

General terms of sale and delivery

1. Commencement clause

All deliveries and services are based exclusively on these delivery terms unless they are modified by express written agreements between the parties.

The offer, the acceptance of the offer, the order confirmation or the sale of any products are subject to the present terms and conditions. Any terms or contract-changing regulations by the purchaser are rejected; they will only come into effect against the supplier if he agrees to these changes in writing.

These terms are the basis for any future individual transaction between the purchaser and the supplier; they rule out any other agreement.

Any mistakes caused by error which might arise in sales brochures, price lists, offer documents or other documentation provided by the supplier may be corrected by the supplier.

The supplier cannot be held accountable for damages resulting from these mistakes. These general terms of sales and delivery apply to merchants only.

2. Offer, offer documents and conclusion of contract

2.1. Offers are subject to alteration at all times unless they are temporary.

2.2 Orders submitted by the purchaser are considered accepted by the supplier only when they have been accepted in writing by the supplier or his representative within 4 weeks from the date of submission.

2.3 For samples, cost estimates, drawings and other material or immaterial information - even in electronic form - the supplier's proprietary rights and copyrights are reserved; they must not be made available to third parties.

2.4 The purchaser bears the responsibility for the accuracy of the order, and the purchaser is responsible for sending any required information regarding the goods ordered to the supplier within a reasonable period of time, to allow the supplier to complete the order according to the terms of the contract.

3. Purchase price and payment terms

3.1 Unless otherwise specified, prices quoted are ex factory, including loading within the factory but excluding packaging, freight, postage, value guarantee and unloading. The applicable legal rate of VAT is added to the prices. Any taxes, customs duties and other charges that may arise at the time of delivery are charged to the purchaser.

3.2 In the absence of any special agreement, payment must be made without any deduction to the supplier's account, namely:

- 1/3 deposit after receipt of the order confirmation,
- 1/3 after a message has been sent to the purchaser that the main parts are ready for delivery,
- the remainder within 30 days after transfer of risk and billing.

3.3 The purchaser has the right to withhold payment or to offset it against counterclaims only insofar as his counterclaims are undisputed or declared legally effective.

3.4 Cheques and bills are accepted for payment for processing only. Bills must be bankable. Discount and collection charges are borne by the purchaser and are due immediately and without deduction upon presentation of the invoice.

3.5 If the purchaser does not comply with his duty of payment on the due date, the supplier is allowed to – without relinquishing any other rights and claims he is entitled to – according to his choice:

- cancel the contract or suspend any further shipments to the purchaser, or
- charge the purchaser for the amount not yet paid with interest amounting to 8% p.a. above the respective basic rate of interest, until full payment has finally been made. The purchaser is entitled to prove that none, or only minor, damage occurred as the result of the default in payment.

4. Delivery time and delivery delay

4.1 The delivery time results from the agreements made between the contracting parties. It starts on the order confirmation date, however, not before all commercial and technical questions have been clarified between the contracting parties and the purchaser has fulfilled all obligations incumbent upon him, such as e.g. providing the required official certification or paying the downpayment. If this is not the case, the delivery time is extended proportionately. This does not apply if the supplier is responsible for the delay.

4.2 Compliance with the delivery time is subject to the timely availability of the correct raw materials. The supplier shall inform the purchaser of emerging delays as soon as possible.

4.3 The delivery deadline is kept if the delivery item has left the supplier's factory, or that of the partner company producing it for the supplier, by the time it expires, or if the item has been reported ready for delivery. Insofar as acceptance has to take place - except where the refusal of acceptance is justified – the acceptance date prevails, alternatively the notification of readiness to accept.

4.4 If shipping or acceptance of the delivery item are delayed for reasons that the purchaser is responsible for, then he will be charged, starting one month after notification of readiness for dispatch or readiness to accept, the costs resulting from the delay, in particular for storage. In case of storage at the supplier's factory, he can charge a flat rate of 0.5% of the invoice amount per month, or part thereof, for the additional expenditures, subject to specific calculation. The purchaser has the right to prove that no damage has been caused at all, or that it is significantly lower than the flat rate.

4.5 If the non-compliance with the delivery time can be ascribed to acts of nature, to labour disputes or other events outside of the supplier's range of influence, the delivery time is extended proportionately. The supplier shall inform the purchaser of the start and end of such circumstances as soon as possible.

4.6 The purchaser can cancel the contract without setting a deadline if it becomes impossible for the supplier to ultimately provide the entire service prior to the transfer of risk. The purchaser can furthermore cancel the contract if the completion of part of a delivery becomes impossible for a given order or if he has a legitimate interest in declining partial delivery. If this is not the case, the purchaser must pay the contract price due for the partial delivery. The same applies in the event of the supplier's inability to perform; section 8.2 applies for the rest.

Should the impossibility or the inability occur during the default in acceptance by the purchaser, or should the purchaser be solely or largely responsible for these circumstances, he shall remain obligated to provide service in return.

4.7 Should the supplier default in delivery and should the purchaser suffer damages as a result of this, he is entitled to demand lump sum remuneration for damages caused by default. It shall amount to 0.5% for every full week of delay, but no more than 5% of the value of that portion of the entire shipment that cannot be utilised on time or according to the contract as a result of the delay.

If the purchaser specifies a reasonable period of time after the due date for the supplier - in due consideration of legal statutory exceptions - to provide the service, and if this deadline is

not met, the purchaser is entitled to withdraw from the contract, within the framework of legal regulations. He undertakes to declare within a reasonable period of time, at the supplier's request, whether he will avail himself of his right of withdrawal.

Further claims arising from default in delivery are determined exclusively according to segment 8 of these terms.

5. Transfer of risk

5.1 Risk is transferred to the purchaser when the delivery item has left the supplier's factory, or that of a partner company producing for the supplier, in fact even if partial shipments are made or the supplier has absorbed other payments, e.g. shipping costs or delivery and installation. If acceptance is scheduled to take place, it prevails for transfer of risk. It must be performed without delay on the date of acceptance, alternatively after the supplier has notified the purchaser regarding readiness to accept. The purchaser is not allowed to refuse acceptance in case an insignificant defect is present.

The shipment is insured by the supplier against damage in transit, and against other insurable risks at the request and at the expense of the purchaser.

5.2 If shipment or acceptance are delayed or remain undone as a result of circumstances for which the supplier is not responsible, risk is transferred to the purchaser from the day of the notification of the readiness to ship or readiness to accept. The supplier undertakes to take out the insurances requested by the purchaser at his expense.

5.3 Partial shipments are permitted, provided they are reasonable for the purchaser.

6. Reservation of proprietary rights

6.1 The supplier reserves the right of ownership of the delivery item until all payments - including for any supplementary work owed, if applicable - from the delivery contract have been received.

6.2 The supplier is entitled to insure the delivery item, at the purchaser's expense, against theft, burglary, fire, water and other damage, unless the purchaser himself has verifiably taken out the insurance.

6.3 The purchaser must neither sell, pawn nor transfer ownership of the delivery item as security. The purchaser shall inform the supplier without delay of any attachment as well as confiscation or other dispositions by third parties.

6.4 If the behaviour of the purchaser is contrary to contract, in particular in the event of delay of payment, the supplier is authorised to take back the delivery item, upon reminder, and the purchaser is obligated to hand over the delivered item.

6.5 Due to the reservation of property rights, the supplier can demand that the delivery item be handed over only if he has withdrawn from the contract.

6.6 The application to initiate bankruptcy proceedings authorises the supplier to withdraw from the contract and to demand prompt return of the delivery item.

6.7 If the goods subject to retention of title are resold together with other goods that do not belong to the supplier, the purchaser's claim against the buyer in the amount of the delivery price agreed between the supplier and the purchaser is considered surrendered.

6.8 Any processing or alteration of goods subject to retention of title shall be done by the purchaser for the supplier. If the goods subject to retention of title are processed together with other objects that do not belong to the supplier, the supplier shall acquire co-ownership in the

new object in proportion of the value of the goods subject to retention of title to the other objects processed at the time of processing.

6.9 If goods belonging to the supplier are combined with other mobile objects to make a uniform object, or if they are inseparably mixed and if the other object is regarded as the main component, the purchaser shall transfer proportional co-ownership to the supplier to the extent to which the main object belongs to him.

6.10 The purchaser shall keep the property or the co-property safe for the supplier. Apart from that, what applies to the goods subject to retention of title shall also apply to the object created by processing, reshaping or mixing.

6.11 If in connection with purchase price redemption, the supplier's liability on a bill of exchange is justified, the retention of title shall not expire until the purchaser, as the drawee, has encashed the bill.

6.12 If the purchaser is a member in a purchasing or a centralised settlement association, the retention of title shall not expire until non-revocable payment has been made to the supplier.

7. Claims for defects

The purchaser must examine the delivery item promptly within the meaning of § 377 HGB [Code of Commercial Law] and notify the supplier of any reproof immediately.

The supplier shall not accept any responsibility that the goods are suitable for a specific purpose, unless he has expressly agreed to this responsibility.

The supplier shall be liable for material defects or defects of title of the shipment, to the exclusion of further claims – subject to section 8 as follows:

Material defects

7.1 All parts must be repaired or replaced free of defects at no charge, at the discretion of the supplier, that have proven to be defective due to a circumstance occurring before the transfer of risk.

The supplier is to be notified promptly in writing of all such defects. Replaced parts shall become the property of the supplier.

7.2 In order for the supplier to make all repairs and replacement deliveries as appear necessary, the purchaser must coordinate with the supplier to provide him with sufficient time and opportunity to do so; otherwise, the supplier is released from liability for the ensuing consequences. Only in urgent cases, if operating safety is threatened, or to prevent disproportional major damage, in which case the supplier must be notified immediately, does the purchaser have the right to remedy the defect himself, or to have it remedied by third parties, and to demand compensation from the supplier for the required expenses involved.

7.3 The supplier shall bear the cost of the replacement part including shipping - provided the complaint is found to be justified - for the immediate costs arising from the repair or the replacement delivery. Further claims are determined by section 8.

7.4 The purchaser is entitled to withdraw from the contract within the framework of statutory provisions.

If the defect is negligible, the purchaser is entitled only to a reduction of the contract price. The right to a reduction of the contract price shall otherwise remain unaffected.

Further claims are determined exclusively according to section 8.2 of these terms.

7.5 No liability is accepted in the following cases in particular:

Unsuitable or inappropriate use, incorrect installation or commissioning by the purchaser or by third parties, natural wear and tear, incorrect or negligent handling, improper maintenance, unsuitable operating materials, inadequate construction work, unsuitable building site, electrochemical or electrical influences – unless the supplier is responsible for them.

7.6 If the purchaser or a third party performs any improper repairs, the supplier shall not be liable for the resulting consequences. The same applies to changes to the delivery item performed without prior authorisation by the supplier.

Defects of title

7.7 If the use of the delivery item leads to an infringement of domestic industrial property rights or copyrights, the supplier shall in principle procure the right of further use for the purchaser at his expense or shall modify the delivery item in a manner acceptable for the purchaser such that the infringement of property rights no longer exists.

If this is not possible under economically reasonable conditions or within a reasonable period of time, the purchaser is entitled to withdraw from the contract. Under the conditions named above, the supplier is entitled to withdraw from the contract as well.

7.8 The supplier's obligations mentioned in section 7.7 are comprehensive subject to section 8.2 for the event of infringement of copyright and related rights.

They shall only exist if

- the purchaser informs the supplier promptly of property rights or copyrights asserted
- the purchaser supports the supplier to an appropriate extent in the defence of such claims or allows the supplier to perform the modification measures according to section 7.7
- the supplier reserves the right to all defensive measures including out-of-court settlements,
- the defect of title is not based on the purchaser's instruction and
- the infringement did not result from the purchaser modifying the delivery item without authorisation or using it in a manner not according to the terms of the contract.

8. Supplier's liability, disclaimer

8.1 If the delivery item cannot be used by the purchaser according to the terms of the contract due to the fault of the supplier as a result of failure to carry out, or incorrectly carrying out, suggestions or advice made before or after signing of the contract, or due to infringement of other contractual secondary obligations – in particular instructions for operation and maintenance of the delivery item – then the provisions in sections 7 and 8.2 apply to the exclusion of further claims by the purchaser.

8.2 For damages not affecting the delivery item itself, the supplier shall be liable - for whatever legal reasons - only

- a) in the case of intent,
- b) in the case of gross negligence by the owner/the organs or executives,
- c) in the case of culpable injury to life, body, health,
- d) in the case of defects which he has maliciously concealed,
- e) within the scope of a guarantee assurance,
- f) in the case of defects of the delivery item, to the extent that liability is mandatory according to the product liability act for personal injury or material damage to objects in private use.

In the event of culpable infringement of fundamental contractual obligations, the supplier shall also be liable in the event of gross negligence of non-executive employees and in the event of slight negligence, in the latter case limited to the reasonably foreseeable damages typical to the contract.

Further claims are excluded.

9. Statute of limitations

All claims by the purchaser - for whatever legal reasons - expire by limitation in 12 months. For claims for compensation according to section 8.2 a – d and f, statutory deadlines apply.

10. Applicable law; place of jurisdiction

This agreement is subject to German law to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG) and both parties agree to the exclusive jurisdiction of the court of law at the place of business of the supplier.

The supplier is entitled to also start legal proceedings at the competent court of the purchaser or at any other court that can be competent according to national or international law.