

General Terms of Delivery, Services and Sale (hereinafter named "General Terms of Delivery")



Applicable in business transactions with business enterprises, legal entities under public law and special funds under public law.

1 General

Our General Terms of Sale apply exclusively; customer's General Terms and Conditions in opposition to or deviating from our General Terms of Sale shall apply only if we have explicitly approved of these in writing.

2 Quotation and Conclusion of Contract

2.1 Our quotations shall be non-committal and subject to alteration unless we have explicitly in writing termed these to be committal. Customer's declarations of acceptance and orders, provided they qualify as offer in accordance with § 145 BGB (German civil code), shall become binding only by way of our written order confirmation. We have 12 workdays after receipt of the order to accept the customer's orders.

2.2 The documentation and records associated to our quotation in accordance with 2.1. such as pictures, drawings, etc. as well as the associated dimensional and weight particulars are only approximately decisive unless we explicitly in writing specified these as binding. The same applies to user instructions. We reserve the right to customary tolerances to the extent they may be deemed acceptable to the customer.

3 Documentation made available

We retain copyright and ownership rights to all documentation e.g. calculations, drawings etc. we make available to the customer in context with order placement. This documentation may not be disclosed to third parties unless we explicitly approve of such disclosure. If we fail to accept customer's offer within the period stated in sec. 2, these documents will immediately be returned to us.

4 Prices and payment terms

4.1 Unless agreed upon differently in writing, our prices are quoted ex works without packaging and exclusive of the applicable value-added tax. Packaging costs will be charged separately.

4.2 The purchase price will be paid within 10 days after delivery with a 2% discount or net without deductions after 30 days. Interest on arrears will be charged in amount of 9 percent over the

base interest rate of the European Central Bank. Customer shall be in default in accordance with § 286 sec. 3 BGB within 30 days of payment maturity and receipt of invoice. We reserve the right to assert higher claims to compensation for damages from delay of payment.

4.3 Unless a fixed price was agreed, we reserve the right to reasonable and appropriate price adjustments based upon changes in labor, material and sales costs for deliveries to be made 3 months after contract conclusion or later.

4.4 If we have been contracted for assembly, installation or any other services and a different agreement has not been reached, the customer in addition to the agreed remuneration will also bear all required ancillary costs such as travel and transport expenses.

5 Offsetting and rights of retention

The customer is entitled to any offsetting only if his counterclaims have been legally recognized or are undisputed. The customer is entitled to exercise any rights of retention only if his counterclaim is based upon the same contractual relationship.

6 Delivery time

6.1 Delivery times are principally non-committal and approximate. The delivery period in case of any doubt begins at the time we send the order confirmation.

6.2 We are entitled to make delivery in several installments unless this is unacceptable to the customer.

6.3 Our deliveries may have quantity deviations of up to 5 percent as opposed to the ordered quantities unless such quantity deviations have explicitly been excluded in writing. Shortages will lead to pro-rated reduction of our remuneration; excess deliveries will lead to pro-rated increase of our remuneration.

6.4 Compliance with delivery deadlines and periods is conditional upon timely receipt of all documentation, permits and releases to be provided by customer, in particular plans, as well as compliance with all agreed payment terms and any other obligations by customer. If these conditions are not met in due time, the delivery periods will extend accordingly. This

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shall not apply if we are responsible for the delay.

- 6.5 If non-compliance with agreed delivery deadlines or periods is caused by Force Majeure e.g. mobilization, war, civil unrest or similar events e.g. strikes or lock-out, the delivery periods will extend accordingly. The same shall also apply if we are not supplied properly and in due time by one of our suppliers.
- 6.6 If we are culpably in delivery delay, the customer – provided he can verifiably demonstrate that he suffered damages thereof – may request compensation for each full week of such delay in amount of 0.5%, however in total no more than 5% of the net price of the share of delivery which he was unable to put to its intended operational use due to the delay.
- 6.7 Any customer claims to compensation for damages due to delay in contractual performance as well as any claims to compensation for damages in lieu of contractual performance extending beyond the limits stated in section 6.4 are excluded in all cases of delayed delivery after any grace period fixed for us has expired. This shall not apply if liability is mandatory due to intent, gross negligence or injury to life, body or health. The customer may withdraw from the contract as provided by law only if we are responsible for the delay in delivery.
- 6.8 Upon our request, the customer within an appropriate period of time must state if he due to the delay in delivery wants to withdraw from the contract or insists upon delivery.

7 Passage of risk

- 7.1 Delivery will be made "ex works" unless explicitly agreed upon differently with the customer. Unless we were explicitly contracted in writing for shipment or assembly of the delivery item, the risk of accidental destruction and accidental deterioration of the delivery item therefore passes to the customer at the time the items is transferred to / collected by the transport entity. This applies also if partial shipment has been agreed.
- 7.2 For deliveries with installation and assembly, the risk passes to the customer at the day of formal acceptance at customer's site or, to the extent agreed, after flawless trial operations.
- 7.3 If shipment, delivery, beginning or implementation of installation or assembly, formal acceptance at customer's site or trial

operations is delayed within the customer's scope of responsibility or if the customer for any reason is in arrears with acceptance, the risk passes to customer at the time such arrears in acceptance first comes into effect.

8 Reservation of title

- 8.1 We reserve ownership rights to the delivered items until all claims to payment under the delivery contract have been fully satisfied. This applies also to all future deliveries, even if we do not explicitly and consistently refer to such reservation of title. We are entitled to recover the goods if the customer acts in breach of contract.
- 8.2 Until ownership rights pass to customer, he shall be obligated to treat the goods with all due care and in particular shall be obligated to take out adequate insurance at his own expense against theft, fire and water damages at replacement value. The customer in due time will have any required maintenance and inspection work performed at his own expense. As long as ownership rights have not yet passed, the customer will immediately notify us if the delivered item has been seized or is subject to any other third-party intervention. If such third party is unable to refund to us any judicial and extrajudicial costs for lawsuits in accordance with §771 ZPO [code of civil procedure), the customer shall be liable to us for such loss.
- 8.3 The customer is entitled to sell the goods subject to retention of title in the normal course of business transactions. The customer already now assigns to us the buyer claims from such sale of the goods subject to retention of title; such assignment shall be in amount of the invoice total (including sales tax) agreed between us. This assignment shall be irrespective of whether or not the goods were sold onward after further processing. The customer shall remain entitled to collect such claim also after the assignment. This shall not affect our entitlement to collect the claim ourselves. However, we will not collect the claim as long as the customer meets his payment obligations from the collected revenues, as long as the customer is not in arrears with payment and particularly has not filed for bankruptcy and/or has not suspended payments.
- 8.4 Any processing or transformation of the goods by customer shall always be done on our behalf and in our name. In such case, the customer's expectancy rights to the goods shall be carried on in the transformed item. If

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the goods are processed with other goods we do not own, we acquire co-ownership of the new item in proportion of the objective value of our goods to the other processed items at the time they were processed. This applies also if they are amalgamated. If the amalgamation is such that the customer's item is the main item, it shall be considered agreed that the customer assigns co-ownership to us and safeguards such sole ownership or co-ownership for us. To secure our claims against the customer, the customer also assigns such claims to us which he incurs against a third party by combining the goods subject to retention of title with a parcel of land; we already now accept such assignment.

- 8.5 Upon request by the customer, we agree to release the collaterals to which we are entitled if their value exceeds the claim to be securitized by more than 20%.

9 Warranty and notice of defect as well as recourse / manufacturer recourse

- 9.1. The condition of the goods is defined exclusively by the agreed technical delivery specifications. In the event that we are to make deliveries in accordance with drawings, specifications, models etc. by our Partner, the latter bears the risk of suitability for the intended purpose. The point in time at which risk is transferred is decisive in determining whether the condition of the goods complies with the Agreement.
- 9.2. We will not be liable for material defects caused by unsuitable or improper use, defective installation or commissioning by the Purchaser or a third party, fair wear and tear, defective or negligent handling, nor for the consequences of improper modifications and modifications made without our consent or maintenance work carried out by the Purchaser or third parties. The same applies for defects which reduce the value or suitability of the item to an insignificant extent.
- 9.3. The Purchaser is obliged to meet its obligation to inspect and submit complaints in compliance with Section 377 of the German Commercial Code (Handelsgesetzbuch, HGB) as a prerequisite for making any claim on the basis of defects. Here, it must examine the delivery immediately or, at the latest, one week from receipt, for any defects and notify us where defects are discovered. If there is a defect that is imputable to us, we are entitled to choose whether to rectify the delivery or to replace it. Within the scope of supplementary performance, we are obliged to reimburse the

Purchaser for the expenses required to remove the defective goods and for installation or fitting of repaired goods or subsequently delivered defect-free goods. Reimbursement of costs is excluded, insofar as expenses increase due to the fact that the goods are taken to another location after our delivery, unless this is in conformity with the intended use of the goods. This shall apply accordingly to claims for reimbursement of expenses by the Purchaser pursuant to Section 445a (seller's recourse) of the German Civil Code (Bürgerliches Gesetzbuch, BGB), provided that the last contract in the supply chain is not a consumer goods purchase. If one of the two types of subsequent performance or both prove impossible or unreasonable, we are entitled to refuse them. For as long as the Purchaser fails to meet payment obligations to an extent that reflects the defect-free portion of the performance, we are entitled to refuse subsequent performance.

- 9.4. If the rectification or replacement delivery do not occur within a reasonable period - in consideration of our delivery possibilities - or if the rectification and/or replacement delivery fail, the Purchaser may demand a reduction of purchase price or withdraw from the contract.
- 9.5. Unless otherwise provided for below (par. 7), further claims by the Purchaser are excluded, regardless of their legal grounds (in particular claims arising from a breach of principal or subsidiary contractual obligations, reimbursement of expenses with the exception of that pursuant to Section 439 II of the German Civil Code, unlawful acts or other tortious liability); this applies in particular to damages not caused to the delivery item itself and to claims for loss of profit; claims which do not result from the defectiveness of the object purchased are also included.
- 9.6. The preceding provisions also apply in the event of delivery of another item or a lesser quantity.
- 9.7. The exclusion of liability regulated in paragraph 5 does not apply insofar as an exclusion or limitation of the liability for damages from injury to life, limb, or health has been agreed upon and said injury is caused by an intentional or grossly negligent violation of duties by the user; the exclusion of liability does not apply either insofar as an exclusion or limitation of the liability for other damages is agreed upon and said damages are caused by a violation of the duties by a legal representative or agent of

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the user. Insofar as we culpably breach a contractual or material obligation, liability is not excluded, but limited to foreseeable damages that are typical of the contract; it is otherwise excluded pursuant to par. 5. Furthermore, the exclusion of liability does not apply if under product liability law liability exists for personal injury or material damage to privately used objects. It also does not apply in the event of assumption of a guarantee and assurance of a feature, if a defect thereby covered triggers our liability. The above shall apply also to reimbursement of expenses.

- 9.8. Claims on subsequent performance, damages and reimbursement of expenses become time-barred one year after delivery of the purchased object. These periods apply insofar as the law, in accordance with Section 438(1) No. 2 (building structures and components for structures) and Section 445b (right of recourse) of the German Civil Code, does not prescribe mandatory longer periods. Claims on reduction and exercise of the right to withdraw from the Agreement are excluded, insofar as the subsequent performance claim has lapsed. The Purchaser may, however, refuse payment of the purchase price in the event of clause 3 insofar as it would be entitled to do so based on withdrawal or reduction; in the event of exclusion of withdrawal and a subsequent refusal to pay, we are entitled to withdraw from the contract.
- 9.9. The Purchaser's right of recourse against us in accordance with Section 445a (seller's recourse) shall only exist insofar as the Purchaser has not made any agreements with its customer that exceed the statutory claims for defects.

10. Impossibility, contract adaptation

- 10.1. If delivery should be impossible, the customer is authorized to claim compensation for damages unless we are not responsible for such impossibility. However, the customer's claim to compensation for damages is limited to 5% of the value of such share of the delivery, which due to the impossibility cannot be put to its intended operational use. This limitation shall not apply if liability is mandatory in case of intent or gross negligence or due to injury to life, body or health. The customer's

right to withdraw from the contract remains unaffected.

- 10.2. If unforeseeable events in accordance with sec. 6.3. considerably alter the economic significance or content of delivery or have considerable effects upon our business operations, the contract will be accordingly adapted in good faith and trust. If this should be economically unfeasible, we are entitled to withdraw from the contract. If we wish to exercise such right of withdrawal, we must immediately notify the customer as soon as we can properly assess the situation. This applies also if we initially agreed with the customer upon an extension of the delivery period.

11. Other claims to compensation for damages, statute of limitations

- 11.1. Customer's claims to compensation for damages are excluded irrespective of their legal basis, in particular due to breach of contractual obligations and unlawful acts.
- 11.2. This shall not apply if liability is mandatory e.g. in accordance with the Product Liability Act, in case of intent or gross negligence, in case of injury to life, body or health or in case of breach of essential contractual obligations. However, the claim to compensation for damages for breach of essential contractual obligations is restricted to foreseeable damages typical for this type of contract, unless based upon intent or gross negligence or if liability is in effect due to injury to life, body or health.
- 11.3. If the customer is entitled to claims to compensation for damages, these shall be struck by the statute of limitations upon expiration of the period in accordance with sec. 9.2. The same applies to customer's claims in context with measures to avert damages (e.g. recall campaigns). The statutory limitation periods apply to claims to compensation for damages under the Product Liability Act.

12. Tools / samples, drawings and similar items / industrial property rights

- 12.1. Ownership to the tools we manufacture or procure passes to the customer at the time they are paid in full, we shall however keep them in our possession. If the tools owned by the customer have not been used to manufacture parts for a period of 5 or more years, we may destroy these tools without prior notification.

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12.2. If we manufacture or supply delivery items on the basis of drawings, plans, drafts or similar customer records (or modifications thereof), the customer shall be solely responsible that these are not in violation of any third-party industrial property rights. Upon first request, the customer will indemnify us against claims asserted by other owners of industrial property rights.

13. Material furnished by customer

If the customer makes parts or material available to us for fulfillment of contract, the customer assures that these have been conscientiously inspected, in particular as relates to their suitability. If the customer makes material available to us for further processing, he undertakes to inspect and verify the quality, workmanship and suitability of the material prior to delivering it to us. The customer in particular warrants that he, in the event he procured the material from third parties, has met his inspection obligations. If the product we manufacture is defective owing to a defect in the provided material and/or if processing fails due to a defect which is ultimately caused by a defect in the provided material, we are entitled to demand payment of the agreed remuneration under due consideration of saved working expenses.

14. Miscellaneous

- 14.1. This contract and the parties' entire business relationship shall be subject to the laws of the Federal Republic of Germany (under exclusion of the CISG).
- 14.2. Insofar as the Purchaser is a merchant, a legal entity under public law or special fund under public law, the sole place of jurisdiction is our business headquarters. We are also entitled to initiate claims at the Purchaser's registered office.
- 14.3. All agreements made between the parties for fulfillment of this contract have been fixed in writing in this contract.
- 14.4. If a clause of these terms and conditions and any other agreements is or becomes ineffective, this shall not affect the effectiveness of the other clauses. The contractual parties will replace the ineffective clause by an effective clause coming closest in business terms to what the parties had originally intended. This shall also apply analogously to any legal gaps.