

## Sales and delivery conditions

### I. Validity / General

Our sales and delivery conditions apply to all - including future - contracts with companies, legal persons under public law and separate estates under public law exclusively. Conflicting conditions or customer's conditions which differ from our own - in particular the customer's purchasing instructions - will not be accepted even if we do not specifically object to these on receipt.

### II. Offers

Our offers are subject to confirmation. Orders are only binding on us when we confirm them in writing. Oral agreements, promises and subsidiary agreements are only binding on us when we confirm them in writing.

Confirmations of orders which are not objected to within 8 days are deemed to have been approved and accepted in all parts. The time limit for registering an objection has been kept to when the letter of objection is sent within this period of time.

The information and illustrations shown in prospectuses, catalogues and other printed material are approximate values which are customary in this trade and are to this extent not binding on us.

Explanations relating to the nature and quality of goods do not represent a warranty. In all cases any reference to standards and other details of materials includes the more detailed designation of the goods and does not justify a warranty in respect of the nature and quality or the durability of the goods.

### III. Drawings and descriptions

If one party to the contract makes available to the other party drawings or technical documentation which relates to the goods to be delivered or to their manufacture, then these remain the property of the party to the contract which makes them available.

### IV. Prices and conditions of payment

Our prices are stated in Euro and exclude sales tax, freight, packing, postage and insurance.

Unless anything else is agreed in writing, the purchase price and the payments for performances of additional services are due for payment without deduction within 30 days after delivery.

In all cases, any discount which has been agreed to relates solely to the invoice value excluding freight costs and presupposes that all liabilities on the part of the purchaser have been met in full at the time of the discounting.

Cheques and bills of exchange are only considered to be payments after they have been cashed. We will only accept bills of exchange following prior written agreement. The expenses and costs which are incurred in respect of bills of exchange and cheques as well as the risk in respect of presentation and making protest in good time are the sole responsibility of the purchaser. The expenses and costs shall be paid immediately and in cash by the purchaser.

In the event of delay in payment and justified doubts relating to the purchaser's ability to pay or creditworthiness, we are authorized, notwithstanding our other rights, to insist on the provision of securities or of advance payments for outstanding deliveries and to insist on immediate payment of all claims resulting from the business connection.

Only undisputed or non-appealable claims entitle the purchaser to set-off payments.

In the event of notifications of defects, payments may be withheld to an extent which is appropriate with regard to the defects which have occurred. The purchaser can only withhold payments when a notification of defects is put forward about the justification of which there can be no doubt.

If we have indisputably delivered faulty goods in part, the purchaser is nevertheless obliged to make payment for the flawless part of the delivery unless the part-delivery is of no interest to him.

Price amendments are permissible if the period of time between the signing of the contract and the agreed delivery date is more than six weeks. If wages, material costs or cost prices as determined by the market increase after expiry of this period until the delivery takes place, we are authorized to increase the price in accordance with the price increases. Amendments to the rate of sales tax also authorize us to adjust the prices accordingly.

## V. Delivery

Provided nothing to the contrary has been agreed, we deliver on an "ex-works" or "ex-warehouse" basis.

The delivery period commences with the sending of the confirmation of order, but not before the production of any documentation, approvals or releases which the purchaser may need to provide, or before receipt of an agreed down-payment or the presentation of letters of credit and guarantees.

The delivery period has been kept to if, by the time of its expiry, the purchaser has been advised that the goods are ready for dispatch or the goods have left our works or warehouse.

Our obligation to deliver is suspended as long as the purchaser is in arrears with an obligation.

The delivery period is extended in the case of force majeure, of measures taken within the framework of industrial action, in particular strikes and lock-outs, as well as in the case of unforeseen hindrances which lie beyond our control, e.g. interruptions of operations, delays in the delivery of essential materials insofar as such hindrances are shown to have a major effect on the delivery of the goods. This also applies when these circumstances affect our sub-suppliers. The delivery period is extended by the period of duration of such measures and hindrances. In addition, we are not liable for the circumstances described above if they occur during an existing delay in performance. In important cases, the purchaser will be advised as soon as possible of the commencement and end of such hindrances.

Part-deliveries are permitted within the delivery period stated by us provided that these do not result in disadvantages for use.

In the event that the period of delivery is exceeded as a result of negligence, failure to deliver shall only apply following the granting of a subsequent delivery period of three weeks.

## VI. Dispatch and passing of risk

The purchaser shall take over goods as soon as he has been informed that they are ready for dispatch, otherwise we are entitled to dispatch or store them at our discretion and at the purchaser's expense.

We specify the method and means of dispatch as well as the forwarding agent and carrier.

The passing of risk to the purchaser for all transactions, including deliveries which are delivered free and franco domicile, takes place when the goods are handed over to the rail carrier, the forwarding agent or the

carrier, but at the latest when they leave the delivery works or the warehouse. We shall only take care of insurance on the instructions and at the expense of the purchaser.

## VII. Reservation of title

We reserve title to all delivered goods (goods to which title has been reserved) until all our claims have been met, including and in particular the relevant balance of account claims to which we are entitled within the framework of the business relationship. This also applies to contingent claims which arise in the future, for example resulting from bills of exchange, even if the purchase price has been paid for certain deliveries of goods as specified by the customer, as the goods to which title has been reserved act as security for our claim.

Processing in any way of the goods to which title has been reserved takes place for us as manufacturers, but without placing us under any obligation. The processed goods are deemed to be goods to which title has been reserved within the meaning of 1. above. If the purchaser processes, connects or mixes the goods to which title has been reserved with other goods, then we are entitled to co-ownership of the new product in the ratio of the invoice value for the goods to which title has been reserved to the invoice value of the other goods which were used. If our property ceases to exist as a result of the connection or mixing, then as of now the purchaser transfers to us the ownership rights in the new goods or product to which he is entitled to the extent of the invoice value of the goods to which title has been reserved and shall store them for us free of charge. Our co-ownership rights are deemed to be those which apply to goods to which title has been reserved within the meaning of 1. above.

The purchaser is only permitted to sell the goods in the normal course of business provided that the claims resulting from the resale in accordance with nos. 4 to 6 are transferred to us. He is not authorized to dispose of the goods in any other way, in particular in respect of assigning of them or transfer by way of security. Authorization to resell the goods lapses if the purchaser has agreed to a prohibition of assignment with his customers.

As of now, the claims resulting from the resale of the goods to which title has been reserved, together with all securities which the purchaser acquires for the claim, are assigned to us. They serve to the same extent for the purpose of providing security as the goods to which title has been reserved. If the goods to which title has been reserved are sold by the purchaser together with goods which were not purchased from us, the claim resulting from the resale shall be assigned to us in the ratio of the invoice value of the goods to which title has been reserved to the invoice value of the other sold goods. In the case of the resale of goods to which we have co-ownership shares in accordance with 2. above, a corresponding part of our share of co-ownership shall be assigned to us.

The purchaser is authorized to collect claims resulting from the resale. This authorization to collect claims shall lapse if revoked by us, in the event of delays in payment, the dishonouring of a cheque or bill of exchange, or if application is made for the opening of insolvency proceedings. We will only make use of our right to revocation if the purchaser fails to meet his obligations to make payments. However, if this is the case, we can call upon the purchaser to inform us of the claims which have been assigned and debtors, to provide all details necessary for collection, to hand over the relevant documentation and to inform the debtors (third parties) immediately of the assignment.

Any assignment of claims resulting from the resale is not permitted unless this is an assignment carried out for the purpose of genuine factoring, of which we are to be informed, and in which the proceeds of the factoring exceed the value of our secured claim. Our claim shall be due for immediate payment when the proceeds of the factoring are credited.



As of now, the purchaser also assigns claims to the value of the goods delivered in respect of services or work performance (§§ 611, 631 BGB) which cause the reservation of title to lapse as a consequence of §§ 946 – 950 BGB or which are connected with the object of purchase (in particular claims relating to repair costs).

In cases of behaviour on the part of the purchaser which is contrary to the terms of the contract, in particular in respect of a delay in payment or in the case of the dishonouring of a cheque or bill of exchange, we are authorized to take back the goods to which title has been reserved. We are also authorized to withdraw from the contract without giving any notice of this. The taking back of the goods is not deemed to be a withdrawal from the contract unless there has been a special written declaration in this respect.

Until our claims have been met in full, the purchaser shall neither pledge the goods nor transfer them by way of security. In the case of attachment of property or confiscation or any other disposal of the goods by third parties, the purchaser shall inform us immediately by registered letter and make available to us all information and documents which are necessary for us to safeguard our rights. Enforcement officials and/or any third party must be informed of our ownership of goods.

If the value of the securities exceeds our claims by more than 20%, then to this extent, and if called upon to do so by the purchaser, we shall release securities of our choice.

### VIII. Liability for defects

If acceptance of the goods, or a test of initial samples, was agreed, then complaints about defects which the purchaser could have determined using careful acceptance procedures or a test of initial samples are excluded.

If we deliver on the basis of drawings, specifications, samples etc which the purchaser provides, then the purchaser assumes the risk of suitability for the planned use.

The purchaser shall immediately check the goods for defects in respect of their condition and quality, quantity and intended purpose; insofar as this is reasonable, he should also process a sample. Obvious defects will only be taken into consideration if they are reported in writing, enclosing supporting evidence, within eight days after receipt of the goods, and following their discovery in the case of hidden defects; otherwise the goods are deemed to have been approved. Posting in good time is sufficient to ensure that the time limit has been kept to.

If the purchaser fails to give us an immediate opportunity to determine the defects about which the complaint has been made, and in particular if he fails, when called upon to do so, to place at our disposal the goods, or samples of these, about which the complaints have been made, our liability for defects lapses.

At our discretion, our liability for defects is limited to subsequent fulfilment (rectification of defects or a delivery of replacements), withdrawal or a lowering of the purchase price. As long as we meet our obligations to rectify the defects, the purchaser does not have the right to call for a reduction in the purchase price or to withdraw from the contract unless the subsequent improvement has failed. A subsequent improvement is deemed to have failed following an unsuccessful third attempt. Goods about which complaints have been made may only be returned with our express agreement.

The liability for defects in respect of immaterial defects and for defects in used articles is excluded. Public statements, recommendations or advertising on the part of the manufacturer do not represent contractual details in respect of the quality of the goods unless these are specifically assumed by us.



Liability for defects in respect of a defect relating to new goods which are not building material lapses within a year after delivery of the goods provided that we are not liable on the grounds of intention or fraudulent non-disclosure of a defect of which we were aware.

In all cases, natural wear and tear is excluded from liability for defects.

If the goods have been transported to another place following delivery, compensation for the costs of subsequent fulfilment (in particular costs for transport of any kind and for processing and materials) are excluded.

We are authorized to refuse to supply replacement goods if the purchaser has already made use of the defective article for a longer period of time. If the purchaser can nevertheless call for the delivery of replacement goods, we are entitled to assert a claim for compensation for lost value for the use which the customer has had and to refuse to carry out subsequent fulfilment until the relevant sum has been paid.

Claims for compensation on the part of the purchaser are regulated finally in para. IX.

The statute of limitations in respect of a claim made against us is not suspended by negotiations which are carried out between the claimant and ourselves or our representatives. In every case, negotiations relating to claims made against us are deemed to have failed unless the opposite is expressly declared by us or by our representatives.

### IX. Claims for compensation

Claims for compensation by the purchaser are excluded. This does not include claims by the customer on the grounds of the product liability act; compensation resulting from injury to life, the body or to health as well as infringement of an important contractual obligation if the purchaser bears the liability for such infringement, and for other losses resulting from deliberate or grossly negligent infringement of obligations on the part of the seller. Dereliction of duty on the part of the seller's legal representative or vicarious agent is deemed to be the same as dereliction of duty on the part of the seller.

If the infringement relates to minor negligence in respect of an important contractual obligation, our liability is restricted to the foreseeable loss such as is typical in a contract.

Any claims against us lapse within one year after the legal start of the period of limitation; this shall not apply insofar as we are liable on the grounds of deliberately negligent actions.

The statute of limitations in respect of a claim against us is not suspended by negotiations which are carried out between the claimant and ourselves or our representatives. In every case, negotiations relating to claims made against us are deemed to have failed unless the opposite is expressly declared by us or by our representatives.

### X. Place of performance, place of jurisdiction and applicable law

The place of performance for our deliveries is the delivery works in the case of deliveries ex works, and the warehouse in the case of the other deliveries.

For all disputes resulting from the contractual relationship, the legal proceedings must be instituted at the court which has jurisdiction for our principal place of business (Obere Industriestr. 24 – 26, 57250 Netphen). We are also authorized to institute proceedings at the purchaser's registered office.

As a supplement to these conditions, only German law applies. The provisions of the agreement dated April 11, 1980 relating to contracts in respect of the international sale of goods (CISG) do not apply.