

## GENERAL TERMS AND CONDITIONS OF DELIVERY

### I. General

1. The following conditions as well as any separate contractual agreements shall apply to all business transactions (deliveries and services) with the customer. Different purchase conditions supplied by the customer will not be part of the contract in case of order acceptance.
2. Our offers are always without obligation. The order of the customer is a binding offer. The contract shall come into being with our written order confirmation.
3. Oral subsidiary agreements, amendments or supplements of the contract or of these contract terms must be made in writing in order to be valid.
4. We shall retain our exploitation right pertaining to property and copyright law for quotations, samples, drawings and other documents in any form. These may only be made accessible to third parties after our prior approval.

### II. Delivery Time, Delay in Delivery

1. The scope of delivery shall be governed by our order confirmation.
2. The delivery time shall be specified in the order confirmation. Compliance with the deadline shall be conditional upon all commercial and technical questions between us and the customer having been clarified and upon the customer having fulfilled all his obligatory duties (providing all technical information as well as the requisite approvals or certificates from government agencies, making a down payment etc.). If this is not the case, the delivery time shall be extended by a reasonable period.
3. The delivery deadline is met, when before its expiration the readiness for dispatch of the goods has been notified or when the delivery item has left our facility. If an acceptance test has to be conducted, then (- except in cases of justified refusal to accept -) the date of the acceptance test shall be determinant, alternatively notification of readiness for acceptance-testing. The delivery time shall be extended by a reasonable period, if non-compliance with the delivery deadline is attributable to industrial action practices (strikes, lockouts) and if unforeseeable events occur (e.g. interruptions in the operating facilities, delay in the delivery of substantial materials) as far as it can be proven that such impediments have a considerable influence on the delivery.
4. If the dispatch or the acceptance of the delivery item is delayed for reasons within the customer's responsibility, then he shall be invoiced with the costs incurred by the delay, beginning one month after receipt of the notification of readiness for dispatch or acceptance-testing.
5. Partial deliveries shall be permissible within the agreed delivery periods, unless this is not to the detriment of the customer.
6. The customer may withdraw from the contract without setting a deadline, if in case of a particular order it becomes impossible for us to carry out part of the delivery prior to passage of risk and the customer has a justified interest in declining the possible part-delivery. If this is not the case, the customer must pay the contractual price accounted for by the part-delivery concerned. The same shall apply in the event of our incapacity. If the impossibility or incapacity occurs during delay of acceptance of the customer, or if the customer is solely or predominantly responsible for these circumstances, he shall be obligated to provide a quid pro quo.
7. If we default, and the customer suffers loss or damage thereby, he shall be entitled to demand a lump-sum compensation for such default. This shall amount to 0.5 % of the net value of the goods for each full week of delay, but in total not more than 5 % of the value of that part of the overall delivery which, as a result of the delay, cannot be utilised in good time or not in accordance with the contract.

8. If the customer (- taking into account the legal exceptions -) sets us a reasonable deadline after the due date to perform the work, and if this deadline is not met, the customer shall be entitled to withdraw from the contract within the framework of the statutory provisions applying.
9. More far-reaching claims are defined only by section VII.
10. The shipment of the goods shall be for the account and at the risk of the customer. Upon delivery to the forwarder or carrier, the risk shall pass to the customer.

### III. Delivery Prices and Conditions of Payment

1. Our prices are ex works including loading, exclusive of packaging, freight, transport insurance and unloading costs. Value added tax at the current statutory rate will be added to the prices.
2. The payment must be made on our account in the following way without any deductions:
  - 1/3 of the price incl. VAT upon receipt of the order confirmation,
  - 1/3 upon us having notified the customer of the readiness of the goods for dispatch,
  - 1/3 within one month from the day of the passing of the risk.
3. Should the customer default, we are entitled to demand interest on arrears of 8% above the respective base lending rate as well as to withdraw from the contract after the setting of a reasonable deadline.
4. The customer shall only be entitled to retain or offset payments in the event of counterclaims, provided such counterclaims are undisputed or have been established by a court of law.

### IV. Passage of Risk, Acceptance of Delivery

1. The risk of accidental loss or of deterioration of the goods shall pass to the customer as soon as the delivery item has left our facility. This also applies when part-deliveries are made or we have also contracted to bear the transport costs, or delivery and erection.
2. If an acceptance test has to be conducted, this shall be determinant for the passage of risk. It must be carried out immediately on the acceptance date, alternatively after our notification of readiness for acceptance-testing. The customer may not refuse acceptance if a non-essential defect is found. The acceptance is deemed to be effected as soon as the customer has started to make use of the delivery item and to produce with it.
3. If dispatch or acceptance is delayed or does not occur as a consequence of circumstances outside our control, the risk shall pass to the customer from the day on which notification is made of readiness for dispatch or acceptance-testing. We undertake, however, at the customer's expense, to take out the insurance cover which the latter demands.

### V. Retention of Title

1. We shall retain title in the delivery item until all payments specified in the delivery contract, including possible interest due, have been received. In the event of default of payment, the customer is obliged to return the goods subject to the retention of title to us upon our request without having been set a deadline. In this case we shall be entitled to enter upon the customer's premises and take possession of the goods.
2. We shall be entitled to insure the delivery item against theft, damage, damage caused by fire, water or any other risk at the customer's cost, as far as the customer cannot prove to us that such an insurance cover exists.

3. The customer may only sell the conditional goods with our prior consent. The customer hereby assigns to us all claims against third parties that accrue to him through the resale. The customer shall be authorized to collect the claims after the assignment. Our right to collect the claims ourselves shall remain unaffected thereby. However, we undertake not to collect the claims, provided that the customer properly complies with his payment obligations and is not in arrears with payment. However, if this is the case, we may require that the customer disclose the claim assigned and the debtor in question, make all indications required for collection, surrender the relevant documents and notify the debtor of such assignment of claims.
4. Processing and manufacturing of the products subject to the retention of title shall take place on our behalf as manufacturers within the meaning of sec. 950. I. German Civil Code (§ 950. I. BGB) without binding us. The customer stores the new item for us with the diligence of a prudent businessman. The new object will be regarded as a product subject to the retention of title. If the goods subject to retention of title are processed, joined or mixed with other goods not belonging to us, we shall be entitled to co-ownership of the new object in the proportion to the invoice value of the goods subject to retention of title to the invoiced value of the other goods used. If the customer combines the goods subject to the retention of title with real property or chattels, as a matter of precaution, he will assign his claim conceded to him as remuneration for the combination together with all ancillary rights to the amount of the ratio of the value of the combined goods subject to the retention of title to the remaining combined goods at the time of combination. No separate declarations are necessary in this matter.
5. The customer may neither pledge the goods delivered, nor use them as security in any other manner. If third parties levy an attachment on those goods or otherwise wish to dispose of them, the customer must immediately inform us accordingly and deliver to us any documentation required in order to object against such measures.
6. If an application has been made for the institution of insolvency proceedings with respect to the customer's assets, we shall be entitled to withdraw from the contract and to demand the immediate return of the delivery item.

#### VI. Warranty

1. The warranty period shall be one year from the delivery or acceptance of the delivery item.
2. The customer shall be obliged to notify possible apparent defects in writing within 6 working days after delivery of the goods or hidden defects within 6 working days after they are discovered, stating the defects precisely.
3. We shall be entitled at our option to rectify the defect, reserving the right to several subsequent improvement attempts or to effect substitute delivery. Only in urgent cases, if operational safety is at risk, or to protect from unreasonably high damages, whereby we have to be informed immediately, the customer has the right to correct the defect immediately, or to have it corrected by third parties and to claim reimbursement from us for the necessary expenses made. The customer shall only have the right to demand rescission of the contract or reduction of the purchase price, if it is finally established that the subsequent improvement was not successful or a substitute delivery is impossible.
4. In the event of justified claims we will bear the costs of the replacement item including shipment.
5. If, with the exceptions provided by law, the customer grants us an appropriate time limit for subsequent improvement or substitute delivery, and if such time limit is not met, the customer shall be entitled to terminate the contract subject to statutory provisions. Should only an immaterial defect exist, then the customer shall only have a right to reduce the purchase price. More far-reaching claims are governed by section VII of these terms and conditions.

6. If using the delivery item leads to infringing upon industrial property rights or copyrights in the country of receipt, we shall procure the customer the right to further use at our costs or modify the delivery item in a fashion reasonable for the customer so that infringements of proprietary rights no longer exist. If this is not possible at appropriate conditions or in an appropriate period of time, the customer as well as we shall be entitled to withdraw from the contract.
7. The customer's claims are excluded in cases in which the customer is responsible for the infringement of such proprietary rights (e.g. unauthorized modification of the delivery item or use which is not in conformity with the contract). In addition, the customer shall be obliged to notify us immediately of any claims asserted due to the infringement of proprietary rights or copyrights and to support us when taking defensive measures.

#### VII. Liability / Periods of Limitation

1. Claims for damages and claims for compensation of expenses made by the customer – irrespective of the legal reason – especially due to infringements of duties from contractual obligations and from non-allowed acts, shall be excluded. This shall not apply insofar as liability exists imperatively e.g. under the Product Liability Act, in the event of wrongful intent, gross negligence, culpable injury of life, limb and human health, defects which we have maliciously failed to disclose or whose absence we have guaranteed. The claim for damages based on the culpable violation of significant contractual obligations shall be limited to foreseeable damage typical of the contract in the event of slight negligence.
2. The statutory periods of limitation apply to the above claims of the customer.
3. More far-reaching claims are excluded.

#### VIII. Software Utilisation

1. If the scope of delivery includes software, the person ordering shall be granted a non-exclusive right to utilise the software delivered, including its documentation. It is handed over for use on the delivery item intended for the purpose. Utilisation of the software on more than one system is prohibited.
2. The customer may duplicate, revise, translate the software only to the legally permissible extent (§§ 69 a ff. UrhG – German Copyright Act). The customer undertakes not to remove manufacturer's particulars (especially copyright details) or to alter them without the supplier's prior explicit permission.
3. All other rights to the software and the documentations, including copies, shall remain with the supplier or with the software vendor. The granting of sub-licences shall not be permissible.

#### IX. Applicable Law, Place of Jurisdiction

1. All legal relationships between the customer and us shall be governed solely by the law of the Federal Republic of Germany.
2. The place of jurisdiction is the court with jurisdiction for our domicile. We shall, however, also be entitled to file a lawsuit at the customer's place of business.
3. The agreement of the United Nations dated 11<sup>th</sup> of April 1980 about the International trading Contracts is excluded.
4. If one of the above provisions is or should become invalid, this shall have no effect upon the validity of the other provisions.