

## General Terms and Conditions (Translation of the prevailing German text "Allgemeine Geschäftsbedingungen")

**I. Scope of Application** The following Terms and Conditions apply exclusively to all present and future business relations between us and our business partners (hereinafter "Customer"), unless otherwise individually agreed upon in writing. Deviating, conflicting or supplementary General Terms and Conditions of the Customer shall not become subject matter of the Contract, even if we are aware of these. Customers within the meaning of these Terms and Conditions are entrepreneurs.

**II. Conclusion of Contract and Subject Matter of Contract** 1. Our tenders are subject to change without notice. We reserve the right to make technical alterations and alterations to the form, colour and/or weight of the goods to a reasonable extent. 2. All statements and data in our catalogues, price lists and/or stock lists are not binding upon us. 3. The properties of the goods shall ensue exclusively from our product description or, if the goods are manufactured by a third party, from the third party's product description as well as from our agreements with the Customer. Public comments, claims or advertising, even by another manufacturer, shall furthermore not constitute contractual information on properties of the goods. 4. Upon placing a purchase order the Customer bindingly declares that he wishes to purchase the goods ordered. We shall be entitled to accept the contractual offer in the purchase order within 10 days after we have received it. Acceptance may be declared either in writing or by delivering the goods to the Customer. The Contract shall be concluded on condition that our supplier delivers the correct goods to us on time. This applies only in cases where we are not to blame for non-delivery, particularly in the event that we have entered into a congruent covering transaction with our supplier. If the performance is not available, the Customer shall be informed without delay. The valuable consideration shall be refunded without delay.

**III. Delivery, Passage of Risk** 1. Our obligation to deliver and our delivery periods shall ensue exclusively from our agreements with the Customer. 2. All goods ordered shall be delivered in the normal course of business and during customary business hours. If a delivery is made to the Customer outside of customary business hours at his request, the Customer shall pay additional expenses incurred as a result thereof. The delivery shall be made in the packaging unit stated. 3. Events of force majeure, industrial disputes, power shortages, official actions through no fault of our own as well as plant interruptions through no fault of our own shall release us from the performance of our assumed contractual obligations for the duration of these events. We may only plead the aforementioned circumstances, if we notify the Customer without delay. If such an event lasts longer than two months, we shall be entitled to cancel the Contract. The events specified above shall also be deemed to release the Customer from his obligation to perform, in so far as such events occur at the Customer or within his sphere of control and organisation. The same applies in respect of the right to cancel the Contract. 4. Part deliveries and performance by instalments shall be allowed. In respect of payment, formal acceptance, default in taking delivery and the assertion of a claim under the warranty every part delivery and every instalment of performance shall be deemed an independent delivery or performance. 5. The risk of accidental loss or accidental deterioration of the goods shall pass to the Customer at the time of hand-over or, if sold to a destination according to the Customer's instructions, at the time when the goods are surrendered to the forwarder, the carrier or any other person designated to carry out the shipment. If the Customer defaults on requesting delivery, formally accepting the goods or collecting the goods, or if the Customer is to blame for a delay, this shall be deemed equivalent to the time of hand-over. 6. We shall designate the party assigned to make the delivery. 7. The delivery item shall be insured only at the express request of the Customer and at his expense. 8. Return shipments shall be accepted only according to prior agreement, in original packaging units and carriage prepaid.

**IV. Prices, Payment, Default, Offsetting / Retention** 1. Deliveries and services shall be rendered at the current prices / list prices prevailing on the day of delivery / performance or at agreed selling prices plus statutory turnover tax. Price changes shall become effective once the Customer has been notified thereof. 2. Payments shall be made as instructed in the acknowledgement of the order. Unless otherwise agreed, our invoices shall be payable within 10 days after the agreed date of delivery / performance with a 3 % cash discount or within 30 days without any deduction. Amounts under 100.00 € shall be payable immediately without any deduction. 3. Bills of exchange shall be accepted only if agreed upon in writing. Discount charges and collection charges shall be chargeable to the Customer. A payment shall first be deemed made once the amount owed has been irrevocably credited to us. 4. The Customer shall check that balance statements and other settlement statements are correct and complete and shall raise objections in writing within two weeks after having received a balance statement or settlement statement. Otherwise these shall be deemed approved, provided that we have drawn the Customer's attention to his right to object. 5. In the event of default in payment we shall be entitled to assert damages caused by default at the rate of 8 % above the fixed base interest rate. We reserve the right to prove and assert damages over and above this in connection with default. The Customer for his part may prove that damages in excess of the statutory default interest rate have arisen. Default in payment by the Customer shall entitle us to render outstanding invoices due and payable immediately and to make further deliveries / services conditional upon the payment of arrears. 6. The Customer may only offset undisputed or legally established claims against our claims. The Customer shall only have a right of retention, if this is based on the same contractual relationship.

**V. Reservation of Title** 1. We shall reserve title to the delivered goods until all claims arising from the business relationship up to the time of invoicing have been fully paid and any balance arising from a current account relationship that is payable by the Customer at this time has been settled. The Customer shall be entitled to resell the goods in the normal course of business. The Customer already now assigns to us, in the sum of the invoiced amount, all claims that accrue to him against a third party as a result of reselling. We accept this assignment of claims. The Customer shall be authorised to collect on claims after the assignment of claims. We reserve the right to revoke the power to collect on claims and to collect on claims ourselves, as soon as the Customer fails to duly meet his obligations to pay and defaults on payment. The same applies, if the Customer enters into material financial difficulties or an application for the commencement of insolvency proceedings or composition proceedings is filed. 2. Processing of the goods by the Customer shall always occur in our name and on our behalf. If the goods are processed with items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the value of the goods delivered by us to the other processed items. The same applies, if the goods are inseparably mixed with other items not belonging to us or are combined with such items such that the goods become an integral part of a unitary item. 3. In so far as the security to which we are entitled exceeds the realisable value of our claim by more than 20 %, we shall be obliged to release corresponding security at the Customer's request. We shall be responsible for selecting the security to be released.

**VI. Warranty, Period of Limitation** 1. The Customer shall be obliged to promptly examine the deliveries and report any defects in writing, specifically describing the defects. Objections about apparent defects and about deviations in quantities quoted on delivery notes shall be raised at the time of receiving the goods, but no later than within 10 days. Defects that cannot be discovered immediately, even on inspection with utmost care, shall be reported to us in writing without delay after the discovery thereof. If the Customer fails to meet the above obligations, our liability on account of these defects shall be excluded. 2. In the event of a justified complaint, we shall warrant for defects in the goods initially by remedying defects or delivering a replacement at our option. 3. If the subsequent performance fails, the Customer shall be entitled to demand at his option a reduction in the price or a cancellation of the Contract. However the Customer shall not have a right of cancellation in the case of merely a minor lack of conformity with the Contract. If the Customer elects to cancel the Contract on account of a defect in title or a defect of quality following a failure to subsequently perform, the Customer shall furthermore not be entitled to compensatory damages on account of the defect. If the Customer elects to assert compensatory damages, the goods shall remain with the Customer, if the Customer can be reasonably expected to accept this. Compensatory damages shall be limited to the differential amount between the purchase price and the value of the defective goods. This shall not apply, if we maliciously caused the breach of Contract. 4. In the case of damage caused by intent or gross negligence we shall be liable in accordance with legal regulations. We shall also be liable, in so far as a material contractual duty is culpably breached. We shall not be liable for a breach of immaterial contractual duties by ordinary negligence. This shall not affect liability for compensatory damages in lieu of performance. In the aforementioned cases, except liability for intent, the extent of our liability shall be limited to foreseeable direct average damage typical of the Contract. This also applies to personal liability on the part of our personnel, salaried employees and representatives as well as on the part of persons employed by us to perform an obligation. 5. Legal liability on account of personal injury of any kind whatsoever shall remain unaffected. The Customer's claims arising from liability under the Product Liability Act [Produkthaftungsgesetz] shall also remain unaffected. 6. If the Customer receives unsatisfactory assembly instructions, we shall merely be obliged to deliver assembly instructions that are free from errors, and only if the error in the assembly instructions stands in the way of proper assembly. 7. The Customer shall not receive from us guarantees in the legal sense. Manufacturer's guarantees on our part or on the part of third parties shall remain unaffected by this. 8. Damage claims of the Customer on account of a defect shall become statute-barred one year after the delivery of the goods. This shall not apply, if we are guilty of gross negligence and where we are to blame for physical injury, damage to the Customer's health or the loss of the Customer's life.

**VII. Final Provisions** 1. All Contracts and these Terms and Conditions shall be governed by the law of the Federal Republic of Germany. The provisions of the UN Convention on Contracts for the International Sale of Goods is inapplicable. The wording of the Contract and these Terms and Conditions in German shall prevail. 2. Our principal place of business is the place of performance for all our obligations and for all obligations to pay and other contractual obligations of the Customer. 3. Our principal place of business is the place of jurisdiction for professional merchants. The same applies where a Customer is not a professional merchant, but does not have a place of general jurisdiction in Germany or his place of residence or habitual abode is not known at the time when an action is brought. 4. We shall be entitled to record, store, process and transmit all Customer data arising from the business relationship. In this connection it shall be ensured that the Customer's interests worthy of protection are not impaired.