



General Sales and Delivery Conditions (Rev. August 2007)

1. Scope

- 1.1 These General Sales and Delivery Conditions only apply to companies as defined by § 14 BGB (German Civil Code).
- 1.2 All our deliveries and services are exclusively conducted on the basis of these General Sales and Delivery Conditions. We do not accept contradictory or diverting conditions on part of the customer, unless we have explicitly approved their validity.
- 1.3. Our General Sales and Delivery Conditions also apply to future transactions, even if we do not refer to them in a particular case.

2. Quotation and Conclusion of the Contract

- 2.1 Our quotations are made without obligation and are not binding, unless they have been explicitly marked as binding quotations.
- 2.2 Decisive for the order is our written order confirmation. Should the customer have any objections to the contents of the order confirmation, an immediate protest must be lodged. Otherwise, the contract will be concluded in accordance with the order confirmation.
- 2.3 After placing of the order, requests for changes of the delivery item are only possible with our written approval. Any additional costs that might arise have to be born totally by the customer.

3. Delivery

- 3.1 We will not be held responsible for delays in delivery and in service due to force majeure or due to unforeseeable events or events through no fault of our own that make the fulfilment of the delivery or of the service distinctly more difficult or even impossible, even if binding periods of time and deadlines have been agreed upon. Such events entitle us to extent the time for the delivery or the service by the duration of the impediment not including an adequate period of preparation. Should the impediment last longer than three months, the customer is entitled, after having granted an appropriate additional respite, to withdraw

from the contract. Claims for damage by the customer are in this case not permitted.

- 3.2 Should our delivery be delayed due to gross negligence on our part, we can be held liable for the damage caused by the delay. In case of slight negligence on our part, our liability for proven damage caused by the delay is limited to a compensation for every completed week of delay of 0.5 % each, in total, however, no more than 5.0 % at the maximum for part of the shipment that could not be used purposefully due to the delay.
- 3.3 We are entitled to effect partial shipments as far as the remaining parts are delivered within the stipulated delivery time and where this can be reasonably expected from the customer.

4. Shipment and Passing of Risk

- 4.1 The customer is to bear the costs and the risks for the shipment and transportation of the goods. The risk is passed on to the customer as soon as the goods have left our works. This also applies, if delivery carriage free has exceptionally been agreed. The conclusion of a transport insurance is left to the customer.
- 4.2 If the shipment is delayed due to circumstances for which the customer is responsible, the risk is to be borne by the customer from the day the goods are ready for shipment.
- 4.3 Should we choose the shipping method, the route or the shipping agent, we will only be held liable for a gross negligence regarding the respective choice.

5. Prices and Payment

- 5.1 The prices mentioned in our order confirmation are decisive. These prices are ex works and excluding packing, freight, postage, insurance, customs, other expenses and legal VAT.
- 5.2 Insofar as cost increases which could not be foreseen by us should occur after conclusion of the contract but before the order is carried out, e.g. as a result of increased labour or material costs or by the introduction of new a tax or the significant increase in existing taxes or customs duties, we shall be entitled to amend the prices to reflect the changed circumstances without calculating an additional profit. This does not apply if we are responsible for a delay in delivery.
- 5.3 In case of contracts in foreign currency, and in order to compensate us for the disadvantages resulting from a changing of exchange rate, the customer has to reimburse us the difference to the original price.

- 5.4 Bills of exchange and cheques will only be accepted as means of payment upon explicit agreement. Discount expenses and any other costs are to be borne by the customer.
- 5.5 Payment with discharging effect can only be made to the bank accounts stated by us.

6. Offsetting and Retention

The customer may only offset amounts in case of an undisputed counterclaim or in case of a counterclaim that has been determined to be legally enforceable. The customer is only entitled to exercise a right of retention if this is based on the same contractual relationship.

7. Complaint

- 7.1 On acceptance or receipt of the shipment, the customer must check each shipment for completeness and damage of the packing. Complaints must be lodged with us immediately and in written.
- 7.2 The customer is obliged to immediately examine the goods and to immediately place written claims for obvious faults. Hidden defects must be claimed in writing immediately upon their discovery. Otherwise the shipment is regarded as approved.

8. Warranty Claims

- 8.1 Provided the goods are subject to a defect we have to answer for, we have the right of subsequent performance, according to our own choice, by correcting the fault or by delivering an object free from defects. If we refuse the subsequent performance or if it has failed or if it is unacceptable for the customer, he can assert further legal rights. An slight reduction of the value or of the suitability is out of question. The rules mentioned in section no. 9 apply to claims for damages due to defects.
- 8.2 The customer shall give us the necessary time and occasion for rectification of defects or compensation delivery which might appear necessary to us, otherwise we are exempt from liability for any consequences resulting therefrom. Only in urgent cases of danger for the operating safety or for the defence against unreasonably big damages, the customer has the right to remove the defect on his own or by a third party and to demand from us compensation of the necessary expenses.

- 8.3 Warranty claims of the customer are subject to a limitation period of 12 months from the date of delivery of the item. The statutory periods of limitation, however, apply for items that have been used for a building in accordance with their usual field of application, in case of fraudulent concealment of a defect and in case of recourse of the entrepreneur.

9. Liability

- 9.1 We are held responsible for intent and gross negligence. For slight negligence we will only be held responsible in case of breach of essential contractual obligations that result from the nature of the contract or the breaching of which endanger the contractual purpose from being achieved. Apart from this, the customer has no right to place any claims for damages in case of slight negligence, no matter of the legal argument..
- 9.2 The limitation of liability mentioned above does not apply to claims under the Product Liability Law (Produkthaftungsgesetz), in case of injury to life, body or health of a person. For claims for damage due to material defects, the limitation of liability additionally does not apply, if we have fraudulently concealed a defect or if we have given a guarantee.
- 9.3 Claims for damage in conjunction with material defects are subject to a limitation period of 12 months after delivery of the item. The statutory limitation period applies to the various cases mentioned in section no. 8.3, for intent, for gross negligence, for culpable injury of life, body or health of a person as well as for claims resulting from the Product Liability Law (Produkthaftungsgesetz).

10. Reservation of Proprietary Rights

- 10.1 We reserve the property rights on all goods delivered by us until all active debts from previous contracts have been completely settled. Cheques and bills of exchange as well as due invoices are also considered active debts. If, in conjunction with the payment, we are held liable for a bill of exchange, the reservation of proprietary rights only ceases once the claims resulting from the bill of exchange can no longer be filed against us. We are entitled to assign all claims to third parties.
- 10.2 If the customer defaults on his payments or if it becomes obvious that our demands for payments are endangered due to inadequate competitiveness of the customer, we are entitled to demand the goods back on the basis of the reservation of proprietary rights.

- 10.3 In case of distraint or other interventions of third parties, the customer is obliged to immediately inform us. The customer bears all necessary costs to revoke this action and to recover the delivered item, in as far as it cannot be confiscated by the third party.
- 10.4 Subject to a permissible revocation due to important reasons, the customer is entitled to make use of the delivered item within the scope of an ordinary course of business. Especially collateral assignment and distraint are not permissible. The goods subject to reservation of proprietary rights may only be passed on to the purchaser by the customer, if the customer is not in arrears with his liabilities towards us.

In case of resale, the customer already now transfers all claims to the amount of our invoice total (incl. VAT), from the resale to us, especially requests for payment but also other claims arising in conjunction with the sale, independent of whether the delivered item has been resold without or after processing.

Provided there has not been a permissible revocation by us due to important reasons, the customer is entitled to collect the assigned claims in trust. The resale of the claims in the scope of a true factoring requires our prior approval. For important reasons, we are entitled to make the assignment of the claim known to the third-party debtor, also on behalf of the customer. The customer's collection authorization expires, once the assignment to the third-party debtor has been announced. Should the collection authorization be revoked, we are entitled to ask the customer to name the assigned claims and the debtor, to pass on all information necessary for the collection, to hand out the respective documents and to inform the debtors of the assignment.

Important reasons as defined by these rules are especially given in case of delay of payment, suspension of payment, application for commencement of insolvency proceedings, protest of a bill of exchange or justified indication of over-indebtedness or impending insolvency of the customer.

- 10.5 Treatment and processing of the delivery item by the customer is always performed for us. We are considered a manufacturer as defined by § 950 German Civil Code (BGB) without further obligations. If the delivery item is processed with materials not belonging to us, we acquire the co-ownership for the new object in the ratio of the value of the invoice amount at the cost price of the other processed materials. The same regulations apply to the object resulting from the processing as to the delivered item.
- 10.6 If the delivery item is connected, mixed or blended with moveable goods of the customer in such way that the object of the customer has to be considered as main object, the customer hereby transfers to us, already by now, his property in the new product in the ratio of the value of the delivery object to the value of the other connected, mixed or blended object. If the delivery object is connected, mixed or blended with moveable objects of a third party in such way that the object of the third party has to be considered as main object, then, the customer

hereby transfers to us, already by now, his right to compensation against such third party at a share of the goods subject to our title of ownership in the final invoice amount.

The new object resulting from connection or blending, or, respectively, the rights of (co-)ownership in the new object we are entitled to or that shall be transferred to us, as well as the rights of compensation assigned to us according with the preceding clause serve to provide security for our claims in the same way as the goods delivered do.

- 10.7 As far as the reservation of proprietary rights or the assignment of claims is invalid or unenforceable due to any mandatory foreign law, the security right equivalent to the retention of title or assignment of claims in such region shall be deemed to have been agreed. If this requires the co-operation of the customer, the customer shall take all necessary steps to create and maintain such security right.

11. Place of Performance, Court of Jurisdiction, Applicable Law

- 11.1 Unless otherwise agreed, the place of performance for delivery, payment and all other liabilities resulting from the contractual relationship is our domicile.
- 11.2 For both parties, insofar it relates to merchants or legal entities governed by public law, the court of jurisdiction for all litigation resulting from the contractual relationship as well as its formation and its validity is the court responsible for our place of business or Frankfurt/Main. We may also, at our choice, file suit at the court of jurisdiction responsible for the customer's place of business.
- 11.3 The contractual relationship is subject to the laws of the Federal Republic of Germany. The „United Nations Convention on Contracts for the International Sale of Goods“ (CISG) is not applicable.
- 11.4 In case of discrepancies between the English version of these Terms and Conditions of Delivery and the German, the German version prevails.



General Conditions of Purchase (Rev. August 2007)

1. Scope

- 1.1 These General Conditions of Purchase shall apply for any and all business transactions (goods and services) with the Supplier. We do not agree with any opposing or deviating sales and delivery conditions stipulated by our suppliers unless we have explicitly agreed to such general sales and delivery conditions. Even if we have accepted or paid for goods and services, this does not imply that we have agreed to our suppliers' general sales and delivery conditions.
- 1.2 These General Conditions of Purchase also apply for future contractual relations with the Supplier, even if we do not expressly refer to them again.
- 1.3 Our General Conditions of Purchase only apply to companies as defined by § 14 German Civil Code (BGB).

2. Quotation / Conclusion of the Contract

- 2.1 We shall only be bound to our order if it is acknowledged by the Supplier in writing within a period of 7 days.
- 2.2 If the order confirmation varies from the order, especially concerning the price or the time of delivery, the Supplier has to advise us separately on it. These variations will only form a part of the contract if they are confirmed in writing.

3. Prices / Offsetting and Retention

- 3.1 The stipulated prices shall be binding fixed prices. Unless otherwise agreed in writing the price shall include delivery free to our address, including packing. Return of the packing material shall be made at the expense of the Supplier.
- 3.2 We shall be entitled to rights of offsetting and retention to the extent that is provided by law.
- 3.3 All prices are net prices excluding legal VAT.

4. Delivery Time

- 4.1 The stipulated dates and periods of delivery shall be binding and are to be strictly observed. The relevant date is the date of receipt of the goods at our premises or at the receiving office agreed upon or indicated by us.
- 4.2 As soon as the Supplier becomes aware of the possibility of delays in delivery, he shall immediately notify us thereof in writing, with a statement of the reasons and the probable duration of the delay. This shall not affect the responsibility of the Supplier to observe the stipulated date of delivery.
- 4.3 In case of a delay in delivery, we are entitled to the statutory claims. In addition, we are entitled to demand a contractual penalty of 1.0 % of the total value of the order for each finished week of the delay, up to a maximum of 5.0 % of the total value of the order. We reserve the right to assert claims for additional damages. We shall declare reservation of a contractual penalty at the latest upon receipt of the invoice which follows the delayed delivery.

5. Passing of Risk / Place of Fulfilment

- 5.1 The risk of complete or partly loss, damage or other deterioration of the goods is passed to us after acceptance of the goods at the receiving office.
- 5.2 Place of fulfilment for the Supplier's deliveries and services shall be Birkenfeld-Gräfenhausen or the receiving office determined by us.

6. Claims as to Defect

- 6.1 The Supplier shall only ship goods that have been thoroughly checked and been authorised to be fit for shipping and, therefore, we shall not be required to perform a detailed incoming goods inspection at our premises. As far as it is appropriate for our regular course of business, we will check the received goods for variation in quality or quantity. Any notice of defects shall be timely insofar as such is received by the Supplier within 5 working days.
- 6.2 We shall be entitled to full extent to the legal claims based on defects..
- 6.3 Unless otherwise agreed, the period of limitation for defects of material and in title is 36 months, unless a longer period of limitation is provided for by law.

7. Industrial Property Rights

- 7.1 The Supplier assures that the delivered items do not infringe on any national or international industrial property rights and guarantees us complete freedom and

authorisation under copyright law to use them and trade with them on the national and international market.

- 7.2 In the event of a claim made against us by a third party due to the infringement of national or international proprietary rights concerning the delivered goods, the Supplier will indemnify us from all claims and reimburse us for the damage arising as a result thereof.

8. Product Liability

Should a claim be made on us on the basis of the law on product liability (Produkthaftungsgesetz) or other regulations due to a product fault or if we incur damage in another way in connection with the delivery of a faulty product, in particular through necessary call-back, retrofitting, etc., the Supplier has to indemnify us therefrom and reimburse us for the damage insofar as the damage is the result of a fault in the consignment for which he is responsible. In cases of liability with fault this shall, however, only apply if the fault is attributable to the Supplier. If the cause of damage is within the Supplier's area of responsibility, he shall bear the burden of proof in this respect. The Supplier shall, in these cases, bear all costs and expenses, including the costs of a possible prosecution. The Supplier undertakes to take out adequate product liability insurance.

9. Place of Performance, Court of Jurisdiction, Applicable Law

- 9.1 The place of performance for both parties concerning all obligations arising from the contract, in particular, for delivery and payment, shall be our place of business or the place of performance named by us.
- 9.2 The court of jurisdiction for both parties, insofar it relates to merchants, concerning all legal disputes arising from the contractual relationship as well as the origination thereof and its validity shall be the court responsible for our place of business. We may also, at our choice, issue proceedings against the Supplier at his place of jurisdiction.
- 9.3 The contractual relationship is subject to the laws of the Federal Republic of Germany. The „United Nations Convention on Contracts for the International Sale of Goods“ (CISG) is not applicable.
- 9.4 In case of discrepancies between the English version of these Purchase Conditions and the German version, the German version prevails.