

## I. Applicability

All contracts of delivery are concluded and executed in accordance with our terms and conditions set forth herein. Orders received from the purchaser shall be construed as acceptance of these terms and conditions. Any different terms, including conflicting terms of the purchaser, and any amendments or addenda to the contracts of delivery must be confirmed by us in writing if they are to become legally effective. Should any individual provisions of these terms be invalid, this shall not affect the validity of the remaining terms and conditions.

## II. Conclusion and contents of contracts of delivery

- Orders placed with us require written confirmation of acceptance from us. Such confirmation shall determine the scope of our obligations to deliver. This shall also apply where an offer has been made by us prior to the conclusion of the contract.
- All illustrations, drawings and data concerning weights and dimensions shall, unless expressly confirmed as binding, only be approximate. We shall retain title and copyright rights with respect to all quotations, models, patterns, plans, illustrations, drawings and other documentation. These may not be duplicated or, in particular, made accessible to companies competing directly or indirectly with us without our written consent. In cases where a contract is not concluded, we retain the right to demand the return of all our documentation.
- Any errors in printing, spelling or calculation, or similar, shall not be binding upon us where the error is obvious for the purchaser or where acceptance of the delivery can reasonably be expected of the purchaser on the basis of corrected data, in consideration of our interests.
- Where, as a result of continuing product development, changes are made to our products subsequent to the conclusion of the contract, we shall be entitled to supply the modified product version. We are thereby entitled to supply goods which are different from models, patterns, plans, illustrations, drawings, descriptions, colours and any data concerning weights, dimensions, quality or other data, provided that these are reasonable for the purchaser in consideration of our interests.

## III. Prices, insurance

- All prices are ex-works exclusive of packaging, insurance, and other initial costs.
- Packaging shall be charged at cost price and is non-returnable. No credit shall be given for returned packaging.
- Except where otherwise agreed, there shall apply to our deliveries the terms: Incoterms 2000
- The onus of risk in respect of the items delivered passes, with delivery ex works, over onto the purchaser. No transport insurance shall be taken out by us, this responsibility being incumbent rather on the purchaser. The costs of any goods lost or damaged in transport shall be borne by the purchaser; such loss or damage shall in no way absolve the purchaser of the obligation to pay the invoice. We shall for our part provide proof of effected delivery. Should the purchaser have any special wishes in respect of transport or insurance, these should be communicated to us in good time.
- Where changes occur in the basis of costs, we reserve the right to charge prices valid on the date of delivery.
- Turnover tax at the current rate shall be added to prices charged for domestic deliveries.

## IV. Terms of payment

- Our invoices – also in the case of part-deliveries – are to be paid within 14 days of the date of invoice, or date of notification of readiness for dispatch, strictly net and without any sort of deduction.
- In the case of contracts of delivery with a value in excess of € 30,000 – 1/3 of the price shall be payable upon receipt of the order confirmation and 2/3 upon receipt of the goods or of notification of readiness for dispatch.
- Credit notes for bills of exchange or cheques shall be valid dependent on receipt, notwithstanding any earlier date of payment of the purchase price where the purchaser is in default. They shall be accepted at their value on the date on which we receive their countervalue. Any discounts, expenses and duties on bills of exchange shall be charged to the purchaser. Where we are liable to a bill of exchange, no discount shall be made.
- Where payment is not made within 14 days of the date of payment stipulated under 1 above, or within the deadlines for payment as stipulated under 2 above, the purchaser shall be deemed to be in default upon expiry of such periods, without the issue of any demand for payment's being here required. In the event of default, default interest amounting to 4% above the applicable Lombard rate of the German Federal Bank (§ 247 of the German Civil Code) shall be charged. We reserve the right to make further claims for damages arising from default.
- Where the purchaser fails to comply with the terms of payment, or where circumstances arise which are likely to adversely affect the creditworthiness of the purchaser, all amounts due to us shall become payable immediately. In such cases, we shall be entitled to demand advance payment for contracts not yet performed or, upon expiry of a reasonable extension period, to rescind the contract or to claim damages for non-performance. We shall further be entitled to prohibit the purchaser from reselling the goods and to regain possession of them.
- The purchaser shall not be entitled to withhold payment due to claims outstanding to him, nor to set payments off against any such outstanding claims, where such claims are contested by us or are not established by a court.

## V. Delivery

- Delivery times are given to the best of our ability, such that they can be met in cases of normal production operations. They commence on the date of our confirmation of the order, though not before all details of the execution of the contract have been clarified, and likewise all conditions that need to be fulfilled by the purchaser, including his making of any advance payments that may have been agreed upon.
- The delivery date shall be deemed to be met where notification of readiness to dispatch is given on time. This shall also apply where dispatch is not carried out or is delayed for reasons for which we are not responsible.
- We shall be entitled to make deliveries or partial deliveries before the end of the delivery period.
- The agreed delivery period shall be extended, notwithstanding our rights arising from default on the part of the purchaser, by the period by which the purchaser is in default of payments due to us.
- The delivery period, and that of our suppliers, shall be extended correspondingly in the case of measures arising from industrial disputes, in particular strikes and lockouts, and in the event of unforeseeable obstacles which are beyond our control, in as far as such obstacles can be shown to have a significant influence on the completion or supply of the ordered goods. We shall not, furthermore, be responsible for any delay caused in this way where the aforementioned circumstances arise during a period of default.
- Excluded are any claims – particularly claims for damages or compensation – raised by the purchaser as a result of failure to meet a deadline, this applying even to a specially and additionally set extended deadline. This provision shall not apply where liability exists under law due to intent or gross negligence. The purchaser's right to rescind the contract where such an extended deadline has not been met is not affected by this provision.

- In the case where on-site installation shall form part of the services contracted for with us, it shall, unless the contrary has been agreed in writing, be incumbent on the purchaser to ensure, at his own cost, that all prerequisites of such installation shall be, in due time, at hand and available on the site in question. In the case where the services which we shall have been contracted to provide are provided only with delay by reason of the fact of the purchaser's not having fulfilled his obligations in this regard, said purchaser shall be obliged to compensate us for any additional expenditure of time and effort so ensuing.
- In the case where the dispatch or the acceptance of the items to be delivered is delayed for reasons for which the purchaser bears responsibility, said purchaser will, after the elapse of one month from date of notification of readiness for dispatch or for acceptance, be invoiced for the costs arising from said delay.

## VI. Passing of risk, dispatch

- The risk passes (also in the case of partial deliveries) to the purchaser upon delivery of goods to him or, in cases of dispatch (including where our own transport is used or goods are delivered free of charge) where loading is completed at the works or the consignment store. The risk passes (also in the case of partial deliveries) to the purchaser when goods are ready or are notified as ready in cases where the delivery or dispatch is delayed or prevented by circumstances for which we are not responsible.
- Except where some specific agreement in this respect has been made with the purchaser, the choice of dispatch route and means of transport will be made at our discretion.

## VII. Retention of title

- All delivered goods shall remain our property until such time as all payments, including those which may become due in future, have been paid, and until such time as any contingent liabilities have been settled. This shall also apply to payments relating to any struck and accepted balance in the case of open accounts
- The processing of reserved goods undertaken by the purchaser shall be carried out on our behalf. Contrary to the provisions of § 950 BGB (German Civil Code), the purchaser does not acquire title. No obligation shall arise on our part from the processing of such goods. In cases covered by § 947 and § 948 BGB (combination and commixtion) the purchaser transfers title or joint title to the new items to us with immediate effect and holds them on our behalf. Where, for whatever reason, title does not pass to us, the purchaser shall assign to us with immediate effect any claims under § 951 BGB.
- Reserved goods shall be held and stored separately from other goods. The purchaser shall only be entitled to sell reserved goods in the ordinary course of business, and not e.g. by way of pledge or of transfer of ownership by way of security. The purchaser shall inform us without delay of any imminent or executed levy of execution or of any other impairment of our rights by third parties.
- With immediate effect the purchaser assigns to us by way of security all claims arising from the resale of reserved goods, including any subsidiary rights. At our request, the purchaser shall be obliged to notify his purchasers of such assignment and to submit to us all documents necessary for the assertion of our rights. Until such time as we assert our right to collect outstanding accounts, which we are entitled to do at any time, the purchaser shall be entitled and obliged to do so and shall transfer the amount collected to us without delay.
- Where the value of securities exceeds the value of the debts secured by more than 25%, we shall be obliged, at the request of the purchaser, to release securities. Such securities shall be selected by ourselves.
- The assertion of our right to reserve title or to seize goods by way of execution shall not constitute rescission of the contract, except under relevant provisions of the Abzahlungsgesetz (German law on instalments).

## VIII. Warranties, liability

- We warrant a warranty as stated below against defects in our goods and services and against nonconformance, provided that it can be shown that such defects or nonconformance existed on the date on which risk passed to the purchaser, that is insofar as the defect shall have arisen within six months of installation or within twelve months at the latest of the passing of risk and provided that the purchaser shall have reported the defect in writing without delay.
- We shall repair defective parts or replace goods at our option. Any replaced parts shall become our property.
- Warranties in respect of goods delivered outside the Federal Republic of Germany are restricted to claims which would have arisen at the crossing of the border in the case of warranty claims.
- Our liability in respect to items not wholly of our manufacture shall be limited to the assignment of liability claims to which we are entitled against the supplier of the item in question.
- No warranty shall apply where the purchaser makes alterations or repairs to the item delivered without our prior consent, or allows third parties to make such alterations or repairs, without first giving us time and the opportunity to make such repairs ourselves. Only in urgent cases where operational safety is threatened or in order to avert particularly serious damage, of which we shall be informed immediately, or where we are in default in making good the defect, shall the purchaser be entitled to repair the item or to have it repaired by a third party and to demand payment from us for the work carried out. No warranty shall apply where the purchaser has failed to fulfil his obligations under the contract, in particular where he is in arrears, or partly in arrears, with payments.
- A warranty period of three months shall apply to replacement parts and repairs. The warranty shall, however, remain in effect at least until the expiry of the original warranty for the item supplied.
- Where any repairs or replacements provided by us are defective, or are not carried out, and remain defective or not carried out after the expiry of a reasonable extension period, the purchaser shall in the first instance be entitled only to a reduction in price. Where agreement cannot be reached on the extent of any such reduction, the purchaser shall be entitled to repudiate the contract.
- No warranty shall be given in cases of damage caused by inappropriate or improper use, incorrect installation or operation, natural wear and tear, excessive use, incorrect or negligent treatment, unsuitable operating materials, chemical, electrochemical and electrical influences, etc., unless these are caused by our fault and an exclusion of liability is not admissible under law.
- Any further claims on the part of the purchaser other than those stipulated under 1 to 8 above, of whatever kind, in particular claims for damages other than warranty claims, are excluded as far as this is admissible under law.

## IX. Place of performance, venue, governing law

- The place of performance for delivery and payment, and the venue for all litigation arising in connection with this contract, shall be Speyer.
- German law exclusively shall apply in addition to provisions contained in contracts of delivery and these terms and conditions of sale and delivery.