

Section 1 - Scope of application

- (1) Our terms and conditions of sale apply exclusively and to all present and future business relations with the customer/purchaser.
- (2) We do not recognise any terms and conditions of the customer which conflict with, deviate from or are additional to our terms and conditions of sale, unless we expressly agree with their validity in writing. (Counter-)confirmations of the customer with reference to his terms and conditions are hereby contradicted.
- (3) Our terms and conditions of sale shall apply even if we execute the order of the customer without reservation in the knowledge of deviating terms and conditions of the customer. By accepting the order confirmation without objection, the customer declares his agreement with these terms and conditions of sale.
Our terms and conditions of sale shall only apply to companies within the meaning of sec. 310 para. 1 BGB (German Civil Code).

Section 2 - Conclusion of the contract

- (1) Our offers are non-binding.
- (2) The order is a binding offer. We can accept this offer at our discretion within two weeks by sending an order confirmation in text form.
- (3) Oral collateral agreements are only binding for us if we confirm them in text form.

Section 3 - Sales prices

- (1) Unless otherwise stated in the order confirmation, our prices are in Euro ex works, excluding packaging. Packaging shall be charged at cost price.
- (2) Value added tax at the respective statutory rate shall be added to the prices.

Section 4 - Terms of payment

- (1) Our invoices are due for payment by bank transfer within thirty days of the invoice date without any deductions. If the customer defaults on payment, we shall be entitled to demand interest on arrears at a rate of 5 percentage points above the respective interest rate for long-term refinancing transactions of the European Central Bank (LRG rate). If we are able to prove higher damages caused by default, we are entitled to claim these.
- (2) A payment shall only be deemed to have been made when the amount has been received by us.
- (3) If we become aware of circumstances which put the creditworthiness of the customer into question, in particular if payments by the customer are suspended, we shall be entitled to declare the entire remaining debt due. In addition, we are entitled to demand advance payments or securities.
- (4) The customer is only entitled to offsetting rights if his counterclaims have been finally established, are undisputed or have been recognised by us. He is entitled to exercise a right of retention insofar as his counterclaim is based on the same contractual relationship.

Section 5 - Shipping conditions

- (1) Loading and dispatch are carried out uninsured at the risk and expense of the purchaser. The risk is transferred to the purchaser when the goods are handed over to the shipping or transport company, regardless of whether the company was selected by us or the purchaser.
- (2) If dispatch is delayed due to circumstances for which the customer is responsible or if dispatch is made at the customer's request at a later date than the agreed delivery date, the risk shall pass to the customer on the day of the originally planned shipment date.
- (3) We shall endeavour to take the wishes and interests of the customer into account with regard to the mode and route of dispatch. Any additional costs incurred as a result - even if freight-free delivery has been agreed - shall be borne by the customer. We shall not bear any disposal costs incurred for packaging.

Section 6 - Confidentiality

- (1) The contracting parties undertake to treat as business secrets all commercial and technical details which are not public knowledge and which become known to them through the business relations.
- (2) Design data, drawings, models, samples and similar matters and items may not be handed over or otherwise made available to unauthorised third parties. The reproduction of such objects is only permitted within the scope of operational requirements and the copyright regulations.
- (3) Subcontractors shall be obligated accordingly.
- (4) We reserve the property rights and copyrights to illustrations, drawings, calculations and other documents. This also applies to such written documents which are designated as "confidential". The contractual partner requires our express written consent before passing them on to third parties.
- (5) The contracting parties may only advertise their business relationship with prior written consent.

Section 7 - Design modifications

We reserve the right to make design changes at any time; however, we are not obliged to make such changes to products already delivered.

Section 8 - Manufacturing tools

- (1) If aids are necessary for order processing, we will request a down payment at short notice.
- (2) In view of our design services, these aids manufactured or procured by us shall remain our property, which shall also not be affected by cost contributions by the customer.
- (3) We do not assume any liability for the usability of goods provided by the customer. Interrupted offers and accepted orders are in these cases considered non-binding in every respect until final clarification of the usability of the product. Repair and maintenance costs as well as the manufacturing risk for the goods shall be borne exclusively by the purchaser.

Section 9 - Terms of delivery

- (1) The beginning of the delivery period stated by us requires the clarification of all technical and commercial questions. Compliance with the delivery period presupposes the timely receipt of all documents and order parts by us.
- (2) The delivery period shall be deemed to have been met if by the expiry of the delivery period the delivery item has left the plant or we have notified the readiness for dispatch.
- (3) In the case of so-called custom-made products, we reserve the right of an excess or short delivery of both up to 10 %. The quantities are calculated accordingly. Partial deliveries are permissible, as far as this is reasonable for the customer. In the case of call-off orders, we must be informed of the call-offs in text form at least 6 weeks before the desired delivery date.
- (4) The delivery period shall be extended appropriately - subject to an adjustment of the contract in accordance with sec. 12 of these Terms and Conditions of Sale ("Force Majeure") - in the event of measures in the context of industrial disputes, in particular strikes and lock-outs, as well as in the event of unforeseen obstacles which are beyond our control, insofar as such obstacles demonstrably have a considerable influence on the completion of the delivery of the delivery item. We are not responsible for the above-mentioned circumstances even if they occur during an already existing delay. The beginning and end of such obstacles will be communicated to the customer as soon as possible.
- (5) If an agreed delivery period is exceeded, delivery delay is only given after an appropriate grace period has been set.
- (6) If the customer is in default of acceptance or violates other obligations to cooperate, we shall be entitled to demand compensation for the damage incurred by us, including any additional expenses. In this case, the risk of incidental loss or incidental deterioration of the object of sale shall also pass to the customer at the point in time at which the customer is in default of acceptance. Further claims or rights are reserved.

Section 10 - Warranty

- (1) We warrant the faultless manufacture of the ordered goods in accordance with the agreed technical delivery specifications. If we have to deliver according to data, drawings, specifications etc. of the customer, the customer bears the risk of suitability for the intended purpose. Decisive for the contractual condition of the goods is the time of the transfer of risk.
- (2) If a certain quality of the goods has been agreed, a deviation from this shall only constitute an insignificant defect as long as the suitability of the goods for the contractually stipulated use is not or only insignificantly impaired. In this case claims for defects are excluded.
- (3) No warranty shall be given for defects caused by unsuitable or improper use, faulty assembly or commissioning by the customer or third parties, normal wear and tear, faulty or negligent treatment, nor for the consequences of improper modifications or repair work carried out by the customer or third parties without our consent.
- (4) The customer may not install or otherwise use objected as well as recognisably defective goods. If he violates this obligation, we shall not be liable for damages resulting from the installation or other use. Furthermore, in this case, the customer shall bear the additional costs incurred in remedying the defect due to the installation or other use or, if applicable, reimburse us.
- (5) Warranty claims of the customer presuppose that the customer has properly fulfilled his obligations to examine the goods and make a complaint in accordance with sec. 377 HGB (German Commercial Code). If an acceptance of the object of sale or an initial sample inspection has been agreed, the notification of defects which the customer could have detected in the course of careful acceptance or initial sample inspection is excluded.
- (6) We must be given the opportunity to establish the defect complained about. The object of purchase complained about shall be returned to us immediately upon our request. We shall bear the transport costs if the notice of defect is justified. If the customer does not comply with these obligations or if he makes changes to the object of sale already complained about without our consent, he loses any warranty claims.
- (7) In the event of justified, timely notification of defects, we shall, at our discretion, either repair the rejected purchased item or deliver a flawless replacement.
- (8) If within a reasonable period of time we fail to comply with these subsequent performance obligations or fail to do so in accordance with the contract, or if the remedy remains unsuccessful, the customer may set us a final deadline in text form within which we must comply with our obligations. After this period has expired without success, the customer may, at his discretion, demand a price reduction, withdraw from the contract or carry out the necessary subsequent improvement himself or have it carried out by a third party at our expense and risk. If the rectification of defects was successfully carried out by the customer or a third party, all claims of the customer shall be finally settled upon reimbursement of the necessary costs incurred by him.

Section 11 - Compensation for damages

- (1) We shall be liable in accordance with the statutory provisions if the customer asserts claims for damages based on intent or gross negligence, including intent or gross negligence on the part of our employees, workers, staff, representatives and vicarious agents. In cases of gross negligence, however, liability shall be limited to the foreseeable damage typical for the contract, unless an exceptional case listed in the following paragraphs also exists.
- (2) Liability for culpable injury to life, body or health remains unaffected; this also applies to mandatory liability under the Product Liability Act (ProdHaftG).
- (3) Furthermore, liability remains unaffected in the event of the assumption of a guarantee or a procurement risk, insofar as these are intended to protect the purchaser against damage which has not occurred to the delivered goods themselves.
- (4) We shall also be liable in accordance with the statutory provisions if we culpably violate an essential contractual obligation; essential contractual obligations are those whose fulfilment is essential for the proper execution of the contract and on whose compliance the customer relies and may rely. In the event of negligent breach of an essential contractual obligation, our liability shall be limited to the foreseeable damage typical for the contract.
- (5) Unless otherwise regulated above, our liability - irrespective of the legal nature of the claim asserted - is excluded. This shall also apply if the customer demands compensation for useless expenses instead of a claim for damages instead of performance.
- (6) Insofar as our liability for damages is excluded or limited, this shall also apply with regard to the personal liability for damages of our employees, workers, staff, representatives and vicarious agents.

Section 12 - Unforeseen events

Force majeure, in particular labour disputes, riots, epidemics, official measures and other unforeseeable, unavoidable and serious events shall release the contracting parties from their obligations to perform for the duration of the disturbance and to the extent of its effect. This also applies if these events occur at a time when we are in default. The contractual partners will adjust their obligations to the changed circumstances in good faith.

Section 13 - Industrial property rights and copyrights

- (1) Unless otherwise agreed, we are only obliged to make the delivery free of industrial property rights and copyrights of third parties (hereinafter referred to as "property rights") in the country of the place of delivery. If a third party asserts a justified claim against the purchaser based on an infringement of property rights by the supplies made by us and used in conformity with the contract, we shall be liable to the purchaser pursuant to the following paragraphs.
- (2) We shall, at our discretion and at our expense, either obtain a right of use for the deliveries concerned, modify them so that the property right is not infringed, or replace them. If this is not possible for us under reasonable conditions, the customer shall be entitled to the statutory rights of withdrawal or reduction.
- (3) Our obligation to pay damages shall be governed by sec. 10 and 11 of these terms and conditions.
- (4) The aforementioned obligations shall only apply if the customer informs us immediately in writing of the claims asserted by the third party, does not acknowledge an infringement and leaves all defensive measures and settlement negotiations to our discretion. If the purchaser stops using the supplies in order to reduce the damage or for other good cause, he shall be obliged to point out to the third party that no acknowledgement of the alleged infringement may be inferred from the fact that the use has been discontinued.
- (5) Claims of the customer are excluded as far as he is responsible for the infringement of property rights. Claims of the customer are further excluded as far as the infringement of the property right is caused by particular specifications of the customer, by an application not foreseeable by us or by the fact that the delivery is modified by the customer or used together with products not supplied by us.
- (6) In the event of other (legal) defects and otherwise, the provisions of sec. 10 and 11 shall apply accordingly.

Section 14 - Retention of title

- (1) We reserve the title of ownership of the object of sale until all our claims against the customer arising from the business relationship have been fulfilled. The customer is entitled to dispose of the purchased goods in the ordinary course of business.
- (2) The purchaser is permitted to process or transform the delivery item ("processing"). Processing shall be carried out exclusively for us; however, if the value of the delivery item belonging to us is less than the value of the goods not belonging to us and/or the finishing, we shall acquire co-ownership of the new goods in the ratio of the value (gross invoice value) of the processed delivery item to the value of the other processed goods and/or the finishing at the time of processing. Insofar as we do not acquire ownership of the new goods in accordance with the above, the customer is obliged to grant us co-ownership of the new goods in the ratio of the value (gross invoice value) of the delivery item belonging to us to the value of the other processed goods at the time of processing. The above sentence shall apply accordingly in the event of inseparable mixing or combination of the delivery item with goods not belonging to us. Insofar as

we acquire ownership or co-ownership according to this provision (reservation of title), the customer shall hold them in safekeeping for us with the due care of a prudent businessman.

- (3) In the event of the sale of the delivery item or the new goods, the customer hereby assigns to us by way of security his claim from the resale against his customer with all ancillary rights, without the need for further special declarations. The assignment applies including any balance claims. However, the assignment shall only apply to the amount corresponding to the price of the delivery item invoiced to us. The portion of the claim assigned to us shall be satisfied with priority.
- (4) Until revocation, the purchaser is authorised to collect the claims assigned to us in accordance with this regulation (reservation of title). The customer shall immediately forward to us payments made on the assigned claims up to the amount of the secured claim. In the event of legitimate interests, in particular default of payment, suspension of payments, opening of insolvency proceedings, protest of a bill of exchange or justified indications of over-indebtedness or imminent insolvency of the customer, we shall be entitled to revoke the customer's authority to collect. In addition, we may, after prior warning and subject to a reasonable period of notice, disclose the assignment for security, exploit the assigned claims and demand that the customer discloses the assignment for security to his customers.
- (5) If a legitimate interest is substantiated, the customer must provide us with the information necessary to assert his rights against his customers and hand over the necessary documents.
- (6) We undertake to release the securities to which we are entitled at the request of the purchaser to the extent that the attainable value of our securities exceeds the claims to be secured by more than 10%; the choice of the securities to be released is at our discretion.
- (7) The goods and the claims taking their place may not be pledged, assigned or transferred by way of security to third parties or before our claims have been paid in full.
- (8) Access by third parties to the goods and claims belonging to us must be reported to us by the customer immediately in text form.
- (9) In the event of breaches of duty by the customer, in particular default in payment, we are entitled, even without setting a deadline, to demand the return of the delivery item or the new goods and/or - if necessary after setting a deadline - to withdraw from the contract; the customer is obliged to surrender the goods. The demand for return of the delivery item/new goods does not constitute a declaration of withdrawal on our part, unless this is expressly declared.

Section 15 - Intra-Community supply

- (1) In the case of deliveries from the Federal Republic of Germany to other EU member states, the purchaser must inform us before delivery of his VAT identification number under which he is subject to tax on earnings within the EU.
- (2) In addition, both in the case of deliveries as well as collections to another EU member state, the customer is obliged to issue us with a confirmation that the object of an intra-Community delivery to another EU member state has been delivered (confirmation of arrival). This confirmation of arrival must contain
 - the name and address of the purchaser,
 - the quantity of the delivery item and the usual trade description,
 - the indication of the place and month (not day) of the end of transport or dispatch, i.e. of receipt of the goods within the territory of the Community, even in the case of self-collection and/or self-carriage by the customer
 - the date of issue of the confirmation,
 - the signature of the customer or a person authorised by him to carry out the acceptance.
- (3) If we do not have a valid VAT identification number or if we do not receive the confirmation of arrival within three months of successful delivery, we are entitled to subsequently charge the sales tax at the applicable sales tax rate or to correct the invoice accordingly.

Section 16 - Limitation period

All claims of the purchaser - for whatever legal reasons - shall become statute-barred after 12 months. This shall not apply to claims for damages due to injury to life, body or health and not to such claims for damages which are based on a grossly negligent breach of duty. The statutory limitation regulations for claims under the Product Liability Act and in the case of a delivery recourse according to sec. 445a, b BGB shall also remain unaffected.

Section 17 - Other

- (1) The place of performance and jurisdiction for both parties is the registered office of our company, Hungen, whereby we reserve the right to bring an action also at the general place of jurisdiction of the customer.
- (2) The law of the Federal Republic of Germany applies exclusively; the validity of the UN Convention on Contracts for the International Sale of Goods is excluded.

Section 18 - Safeguarding Clause

Should individual clauses of these terms and conditions of sale be or become invalid, this shall not affect the validity of the remaining terms and conditions. The parties shall replace the invalid provision by a valid provision which comes closest to the economic content of the invalid provision. The same shall apply in the event of an unintentional loophole in the regulations.