145 German Civil Code, we can accept it within 4 weeks.
- 2) We reserve ownership and copyrights to illustrations, drawings, calculations and other documents; they may not be made accessible to third parties without our express written consent. This shall also apply to written documents not designated as "confidential", "secret" or similar.

§3 Prices – payment terms

- 1) To the extent that nothing to the contrary results from the order confirmation, our prices shall apply "ex works" exclusive of packaging, which shall be charged separately.
- 2) Statutory value added tax shall not be included in our prices; it shall be stated on the invoice at the statutory amount on the date of invoicing.
- 3) Deduction of discount shall require specific written agreement.
- 4) To the extent that nothing to the contrary results from the order confirmation, the purchase price (without deduction) shall be due for payment within 30 days from the date of the invoice. In the event of arrears in payment by Customer, we shall be entitled to demand default interest to the amount of 9 percentage points above the base rate of interest p.a.. The right to claim higher default damage has not been ruled out.
- 5) Offset rights shall only accrue to Customer if its counterclaims are legally effective, undisputed or have been acknowledged by us. In addition, it shall only be authorised to exercise a right of retention to the extent that its counterclaim is based on the same contractual relationship.
- 6) We reserve the right to demand advance payment or collateral to the amount of the invoice value of the delivery by written declaration if circumstances as a result of which our claim is jeopardised subsequently occur or become known to us. If Customer fails to provide advance payment or collateral within a suitable period following a written request, we shall be entitled to withdraw from the contract without setting a further period.

§4 Supply quantities - orders on call

- 1) Precise compliance with the quantities in production shall not always be possible, in any case excess or less deliveries up to 10% of the ordered quantity shall be admissible.
- 2) Part deliveries shall be admissible insofar as Customer recognisably has no interest in them or they can recognisably not reasonably be expected of it.
- 3) To the extent that nothing to the contrary has been agreed, we warrant, for orders on call, a period of 2 months, starting from the planned call date. If the acceptance period has expired, we shall be entitled to charge for the goods or to withdraw from the contract, at our choice.

§5 Delivery period

- 1) The delivery period shall commence upon dispatch of the order confirmation, albeit not before clarification of all technical questions, provision of the documents, approvals, releases to be procured by Customer and receipt of an agreed advance payment.
- 2) Even if law dictates that a reminder is sufficient or not necessary, we shall only fall into arrears following the expiry of a suitable period of grace set in writing.
- 3) In the event of industrial disputes, in particular strike and lock-out, and of unforeseen incidents outside our sphere of influence, agreed delivery periods shall be extended by the duration of the delay. This shall also apply if the circumstances occur with sub-suppliers or suppliers. We shall also not be answerable for the aforementioned circumstances if they occur during arrears already in existence. We shall notify Customer as soon as possible of the start and end of such obstacles.
- 4) Customer shall only be entitled to withdraw from an individual agreement if we are responsible for the failure to comply with the delivery date and it has fruitlessly set a suitable period of grace.
- 5) If Customer falls into arrears in acceptance or breaches other cooperation duties, we shall be entitled to demand the damage incurred by us including all and any additional expenditure. In such a case, the risk of chance destruction or chance deterioration of the object of purchase shall pass to Customer at the time at which it falls into arrears in acceptance.

§6 Passage of risk - packaging costs

- 1) To the extent that nothing to the contrary results from the order confirmation, delivery "ex works" has been agreed.
- 2) Transport and all other packaging according to the provisions of the German Packaging Ordinance shall not be taken back with the exception of pallets. Customer shall be obliged to ensure disposal of the packaging at its own expense.
- 3) To the extent requested by Customer, we shall cover the delivery by a transport insurance, the costs of which shall be borne by Customer.

§7 Defect warranty

- 1) Customer's warranty rights shall presuppose that it has properly complied with its rights to examination and notification of defects owed pursuant to §§ 377, 378 German Commercial Code.
- 2) To the extent that a defect in the object of purchase for which we are answerable exists, we shall be entitled to remedying of the defect or subsequent delivery at our choice.
- 3) Customer's claims on account of the expenditure necessary for the purpose of subsequent performance, in particular transport, travel, work and material costs, have been ruled out to the extent that the expenditure increases because the object supplied by us has subsequently been taken to a location other than Customer's location, unless the movement matches its intended use.
- 4) If we are not willing or not in a position to render subsequent performance, in particular if it is delayed over and above suitable periods for reasons for which we are answerable or if subsequent improvement / replacement delivery fails in any other way, Customer shall at its choice be entitled to demand redhibition or reduction of the price. Subsequent improvement or replacement delivery shall be deemed to have failed if three attempts at remedying the defect have not led to success.

- 5) Customer's claims to restitution against us shall only exist to the extent that Customer has not made any agreements exceeding the claims to defects cogent by law with its customer.

- 6) Guarantees in the sense of law shall not be assumed by us.

- 7) The warranty period shall be 12 months starting from the passage of risk. This shall not apply to the extent that law provides for cogent longer periods, in particular for defects in a building or in a commodity used for a building in accordance with its customary mode of use which has caused its defectiveness. Sentence 1 shall also not apply to damage from an injury to life, limb and health and malice aforethought or gross negligence or in the event of any other breach of cardinal contractual duties (these being duties, fulfilment of which makes proper performance of the contract possible and in compliance with which Customer may regularly trust).

§8 Limitation of liability

- 1) To the extent that nothing to the contrary results below, other and further-reaching claims of Customer against us have been ruled out. This shall in particular apply to claims to damages on account of breaches of duty from the contractual relationship and from tort. We shall not be liable for damage not incurred on the supplied goods themselves. Above all, we shall not be liable for loss of profits or other financial damage of Customer.

- 2) The aforementioned limitations of liability shall not apply to malice aforethought, gross negligence of our statutory representatives or managerial employees and in the event of culpable breaches of cardinal contractual duties, these being duties, fulfilment of which makes proper performance of the contract possible and in compliance with which Customer trusts and may regularly trust. In the event of a breach of cardinal contractual duties, we shall only be liable - apart from the events of malice aforethought or gross negligence of our statutory representatives or managerial employees - for the reasonably foreseeable damage typical for the contract.

- 3) The limitation of liability shall further not apply in the cases in which there is liability for personal or property damage for objects used privately according to the Product Liability Act. It shall also not apply in the event of injury to life, limb and health and in a lack of assured properties if and to the extent that the assurance precisely intended securing Customer against damage not incurred by the supplied goods themselves.

- 4) To the extent that our liability for damages has been ruled out or limited, this shall also apply with a view to the personal liability for damage of our employees, workers, fellow-workers, representatives and vicarious agents.

§9 Securing a right of retention

- 1) We reserve ownership to the object of purchase until receipt of all payments from the business relationship with Customer. To the extent that we agree payment of the purchase price debt with Customer by cheque/bill proceedings, the reservation shall also extend to Customer honouring the bill accepted by us by and shall not expire by crediting of the cheque received by us. In the event of Customer's conduct in breach of contract, in particular in arrears of payment, we shall be entitled to take the object of purchase back. Taking back the object of purchase shall only portray withdrawal from the contract by us if we have expressly declared it in writing. Seizure of the object of purchase by us shall always portray withdrawal from the contract. After return of the object of purchase, we shall be entitled to exploit it, the yield from exploitation being offset against Customer's liabilities - less suitable costs of exploitation. The right of retention shall also remain in existence if individual claims of Vendor have been included in a current account and the balance has been drawn and acknowledged.

- 2) Customer shall be obliged to treat the object of purchase carefully; in particular, it shall be obliged to insure it against fire, water and theft damage at the new value at its own expense. To the extent that maintenance and inspection work is necessary, Customer must carry it out in good time at its own expense.

- 3) In the event of seizures or other interventions by third parties, Customer shall inform us without delay, so that we can initiate proceedings according to § 771 German Code of Civil Proceedings. To the extent that the third party is not in a position to reimburse us for the judicial and extrajudicial costs of initiation of proceedings pursuant to § 771 German Code of Civil Proceedings, Customer shall be liable for the losses incurred by us. If Purchaser has sold the claim within the framework of genuine factoring, Vendor's claim to payment shall be due immediately and Purchaser shall assign the claim occurring in its lieu against the factor to Vendor and shall forward its yield from the sale to Vendor without delay. Vendor accepts this assignment.

- 4) Customer shall be entitled to resell the object of purchase in the ordinary course of business. However, it here and now assigns all claims to the amount of the final invoice amount (including VAT) of our claim accruing to it against its purchasers or third parties from the claim, regardless of whether the object of purchase has been resold without or following processing. Customer shall remain entitled to collect said claim even after the assignment. Our power to collect the claim ourselves shall remain unaffected. However, we engage not to collect the claim as long as Customer fulfils its payment duties from the confiscated yields, does not fall into arrears of payment and in particular no application for opening of bankruptcy or composition proceedings has been made or cessation of payment exists. However, if this is the case, we can demand that Customer notifies us of the assigned claims and their debtors, gives us all the information necessary for collection, hands over the matching documents and notifies the debtors (third parties) of the assignment.

- 5) Processing or reshaping of the object of purchase shall always be done on our behalf. If the object of purchase is processed with other objects not belonging to us, we shall acquire co-ownership to the new object in the ratio of the value of the object of purchase to the other processed objects at the time of processing. Apart from this, the same shall apply to the object originating by processing as to the conditional commodity.

- 6) We engage to release the collateral accruing to us by Customer's request to the extent that the realisable value of our collateral exceeds the claims to be secured by more than 20%; the selection of the collateral to be released shall be a matter for us.

- 7) In tools, we use procedures and components developed by us, some of which have already been protected under patent law. These components shall not be an integral part of the tools and shall not pass into our customers' property. These components shall be provided free of charge for the duration of the production on our premises.

§10 Place of jurisdiction - place of performance - applicable law

- 1) The place of jurisdiction shall be our registered office; we shall however be entitled to sue Customer at the court responsible for its registered office.

- 2) To the extent that nothing to the contrary results from the order confirmation, our registered office shall be the place of performance. This shall also apply to subsequent performance in the event of defects.

- 3) The law of the Federal Republic of Germany shall apply, ruling out UN purchase law.