

Sales and delivery terms

1. General/Area of application

- a) Our sales and delivery terms are exclusively valid. We do not acknowledge contrary terms or conditions deviating from our sales and delivery terms of the orderer, unless we agreed to their validity explicitly in writing. Our sales and delivery terms are also valid if we perform delivery to the orderer without reservation with knowledge of contrary terms or conditions deviating from our sales and delivery conditions.
- b) All agreements that are made between us and the orderer for the performance of this contract are to be recorded in this contract in writing.
- c) These sales and delivery conditions are exclusively valid for the business transactions between companies.

2. Offer, conclusion of contract, written form

- a) Our general statements, specifically in price lists and brochures are subject to confirmation and non-binding.
- b) Agreements require our written confirmation to become legally valid. Only our order confirmation is decisive for the extent of the delivery. Later supplements, modifications, or other additional agreements require written confirmation to become valid.
- c) We reserve property rights and copyrights to the illustrations, calculations and other documents. They may not be made accessible to third parties.
- d) The documents relating to the offer like illustrations, drawings, measurement and weight specifications are only approximate unless explicitly termed binding.

3. Prices

- a) Insofar no deviating agreements exist in the order confirmation, our prices are applicable „ex factory“, including loading in the factory, excluding packaging, freight, and transport insurance. These are billed separately.
- b) The legal value added tax is not included in our prices. It is listed separately on the bill at the legal amount on the day of billing.

4. Payment

- a) Our bills are to be paid within 14 days after invoice date minus 2% early payment discount, or within 30 days without any discount.
- b) If the orderer comes under delay of payment we bill the legal interest for delay of 8 percentage points over the basic interest rate of the European Central Bank. If we are able to prove a higher interest for delay, we are authorized to enforce it.
The orderer is authorized to prove us that we did not have any or a significantly lower damage as a consequence of the payment delay.
- c) Rights of retention and offsetting are only admissible for the orderer if his opposing claims have been legally determined, indisputable, or acknowledged by us. We are not obliged to perform further deliveries prior to the payment of due invoices, we also reserve the right to interrupt the manufacture of parts from other contracts of orderers under delay of payment.

5. Delivery time

- a) The beginning of the stated delivery time requires the clarification of all technical questions as well as the receipt of a possibly agreed down payment.
- b) If the orderer sets us an adequate grace period with threat of denial after we have already come under delay, he is authorized to withdraw from the contract after fruitless expiration of this grace period. Damage compensation claims due to non-fulfilment to the amount of the foreseeable damage are only admissible to the orderer if the delay was based on intention or gross negligence. Apart from that the damage compensation liability is limited to 50% of the occurred damage.
- c) The adherence of our delivery obligation requires the timely and proper fulfilment of the obligations of the orderer.
- d) If the orderer comes under delay of acceptance or if he violates other obligations of contribution we have the right to demand the damage occurred to us including possible additional expenditures. In this case the risk of accidental loss or an accidental worsening of the purchase object is transferred to the orderer at the time at which he comes under delay of acceptance.

6. Transfer of risk

- a) Insofar the order confirmation does not state anything else, shipment purchase is agreed upon. The risk is transferred to the orderer with the readiness of dispatch of the delivery parts. This is also valid for partial deliveries, also if the supplier has assumed other services like for example the shipping costs or delivery and set-up.
- b) By request of the orderer the shipment is insured against burglary, damage by breakage, transport, fire, and water damage and other insurable risks.

7. Retention of title

- a) We reserve the property rights and the right of disposal to the purchase object up to the receipt of all payments from the delivery contract and previously concluded contracts. Cheque and draft demands as well as demands from current invoices or current account are included. If a draft liability for us is founded in association with the payment, this retention of title does not become void before our utilization from the draft is excluded.
- b) Prior to the full balance of our previously stated demands the orderer may continue to use the delivered products in the framework of a proper business operation, unless an assignment prohibition was or is agreed upon for the claims assigned to us in advance in lit. f) with third parties. Prior to that pledging or assignment as security is prohibited and reselling is only allowed to resellers in common business transaction under the condition that the reseller receives payment from his customer and forwards it to us immediately. Possible costs of interventions are carried by the orderer.
- c) In case of pledging, confiscation or other orders and interference of third parties the orderer is to inform us immediately.
- d) If the orderer behaves opposing to the contract, specifically in case of delay of payment we are authorized to retrieve after payment reminder, and the orderer is obliged to hand out the goods.
- e) The enforcement of the retention of title and the pledging of the delivery object by us are not regarded as a withdrawal from the contract.
- f) The orderer already now assigns all demands amounting to the percentual amount of our invoice including VAT with all additional rights to us that arise to him from the reselling towards customers or third parties. This is also valid in the case that the orderer ceases a purchase price demand he is entitled to by the reselling in a current account agreed with the customer or third parties. We accept this assignment.
- g) In case of association with a property or mobile objects of third parties and the working or processing in the framework of a factory contract, the orderer already now assigns the wage demand and/or the occurring co-ownership part amounting to our percentual invoice amount including VAT for the processed goods under retention of title to us. We accept the assignment.

h) The orderer is hereby authorized to collect the above assigned demands in the framework of the proper business transaction himself, insofar he forwards the incoming amounts to us immediately. The allowance to collect the assigned demands becomes void with delay of payment, initiation of insolvency proceedings or a cheque or draft objection.

i) If the realized value of the security existing for us exceeds our claims by more than 10% alone because of this regulation for retention of title or together with other securities, we are obliged to release securities of our choice insofar as the orderer demands this.

j) We are authorized to insure the purchased object against burglary, fire, water, and other damages on costs of the orderer, insofar the orderer has not by proof taken out insurance himself.

k) The application for the initiation of insolvency proceedings authorizes us to withdraw from the contract and to demand the immediate return of the delivery object.

8. Liability for defects of the delivery (warranty)

We are liable as follows for material and legal defects of the delivery under exclusion of further claims under reservation of item 9:

Material defects

- a) All defects that come about to be defective due to a circumstance prior to the transfer of risk are to be improved or delivered again by our choice. We are to be informed of the determination of such defects immediately in writing. Replaced parts become our property.
- b) The orderer is to give us the time and opportunity after information to perform all improvements and supplementary deliveries we find necessary, otherwise we are released from the liability of the resulting consequences. Only in urgent cases of danger of the operational safety and the prevention of unrelationally large damages, whereas we are to be informed immediately, the orderer has the right to eliminate the defect himself or through third parties, and to demand compensation for the necessary expenditures.
- c) From the immediate costs accruing through the improvement reps. supplementary delivery we carry the costs of the supplementary piece including shipping free border – insofar the defect claim proves to be admissible – as well as the adequate costs for instalment and removal, further within Germany, in case this can be adequately demanded depending on the situation of the single case, the costs of the possibly required assemblymen and auxiliary personnel. Apart from that the orderer carries the costs. Replaced parts are transferred into our property.
- d) The manufacturer is authorized to withdraw from the contract in the framework of the legal regulations if we – under consideration of the legal regulations for exceptions – let an adequate grace period for the improvement or replacement delivery due a material damage expire fruitlessly. If the defect is only insignificant, the orderer only has the right to reduce the contract price. The right of reduction of the contract price remains excluded otherwise.
- e) No warranty is assumed specifically in the following cases: Inadequate or improper usage, faulty assembly resp. start up by the orderer or third parties, natural wear, faulty or negligent treatment, improper maintenance, inadequate operating agents, chemical, electro chemical or electrical influences, insofar they are not our responsibility.
- f) If the orderer or a third party improves improperly, no liability is given on part of the orderer for the resulting consequences. The same is valid for changes on the delivery object without prior consent of the orderer.
- g) If parts or material for processing or as supplement to the processing of an order are delivered by the orderer, no receipt inspection for non-apparent faults is conducted if not otherwise agreed.

Legal faults:

- h) If the usage of the delivery object leads to the violation of trade protection rights or copyrights, we will procure the basic right for further usage on cost of the orderer or modify the delivery object in a way acceptable for the orderer so that the violation of the trademark protection right no longer exists.
- i) If this is not possible under commercially adequate conditions in an adequate term, the orderer is allowed to resign from the contract. We are also allowed to resign from the contract under the previously stated conditions.
- j) Beyond that we will release the orderer from indisputable or legally determined claims of the involved trademark protection right owners.
- k) Our obligations stated in lit. h) are conclusive with reservation of the item 9 in the case of trademark protection and copyright violation.
They are only existent if
 - the orderer informs us immediately of enforced trademark protection or copyright violations,
 - the orderer supports us in the defence of enforced claims to an adequate extent respectively enables us to conduct the modification measures according to lit. i).
 - all defence measures including settlement regulations remain reserved,
 - the legal defect is not based on an instruction of the orderer and
 - the legal violation was not caused by the orderer modifying the delivery object by himself or used it in a manner contrary to the contract.

9. Liability

a) If material delivered by the orderer becomes damaged or unusable at our location, specifically in the working /processing or repair, we are only liable if the damage was caused by gross negligence, however only to an amount of 10% of the processing value, insofar unlimited liability is not legally required.

b) If the delivery object cannot be used according to contract by our fault due to neglect or faulty execution of suggestions and consulting prior to or after the conclusion of the contract or by the violation of other contractual additional obligations – especially instruction for operation and maintenance of the delivery object – the regulations of item 8) and 9a) are valid for further claims of the orderer.

c) For damages that did not occur on the delivery object itself we are for legal reasons only liable for

- intention
- gross negligence of the owner, the organs, or managing employees,
- in case of culpable violation of life, body, health,
- in case of defects that we have maliciously concealed or whose absence we have guaranteed,
- in case of faults of the delivery object, insofar liability is given according to the product liability law for persons or material damage on privately used objects.

d) In case of culpable violation of essential contract obligations we are also liable for gross negligence of non-managing employees or slight negligence, in the latter case limited to the contract typical, reasonably foreseeable damage.
e) Further claims are excluded.

10. Our damage compensation claim in case of non-fulfilment of the orderer
we are authorized to demand damage compensation due to non-fulfilment. The minimum damage to be compensated is a lump sum of 15% on fittings and on other devices 10% of the purchase price. The damage amount is to be increased or decreased if we prove a higher or the orderer proves a lower damage.

11. Statute of limitations
All claims of the orderer – for whatever legal reasons – come under the statute of limitations in 12 months. The legal terms are applicable to intentional or malicious behaviour in case of claims according to the product liability law.

12. Other regulations
a) The contract remains binding in its other regulations even in case of legal invalidity of single clauses. This is not applicable if the maintenance of the contract would pose to be an unreasonable hardship for one party.
b) Should a regulation be or become void in whole or part, the contract partners will promptly make effort to achieve the commercial success strived for with the void regulation by another legally admissible manner.
c) The court responsible for our company is the place of jurisdiction for all disputes arising from the contractual relationship. We are also authorized to file lawsuit at the location of the orderer.
d) German law for the legal relationships of national parties among each other is exclusively applicable for all legal relationships between the orderer and us. The application of the uniform UN convention on the international sale of goods or other conventions concerning the right of goods purchase is excluded.

Dated October 12th, 2009