

GENERAL TERMS AND CONDITIONS OF SUPPLY AND PAYMENT TERMS

SECTION 1 – GENERAL

1. The following terms and conditions shall apply to all of our offers, sales, deliveries and services and shall become part of the contract. These shall not apply should our contracting partner be a private person who is not acting professionally or commercially. The following terms and conditions shall also apply to all future business relationships, even if these are not expressly agreed once again.

2. Deviating or supplementary general terms and conditions of business of the buyer are hereby being expressly objected to by us. These shall also not apply if the buyer has made these the basis of its order or other declaration.

SECTION 2 – OFFERS, ORDERS

1. Our offers shall be non-binding, unless these are identified as being binding in written form. Therefore, a valid contract shall not come into existence until our order confirmation or the delivery of the goods.

2. Quantity statements, weights, images, drawings and other documents which are part of our non-binding offers shall remain our property and are only of an approximate nature. These can only become a binding part of the contract in case of an express written confirmation by us.

SECTION 3 – DOUBTS CONCERNING PAYMENT CAPACITY

1. Should circumstances become known to us following conclusion of the contract which substantiate doubts concerning the payment capacity of the buyer, we shall be able to make further deliveries dependent on an advance payment for the goods by the buyer. We can set the buyer a reasonable deadline for the advance payment for the goods and rescind the contract should the advance payment not be received by us on time; instead of an advance payment, the buyer can provide security by means of a bank surety. Should we have already delivered the goods, the purchase price shall become due immediately without deduction, regardless of agreed payment deadlines.

2. Doubts concerning the payment capacity of the buyer shall, amongst others, be substantiated if an application for the opening of insolvency proceedings against the assets of the buyer has been filed or if it does not make payments to us or third parties on time.

SECTION 4 – PRICES

1. Our prices shall apply "ex-factory" unless an agreement to the contrary has been agreed with the buyer. The packaging costs are not included in the price.

2. The statutory value added tax is not included in our prices and will be stated separately in the invoice to the statutory amount applicable on the date of billing.

3. Should more than four months exist between the day of conclusion of the contract and the day of delivery, without this being due to a delivery delay for which we are responsible and should our valid prices have changed during this time, we shall be able to demand the list

price applicable on the day of delivery in place of the agreed purchase price. We will provide the buyer with a corresponding amended order confirmation prior to the delivery. In such a case, the buyer shall be able to rescind its order in respect of the goods for which the price has been increased. The buyer must declare the rescission at the latest on the third working day following the receipt of the amended order confirmation.

Sending by fax shall suffice if the receipt is confirmed.
Sending by email shall suffice if the receipt is confirmed.

SECTION 5 – DELIVERY TIME

1. All named delivery times shall be non-binding and shall be deemed to only have been agreed approximately, unless these have been expressly stated by us as being binding. In case of non-binding delivery times, a delivery within seven days of the stated delivery date shall always be deemed to have been made on time.

2. Should we culpably be unable to comply with an expressly agreed deadline or should we enter default for other reasons, the buyer must grant us a reasonable period of grace. Following the fruitless expiry of the said period of grace, the buyer shall be entitled to rescind the contract.

3. Should it become temporarily impossible or significantly more difficult for us to provide services due to force majeure and unforeseeable circumstances in full or in part, the agreed delivery time shall be extended by the duration of the hindrance. The same shall apply in respect of a deadline for the provision of services prescribed by law or set by the buyer, in particular for periods of grace in case of delay.

4. Prior to the expiry of the extended delivery time or delivery deadline in accordance with Number 3, the buyer shall not be entitled to rescind the contract and shall not be able to bring a claim for damages. Should the service hindrance last for more than twelve weeks, both the buyer and ourselves shall be entitled to rescind the contract, should this not have been performed already. Should the buyer be entitled to rescind the contract without a period of grace under the contract or in accordance with the law (for example due to frustration of interest), the said right shall remain unaffected.

5. In case of any delivery delay, damages claims of any kind shall be excluded, unless this is due to intent or gross negligence.

SECTION 6 – SHIPPING

1. The shipping shall take place at the expense of the buyer. The risk shall be transferred to the buyer at the time of loading, even if carriage paid delivery is agreed and/or the delivery takes place by means of our own vehicles. We shall not be obliged to take out transportation insurance.

2. Unless expressly agreed otherwise in writing, we shall be entitled to provide partial deliveries to a reasonable extent. These will be charged for individually.

SECTION 7 – PAYMENT

1. Our invoices shall be payable within 30 days of the date of billing without a discount or within ten days with a 2% discount.
2. Also without a warning on our part, the buyer shall enter payment default if it does not pay the purchase price within ten days of the due date and receipt of the invoice or an equivalent payment request.
3. Should the buyer enter payment default, all of its payment obligations under the business relationship with us, also those for which bills of exchange have been provided, shall become due immediately. In such a case, we shall be entitled to demand interest to the amount set by law from the time concerned. The proof of higher losses by the seller shall remain reserved.
4. Bills of exchange shall only be accepted by prior agreement and without the granting of a discount and only if bankable without the granting of a discount and only as a conditional payment. Payments in the cheque and bills of exchange procedure will also only be accepted conditionally. The purchase price claim shall not lapse until after full redemption of the bill of exchange. Expenses connected to bills of exchange and discounts shall be charged separately and shall be payable immediately without a discount.
5. The buyer shall only be entitled to a right of set-off if the counterclaims have been recognised by a court, have been acknowledged by the seller or are undisputed, even if defect complaints or counterclaims are asserted. The buyer shall only be entitled to exercise a right of retention if its counterclaim relates to the same sales agreement.

SECTION 8 – GUARANTEE / LIABILITY

1. The buyer must check the received goods for completeness, damage during transportation, obvious defects, quality and their properties. Obvious defects must be asserted to us by the buyer in writing within one week of delivery of the contractual object.
2. We shall not be obliged to provide a guarantee if the buyer has not asserted an obvious defect on time in writing. Should the goods demonstrate a defect for which we are responsible and should this have been asserted by the buyer in good time in writing, we shall be obliged to provide supplementary performance, to the exclusion of the rights of the buyer to rescind the contract or to reduce the purchase price, unless we are entitled to refuse supplementary performance in accordance with the statutory regulations. For each individual defect, the buyer must grant us a reasonable deadline for supplementary performance.
3. According to the choice of the buyer, the supplementary performance can take place in the form of correction of the defect or the delivery of a replacement product. We shall be entitled to refuse the form of supplementary performance chosen by the buyer if this leads to disproportionately high costs. During the supplementary performance, the reduction of the purchase price or the rescission of the contract by the buyer shall be excluded. Improvement shall be deemed to have failed following the second unsuccessful attempt. Should the supplementary performance have failed or should the seller have refused

this overall, the buyer shall be able to choose between reducing the purchase price (reduction) or declaring rescission of the contract.

4. The buyer shall not be able to assert damages claims under the terms below until after supplementary performance has failed or if supplementary performance is refused by us. The right of the buyer to assert further damages claims under the following terms shall remain unaffected thereby.
5. We shall incur unlimited liability in accordance with the statutory regulations for intentional or grossly negligent breaches of obligations, as well as for injury to life, body or health. Otherwise, we shall only incur liability if the contractual obligation which has been breached can be shown to be of essential importance for the attainment of the contractual purpose and the liability shall be limited to losses which are typically foreseeable.
6. The limitation of liability in accordance with number 5 shall apply accordingly to damages claims outside of the contract, in particular to claims connected to unlawful acts, with the exception of claims under the German Product Liability Act (Produkthaftungsgesetz). The limitation of liability shall also apply in favour of our employees, workers, representatives and vicarious agents.
7. Should we have provided a quality or durability guarantee in respect of the goods or parts thereof, we shall also incur liability within the framework of this guarantee. For losses which are connected to the lack of the guarantee quality or durability but which do not directly affect the goods, we shall however only incur liability if the risk of such a loss is evidently covered by the quality and durability guarantee.
8. We shall also incur liability for losses which are caused by simple negligence, should the said negligence concern the breach of such obligations whose compliance is of particular importance for the attainment of the contractual purpose (cardinal obligations). However, we shall only incur liability if the losses are typically connected to the contract and are foreseeable. Otherwise, we shall not incur liability in case of simply negligent breaches of non-fundamental ancillary obligations. The limitations of liability in number 7 shall also apply should this concern the liability of the legal representatives, management employees and other vicarious agents of the seller.
9. Regardless of the legal nature of the asserted claim, any further liability shall be excluded. Should the liability of the seller be excluded or restricted, this shall also apply in respect of the personal liability of its employees, workers, colleagues, representatives and vicarious agents.

SECTION 9 – RESERVATION OF OWNERSHIP

1. We shall reserve the ownership in respect of the goods (goods subject to reservation of ownership) until receipt of all payments under the sales agreement. The delivered goods shall not become the property of the buyer until it has fulfilled all of its obligations under the business relationship, including ancillary claims, damages claims and the redemption of cheques and bills of exchange. In case of the

cheque and bill of exchange procedure, the reservation of ownership in all of its forms listed here shall not lapse at the time of the cheques payment, but at the time of redemption of the bill of exchange.

2. The buyer must immediately inform us in writing of all third party attacks, in particular concerning compulsory enforcement measures and other impairments to its ownership. The buyer must reimburse us in respect of all losses and costs which are incurred by us due to a breach of this obligation and which are connected to the necessary measures for defending against third party attacks.

3. Should the buyer fail to comply with its payment obligation despite a warning issued by us, we shall be able to demand the surrender of the goods subject to reservation which are still in its possession, without the setting of a deadline. The transportation costs incurred in such a case shall be borne by the buyer. Pledging of the goods which are subject to reservation of ownership by us shall always give rise to a rescission of the contract. We shall be entitled to use the goods which are subject to reservation of ownership following return receipt. The proceeds from the use shall be set off against our open claims.

SECTION 10 – PLACE OF PERFORMANCE

The place of performance for payments shall be Bad Urach, Germany. The place of performance for our goods deliveries shall be the place of dispatch.

SECTION 11 – DATA PROCESSING

The buyer is in agreement that we will process all data concerning the buyer received in connection with the business relationship in compliance with the German Federal Data Protection Act (Bundesdatenschutzgesetz) for the fulfilment of our own business purpose. In particular, such data will be saved or transferred to a credit protection organisation, provided that this takes place within the framework of the purpose of the contract or should this be necessary to safeguard our justified interests and provided that no reason exists to assume that a protectable interest of the buyer excludes the processing, in particular the transfer, of the said data.

SECTION 12 – SEVERABILITY CLAUSE

Amendments or additions to the contract or these general terms and conditions of business shall require written form to take effect. Should one of the provisions of these general terms and conditions of supply and payment terms be or become ineffective or unenforceable, this shall not affect the effectiveness of the remainder of these general terms and conditions of supply and payment terms.

SECTION 13 – PLACE OF JURISDICTION AND APPLICABLE LAW

1. The law of the Federal Republic of Germany shall apply exclusively to the contractual relationship between the buyer and ourselves, even if the place of residence or place of business of the buyer is located abroad. The application of the unified law concerning the international purchase of moveable goods and the law concerning the conclusion of international sales agreements in respect of movable goods shall be excluded.

2. The buyer shall not be entitled to assign claims under the sales agreement without the permission of the seller.

3. Should the buyer be a businessman, legal person under public law or a public law special fund, the place of jurisdiction for both parties – also for lawsuits connected to bills of exchange and cheques – shall be Bad Urach, Germany. However, we shall also be entitled to bring a lawsuit against the buyer at its general place of jurisdiction.