

§ 1 Applicability

Our transactions are based on these General Terms of Sale. They are applicable to entrepreneurs, juristic persons under public law and special funds under public law.

Our Terms of Sale shall apply exclusively. Conflicting or different terms will only be binding if we expressly acknowledge them in writing.

§ 2 Conclusion of contract

Our offers, details and information (e.g. in prospectuses, catalogues or on our site) are subject to alteration and they are not binding.

To the extent that our orders are acknowledged in writing such acknowledgment shall be authoritative. If there is no written acknowledgment our offer shall be authoritative.

Deviations of 5% from the quantity ordered are customary and shall be accepted by a buyer.

§ 3 Prices and terms of payment

Our prices are net ex works excluding packaging, insurance and shipping. Unless otherwise expressly provided for goods shall be paid net within 30 days from the invoice date. Discounts require a special agreement in writing.

If our processing fee changes significantly after concluding the contract (change in costs of the materials to be processed by us, wages, freightage, energy, taxes, customs duties, etc, in particular) we are entitled to make a price adjustment of up to 10 percent. If such change entails a price adjustment of more than 10%, a buyer will be obligated to negotiate on a reasonable price adjustment with us. If such negotiations do not result in a price adjustment or if such negotiations fail, we shall be entitled to rescind the contract.

There can only be a setoff against claims that are undisputed or legally established. Such prohibition of setoff shall not apply, if the counterclaim concerning a setoff pertains to costs of a remedy of defects or completion.

§ 4 Default of payment

We are entitled to claim default interest as provided for by law (Section 288, para. 2, German Civil Code) from the due date. The right to claim additional damage remains reserved.

§ 5 Delivery

Our deliveries are effected ex works. Both extent and date of delivery are included in the acknowledgment of order. Mode of shipping and packaging are selected by us. This provision shall not apply, if a customer has expressly given directions. There may be different agreements in writing. Partial deliveries shall be permissible and shall be charged separately.

Our obligation to deliver shall be subject to a timely clarification of all

order details by a customer and a timely and correct self-delivery. This provision shall not apply, if we are responsible for a non-delivery. If there is reason to believe that a delivery cannot be effected in good time we will notify a customer thereof in writing, giving reasons and details of the expected period of delivery if we can reasonably be expected to do so. Delivery is deemed to be defaulted if an additional period granted to us has expired without results, if we are responsible for a non-delivery and when a customer fully effected performance.

A period of delivery starts upon our notice of readiness for dispatch or collection and is subject to the condition that the respective counter-performance was effected. If an acceptance is required, a notice of readiness for acceptance or the acceptance date shall be authoritative.

Transport packaging material will be taken back by us as provided for by the packaging ordinance. Other packaging materials will not be taken back.

§ 6 Passing of the risk

Goods shall be accepted immediately upon notice of readiness for dispatch or collection. At this moment the risk passes to a buyer.

§ 7 Warranty

Warranty claims can be asserted against us, if a customer discharges its statutory obligations specified in Section 377, German Commercial Code (so-called notice of defects). A notice of defects is deemed to have been given in good time if given within a period of 5 working days from the receipt of a consignment by a customer or from discovery in case of hidden defects. If a customer has accepted the goods or if there was a prior inspection a notice of defects shall be excluded if such defect could already have been detected at that point of time.

A buyer shall give us the chance to establish the defect complained about. The goods complained about shall, therefore, be returned to us without delay as requested by us.

In case of a justified notice of defects we shall either rectify the defect or effect a replacement delivery. If a rectification fails after a reasonable period of time granted by a buyer, a buyer may at its sole discretion demand a reduction or a rescission. There is no rescission in case of minor defects. A warranty becomes statute-barred after 12 months from the passing of the risk. A warranty claim cannot be assigned.

§ 8 Exclusion of warranty

Our warranty shall be excluded in case of an inappropriate or improper use, an incorrect installation and/or commissioning by a customer or third parties, wear and tear, incorrect or neglectful treatment, improper maintenance, chemical, electrochemical or electric impacts we are not responsible for and orders that are not state of the art and/or technical notes classified and established as

risky by us or our vicarious agents. This provision shall not apply if we or our vicarious agents act wilfully or grossly negligently.

§ 9 Liability

We shall not be liable in case of minor violations of minor contractual obligations. In case of any other breach of duty our liability shall be limited to the foreseeable, direct average damage typical of the contract considering the type of the goods. This provision also applies, if our statutory representatives or vicarious agents act slightly negligently. Claims for damages become statute-barred 12 months from the passing of the risk. This provision shall not apply to those cases in which a claim can be made against us on grounds of the Product Liability Act or a damage to life, limb or health.

§ 10 Reservation of title

Title to the goods remains reserved until all claims we can assert against a customer on the basis of the business relationship are satisfied.

A buyer can process or transform goods supplied. Goods are processed for us. If the value of the goods belonging to us falls below the value of the goods not belonging to us and/or the processing, we shall acquire co-ownership in the new goods in proportion of the value (gross invoice value) of the new goods belonging to a customer to the other processed goods at the time of processing. The foregoing sentence shall apply mutatis mutandis in case of an inseparable mixture or combination. To the extent we acquire ownership or co-ownership, a buyer shall keep the goods, exercising the diligence of a prudent businessman.

If our goods or new goods are sold a buyer hereby assigns its claim against its customer arising from a resale as well as all ancillary rights to us as a precaution without requiring special agreements. An assignment includes balance claims (if any). An assignment shall be tantamount to the price we invoiced for the goods. The portion of the claim assigned to us shall take precedence.

A buyer shall be entitled to collect assigned claims for the time being. A buyer shall immediately pass payments made in respect of assigned claims to us in the amount of the secured claim. If there is a legitimate interest (default of payment, opening of insolvency proceedings, protest or substantiated reasons for an over-indebtedness of a buyer, in particular) we can revoke a buyer's collection authority. Subject to a prior warning and within a reasonable period of time we can disclose an assignment for security, utilize the assigned claims and call upon a buyer to disclose an assignment for security to its customers.

If a legitimate interest can be substantiated, a buyer shall furnish the information and documents to us that are needed to enforce its rights against its customers.

As long as there is a reservation of title pledging or chattel mortgaging by a customer is prohibited. A buyer shall forthwith notify us of any pledge or other dispositions or encroachments by third parties. Goods or new goods can only be resold by resellers in the ordinary course of business on condition that payment of the equivalent value of the goods or the new goods is made to a buyer. A buyer shall agree with its customer that ownership will be acquired only upon such payment.

In case of a buyer's breach of duty (default of payment, in particular) we are entitled to demand a surrender of the goods or new goods without fixing a deadline and to rescind the contract (after fixing a deadline, if needed); a buyer is required to surrender the goods and/or new goods. A request for surrender does not imply a rescission notice unless we make an express statement in this respect.

§ 11 Industrial property rights, and copyrights

A buyer is under an obligation to check to see if the services ordered infringe any domestic or foreign industrial property rights or copyrights held by third parties. We are not required to do so.

A buyer shall indemnify us against third party claims arising from an infringement of industrial property rights or copyrights and shall bear the costs incurred by us in this respect.

If a third party makes a claim against a buyer for a violation of industrial property rights or copyrights, we can either obtain a utilization right for the services concerned at our expense or exchange them. If we cannot do so, a buyer may exercise its statutory rights of rescission or reduction.

§ 12 Act of God

In case of an Act of God we shall be exempted from performance for the period thereof and to the extent of the consequences thereof. Act of God means any event beyond our control that prevents us from discharging our duties in full or in part. This includes, in particular, damage caused by fire, flood, interruption of operations (labour disputes or strikes or administrative acts as well as difficulties in supply and other defaults we are not responsible for). We will notify a buyer of the beginning and the end of an Act of God and we will use our best efforts to solve that problem and to limit the consequences thereof to the extent possible. An information will be furnished in writing and on the phone (in urgencies). We will coordinate the procedure with the other party.

§ 13 Insolvency

If a buyer stops making any payments or if a petition for insolvency proceedings against a buyer's assets is filed or if insolvency proceedings are refused for lack of assets or if insolvency proceedings are instituted, we shall be entitled to rescind the contract to the extent of the portion of the contract not yet performed at that date.

§ 14 Data protection & electronic data processing

A buyer agrees that for the purpose of the contractual relationship all necessary data are stored electronically by us in compliance with all statutory data protection regulations.

§ 15 Confidentiality

A buyer undertakes to keep secrecy of all commercial documents, financial data and technical data (specimens or models, information, in particular) becoming known to it for the duration of the contract. We undertake to keep secrecy to this extent, too. Such undertaking starts upon initial information and covers a period of 36 months after expiration of the business relationship. There is no such undertaking, if pieces of information are known to the public, if they are freely available or if they are already known to third parties. This also applies to pieces of information that must be disclosed on grounds of administrative acts or as provided for by law.

§ 16 Final provisions

Oral subsidiary agreements shall take effect only if confirmed by us in writing. Exclusive venue for all disputes directly or indirectly arising from this contractual relationship shall be Schalksmühle.

If a provision of these Terms of Sale are or become invalid, this shall not affect the validity or enforceability of the remaining provisions. A buyer undertakes to agree with us on a provision that is effective, enforceable and deemed suitable for the purpose of the order and safeguards the parties' mutual interests. Section 139, German Civil Code, shall be inapplicable.