

Terms of Delivery and Payment

§ 1 Scope of Validity

- (1) These conditions of sale apply exclusively to entrepreneurs, legal entities under public law or special property under public law in accordance with § 310 section 1 Civil Code. Conflicting conditions or customers' conditions deviating from our conditions of sale are only accepted when we enforce them writing.
- (2) These conditions of sale also apply to any future business deals with customers, as far as they are related legal deals.

§ 2 Offer and Conclusion of Contract

- (1) Orders only become binding in view of kind and amount of delivery from confirmation of order.
- (2) As far as an order is regarded as offer according to § 145 Civil Code we can accept it within two weeks.
- (3) For the contract the general terms and conditions shall apply exclusively. Other conditions will not become part of the contract, even if we do not explicitly object.

§ 3 Prices and Payment

- (1) If nothing to the contrary was agreed in writing, prices ex work become effective, excluding packaging, plus VAT, in the respective valid amount.
- (2) Payment of the purchase price has exclusively to be made into the account named overleaf. Deduction of cash discount will only be accepted in case of a special written agreement.
- (3) As far as nothing different was agreed, the purchase price is to be paid within 14 days from delivery.
Interest payable in arrears are calculated in the amount of 8 % above the respective basic interest rate p.a. We reserve the right to assert a higher damage of arrears.
- (4) As far as no fixed prices were agreed, we reserve the right to appropriate price changes because of changed costs for salary, material and sale for delivery which is made 3 months or later from conclusion of contract.
- (5) Asking prices are subject to alteration. They are valid not more than 4 weeks from date of offer.

§ 4 Terms of Delivery and Obligation to Purchase

- (1) Given dates of delivery are not binding but only a general information. We make efforts to observe expressly agreed dates of delivery; the customer only has the right of withdrawal after expiry of the appropriate extended deadline set by him before. The customer is not entitled to further claims, particularly not to compensation for delay.
- (2) The customer is obliged to purchase the goods manufactured for him after their completion even if minor defect is assessed.
- (3) If the customer does not purchase the goods on date of completion, we reserve the right to store them at the customer's costs and risk, transferring the risk of decline by chance or destruction by chance to the customer already at that time. In such a case, we are entitled but not obliged to take out a corresponding insurance policy the premium of which has to be paid by the customer.
- (4) The supplier accepts liability for every completed week of delay with an

estimated lump sum in the amount of 1 % of the value delivered, however not more than 10% of the value delivered, in case of delay in delivery which he did not cause intentionally or gross negligently.

- (5) If the customer does not purchase the ordered number of items completely, we are regardless of further rights, entitled to calculate a decrease quantity surcharge.

§ 5 Provision of Material

If materials are delivered by the customer, they have to be delivered at his expense and risk, including an appropriate quantity surcharge, in perfect condition and on time. If the customer does not meet these demands, period of delivery prolongs appropriately. Except for cases where acts of God are involved, the customer has also to cover the additional costs for breaks in production.

§ 6 Packaging, Dispatch, Carrying the Risk

- (1) As far as not agreed differently, we choose packaging and kind of dispatch in our estimation.
- (2) If goods are forwarded to the customer on his request, the risk of decline or destruction by chance is transferred to him when leaving the factory/warehouse at the latest. This does neither depend on whether dispatch is carried out from place where a contract has to be fulfilled nor on who carries the freight charges. If the customer is responsible for delays in dispatching the goods, the risk is transferred to the customer already by communication about the readiness for dispatch.

§ 7 Reservation of Ownership

- (1) We reserve the ownership of the delivered goods until complete payment of all debts according to the contract of sale is made. This also applies to all future delivery, even if we do not expressly refer to it. Additionally, we are entitled to cancel the object of purchase if the customer acts contrarily to the terms of the contract.
- (2) The customer is obliged to treat the goods with care as long as the property has not been transferred to him. As long as the property has not been transferred to him, the customer has immediately to inform us in writing if the delivered object is seized or exposed to any intervention by third parties. If third parties are not able to refund us the court costs or out of court costs of an action according to § 771 ZPO, they will be made liable for the caused loss.
- (3) The customer is entitled to resale of the reserved products in usual business. The claims of the buyer from resale of the reserved goods are transferred by him in the amount of the agreed invoice final amount (including VAT) to us already at that time. This transfer is independent of the resale of the object of purchase before or after its processing. The customer remains authorised to collect the debt even after transfer. Our authorisation to collect the debts ourselves remains untouched of it. We will not collect the debt if the customer follows his liability to pay from the taken proceeds, if there is no delay in payment and, particularly, if there was not filed a petition to open insolvency proceedings or in case of payment stopping.
- (4) Processing or reorganising an object of purchase by the customer always take place in our name and on our behalf. In this case, the claim to contingent remainder by the customer concerning the object of purchase continues concerning the reorganised object. As far as the object of purchase is processed with objects which do not belong to us, we become joint owners of the new object in proportion of the objective value of

the delivered goods to the other objects at the time of their processing. The same refers to the case of mixture. As far as mixture is carried out in a way that the customer's object is to be considered as main thing, the transfer of proportionate joint ownership is applied and the sole property ownership or joint ownership are kept safe for us. To protect the claims by the supplier against the customer, the customer also transfers such claims to us which arise for him against a third party through the connection of the reserved products with an estate; we accept the transfer already at that time.

- (5) We bind ourselves to release the securities we are entitled to on customer's demand, provided their value exceeds the claims to be safeguarded by more than 20 %.

§ 8 Guarantee and Complaint as well as Support/Manufacturer Recourse

- (1) Claims to guarantee by the customer provide that he fulfilled his obligation of inspection and reprimand under § 377 HGB according to the regulations.
- (2) Claims because of defects come under the statute of limitations 12 months from delivery of goods to our customer. These regulations are not applicable as far as law stipulates longer periods according to § 438 section 1 number 2 Civil Code (buildings and objects for buildings), § 479 section 1 Civil Code (claim to reverting) and § 634a section 1 Civil Code (construction defect). Before possible return of the goods, approval of it by the supplier is necessary. Improvement without authorisation and improper treatment result in the loss of all claims because of defects.
- (3) If the delivered goods are defective regardless taking care at the time of transferring the risk, we will improve the goods or deliver replacement, provided complaint is made within the standard period. We must always have the opportunity to re-fulfilment within an appropriate period. Claims to reverting remain completely untouched by the above regulations.
- (4) If re-fulfilment fails, the customer may regardless of possible claims to compensation, withdraw from the contract or reduce payment.
- (5) Claims because of defects do not apply to insignificant deviation from the agreed qualities, insignificant reduction of usability, insignificant colour deviation as well as deviation concerning the material thickness of +/- 10%, natural wear or wear and tear, e.g. damage arising after transfer of risk caused by faulty or negligent treatment, excessive use, unsuitable means of production, poor building works, unsuitable building plot, or due to special external influence which are not condition of the contract. If the customer or third parties carry out maintenance or changes improperly, no claims because of defects and the consequences related to them can be made by them.
- (6) Claims by the customer because of necessary expenditure on re-fulfilment, especially transport, way, costs of work and materials, are excluded, if expenditure rises, because goods delivered by us are delivered to a place different from the customer's branch later, unless delivery is made according to relevant use.
- (7) Customer's claims to reverting against us can only be made as far as the customer did not agree on terms beyond legally enforceable claims because of defects with the buyer. Furthermore, section 6 applies to the amount of claims to reverting against us.
- (8) Further claims by the customer, especially to compensation for damages not incurred to the product itself are excluded. This does not apply to cases of intention, gross negligence or the lack of promised properties where liability is urgent. Exclusion of liability does not apply to damages from injury to life, body or health, based on intentional or negligent breach of duty by us or our legal representative or agent.

§ 9 Protective Rights

The customer is liable to us for the freedom of the ordered goods as well as provision with protective rights by third parties, exempts us from corresponding claims and has to compensate for the resulting damages.

§ 10 Other

- (1) This contract and all legal relations between the parties are subject to law of the Federal Republic of Germany excluding UN purchase law (CISG).
- (2) Tett nang is place of fulfilment , Ravensburg is the exclusive court of jurisdiction for all disputes from this contract unless something different follows from confirmation of order.
- (3) All agreements made between the parties to fulfil this contract are written down in this contract.
- (4) If single regulations of this contract become ineffective, or involve a loophole, the other regulations remain untouched. The parties bind themselves to replace an ineffective regulation by a legal regulation which fulfils the requirements of economic purpose or which fills the loophole.
- (5) In accordance with the law, details connected with the conclusion and fulfilment of the contract are dealt with at the supplier or involved businesses. The addresses of the respective data recipients are communicated on request.