

I. General

- These General Terms and Conditions for the Sale of Goods shall only apply to natural persons or entities, or the partnerships with legal personality acting in their commercial or self-employed capacity (entrepreneurs) at the time the contract is concluded and shall exclusively apply.
- Conflicting, deviating or supplementary terms and conditions laid down by the buyer shall not be recognized unless previously and expressly approved by the seller in writing. These General Terms and Conditions for the Sale of Goods shall also apply when the seller supplies the buyer without reservation after having been informed of conflicting or divergent terms and conditions on the part of the buyer.
- These conditions shall govern any and all future contract of sale between the seller and the buyer.

II. Orders and Specifications

- The seller's quotations are subject to change and are non-binding, unless the seller has explicitly designated them as binding. Any apparent mistakes due to error in any sales literature, quotation, price list, acceptance of offer, invoice or other document of information issued by the seller shall be subject to correction without any liability on our part.
- Upon placing an order for the required goods, the buyer shall make a binding offer to enter into a contract.
- The seller shall be entitled to accept the offer within five working days either by dispatching an order confirmation or by dispatching the ordered goods within the same period.
- If the goods are to be manufactured or any changes have to be made to the goods, the packaging or instructions of use by the seller in accordance with a specification submitted by the buyer, the buyer shall indemnify the seller against any loss, damages, costs and expenses which results from the seller's use of the buyer's specification.
- The seller hereby reserves all proprietary and intellectual property rights as well as copyrights to any and all illustrations, calculations, drawing and other documentation. The buyer may only disclose such items to third parties with the seller's written consent, regardless of whether or not the seller has designated such items as confidential. The same shall apply to the transmission of information relating to seller's products which may have been made available to the buyer.

III. Price of the Goods

- The price of the goods shall be the seller's quoted price or, where no price has been quoted; the price listed in the seller's published price list current at the date of acceptance of the order. Where the goods are supplied for the export from Germany, the seller's published export price list shall apply.
- The seller reserves the right, by giving notice to the buyer at any time before delivery, to adequately increase or decrease the price of goods to reflect an increase or decrease in the costs of the products which is due to any factor beyond seller's control (such as foreign exchange fluctuation, currency regulation, alteration of duties, significant increase in the costs of materials or other costs of the manufacture).
- Except as otherwise stated in any of the seller's quotations or in any price list and agreed in writing, all prices are given on an ex works basis. If seller agrees to deliver the goods otherwise, the buyer shall be liable to pay the seller's charges for transportation, packing, duties and insurance.
- The price is exclusive of any applicable value added tax, which the buyer shall be additionally obliged to pay to the seller.

IV. Terms of Payment

- The buyer shall pay the price of the goods within 30 days of receipt of the seller's invoice. Agreed discounts shall only be accepted if payment reaches seller within the agreed period and no overdue invoices remain. The amount of discount is not deductible from freight costs but only from the value of the goods.
- Payment shall be effected by inter bank payment transaction only; no cheque or bill of exchange will be considered as fulfillment of the payment obligation.
- It may be agreed between the parties that the buyer has to deliver a letter of credit issued by any bank accepted by the seller. In this individual case it is assumed that any letter of credit will be issued in accordance with the Uniform Customs and Practice for Documentary Credits, 1993 Revision, ICC Publication No. 500.
- If the buyer fails on make any payment on the due date then, without prejudice to any other right or remedy available to seller, seller shall be entitled to suspend further deliveries and/or to charge the buyer interest on the amount unpaid, at the rate of 8 percentage points per annum above European Central Bank reference rate from then being valid, until payment in full is made. The buyer shall be entitled to prove that the delay of payment caused no or little damage only.
- A complaint lodged by the buyer shall not release him from any duty to effect payment. With the exception of untested or legally enforced claims, the buyer shall not be entitled to withhold payment or offset such payments against any counterclaims he/she may be enforcing. Incoming payments shall amortize outstanding debts in the order in which they have occurred.
- Place of fulfillment of payment is the main place of business of seller.

V. Delivery

- Delivery of the goods shall be made by the buyer collecting the goods at the seller's premises at any time after seller has notified the buyer that the goods are ready for collection or, if some other place for delivery is agreed by seller, by delivering the goods to that place.
- Where delivery of the goods is to be made by seller in bulk, seller reserves the right to deliver up to 3 % more or 3% less than the quantity ordered without any adjustment in the price, and the quantity so delivered shall be deemed to be in the quantity ordered.
- If a binding time for delivery is explicitly provided for in the contract, and seller fails to deliver and it responsible for failing to deliver within such time or any extension thereof granted, the buyer shall be entitled, on giving to seller within a reasonable time notice in writing, to claim a reduction of 0,5 % per week (up to a maximum of 5%) of the price payable under the contract, unless it can be reasonable concluded from the circumstances of the particular case that the buyer has suffered no loss. Further damages are excluded. This exclusion shall not apply if the business had to be settled on a fixed date or if the delay was caused grossly negligently or intentionally by seller, seller's agents or representatives or if there is any further breach of any essential contractual obligation. In this case the provisions of Section XI shall apply.
- If, except in cases of force majeure, seller fails within such time of effecting delivery, the buyer shall be entitled by notice in writing to seller to fix a deadline after the expiry of which the buyer shall be entitled to terminate the contract. He may also recover from seller any loss suffered by the buyer by reason or seller's failure and according to the provisions of §§ 280, 281 German Civil Code.
- If the buyer fails to accept the delivery on due date, he shall nevertheless make any payment conditional on delivery as if the goods had been delivered. Seller shall be entitled to compensation of any loss and/or additional costs occurred and to arrange for the storage of the goods at the risk and cost of the buyer. If required by the buyer seller shall insure the goods at the cost of the buyer.

VI. Transfer of Risks

Risk of damage to or loss of the goods shall pass to the buyer as follows:

- in the case of goods to be delivered otherwise than the seller's premises, at the time of delivery or, if the buyer wrongfully fails to take delivery of the goods, the time when the seller has tendered delivery of the goods;
- in the case of goods to be delivered at the seller's premises ("ex works, Incoterms 2000) at the time when the seller notifies the buyer that the goods are available for collection

VII. Retention of Title

- Notwithstanding delivery and the passing of risk in the goods, or any other provision of these conditions, the property in the goods shall not pass to the buyer until the seller has received payment in full of the price of the goods and all other goods agreed to be sold by the seller to the buyer for which payment is then due.
- After termination of the contract the seller shall have absolute authority to retake, sell or otherwise deal with or dispose of all or any part of the goods in which title remains vested in the seller.
- Until such time as the property in the goods passes to the buyer, the buyer shall hold the goods as the seller's fiduciary agent, and shall keep the goods properly stored, protected and insured.

- Until that time the buyer shall be entitled to resell or use the goods in the ordinary course of its business, but shall account to the seller for the proceeds of sale or otherwise of the goods including insurance proceeds, and shall keep all such proceeds separate from any moneys or properties of the buyer and third parties.
- If the goods are processed or reshaped by the buyer and if processing is done with the goods that seller has no property in, seller shall become co-owner of the goods. The same shall apply if the seller's goods are completely reshaped and mixed with other goods.
- If third parties take up steps to pledge to otherwise dispose of the goods, the buyer shall immediately notify the seller in order to enable the seller to seek a court injunction in accordance with § 771 of the German Code of Civil Procedure. If the buyer fails to do so in due time he will be held liable for any damages caused.
- The seller shall on demand of the buyer release any part of the collateral if the value of the collateral held in favour of the seller exceeds the value of the claims being secured. It is to the seller's decision to release those parts of the collateral suitable for him.

VIII. Storage, Resale

After acquisition of the goods the buyer is responsible for the adherence to the respective legal regulations for the storage and use of the goods. The goods shall be resold only in the unchanged original packaging.

IX. Force Majeure

- Events of force majeure hindering the Parties in fulfilling their contractual obligations in part or in total, shall exempt and free the relevant Party from its obligation to fulfil this contract until the events of force majeure do not exist anymore. The following shall be regarded as events of force majeure: fire, natural disaster, war, revolution, riots, acts of terrorism, shortage of raw materials, strike, lockouts, disturbances in seller's business or business of suppliers, acts of government or authority.
- The other Party may terminate the contract if the event of force majeure lasts for more than six months or if the party terminating the contract can reasonably demonstrate that it would be unreasonable for the party to continuously be bound by the contract.

X. Warranties

- The buyer shall examine the goods immediately after delivery and in doing so check every delivery in any respect. Any claim by the buyer which is based on any defect in the quality or condition of the goods or their failure to correspond with the specifications shall be notified to the seller within reasonable time, but not later than 7 working days from the date of delivery.
- The seller warrants that all items delivered under this agreement will be free from defects in material and workmanship, conform to applicable specifications, and, to the extent that detailed designs have not been furnished by the buyer, will be free from design defects and suitable for the normal use.
- The seller shall not be liable for the goods being fit for a particular purpose unless otherwise agreed upon, to which the buyer intends to put them. The seller if not liable for the goods being suitable for the export to and the use in other countries than agreed by the parties.
- The above warranty is limited as follows:
 - the seller shall not be liable in respect of any defect in the goods arising from any design or specification supplied by the buyer;
 - the above warranty does not extend to parts, materials or equipment manufactured by or on behalf of the buyer unless such warranty is given by the manufacturer to the seller.
- This warranty does not cover defects in the goods or damages which are due to improper instruction or use (e.g. repeated use of goods; use of the goods in other countries than the agreed territory), combination with other products or maintenance misuse, disregard of instruction, neglect or any cause other than ordinary commercial application.
- Where any valid claim in respect of any goods which is based on any defect in the quality or condition of the goods or their failure to meet specifications is notified to the seller in accordance with this Conditions, the seller shall be entitled at the seller's sole decision to either replace the goods free of charge or repair the goods. Expenses incurred in remedying the defects, most notably transportation, labour costs and costs of materials shall be born by seller provided that such costs do not increase as a result of the goods being transported to a destination other than the place of fulfillment. If the seller is neither ready nor able to either repair or replace the goods after two attempts the buyer shall be entitled at the buyer's sole decision to claim for a reduction of price or the cancellation of the contract.
- Claims relating to defects shall become statute-barred within one year of the goods being delivered. The statutory limitation periods shall apply in cases where seller can be charged with malice or intent or damages to life, limb or health. The limitation period in the cases of delivery regress according to §§ 478, 479 German Civil Code remains unaffected.

XI. Liability

- In accordance with the statutory provisions, the seller shall bear unlimited liability for damage to life, limb and health based on a negligent or intentional breach of duty on part of the seller, on the part of seller's legal representatives or seller's vicarious agents, and for damage subject to liability pursuant to the German Product Liability Act ("Produkthaftungsgesetz") and/ or mandatory foreign product liability laws in countries the goods were agreed to be used in.
- Seller shall be liable to the extent provided for by law for damage which is not covered by Clause 1 and which is based on an intentional or grossly negligent breach of duty or malice on seller's part as well as that of our legal representatives or our vicarious agents. In that event, however, seller's liability shall be limited to the foreseeable typically arising damage unless seller, seller's legal representatives or vicarious agents have acted intentionally.
- To the extent that seller has issued a guarantee on quality and/or durability with respect to the goods or parts thereof, seller shall also be liable in the context of that guarantee. However, seller shall only be liable for damage based on the absence of the guaranteed quality or durability, but which does not directly injure the goods themselves, if the risk of such damage is clearly covered by the quality and durability warranty.
- Seller shall also be liable for damage caused by ordinary negligence, if such negligence relates to the breach of contractual obligations the observance of which is of particular significance to the achievement of the contract purpose (essential obligations). However, seller shall only be liable if the damage is typically associated with the contract, and is predictable.
- All other forms of liability shall be excluded, regardless of the legal nature of the claim asserted.

XII. Miscellaneous

- The seller reserves the right to improve or modify any of the products without prior notice, provided that such improvement or modification shall not affect the function of the product.
- This agreement shall not be assigned or transferred by buyer except with the written consent of the seller.

XIII. Choice of Law; Place of Jurisdiction

- This Agreement shall be governed by German Law, including the UN-Convention on the International Sale of Goods (CISG) but excluding the provisions of German International Private Law that might come to the application of foreign law.
- Place of jurisdiction shall be seller's principle place of business, Germany. The seller has the right to bring a claim before a court at the buyer's principal place of business.