

General Terms and Conditions of Delivery

1. General – Field of Application

- (1) Our terms and conditions of delivery apply exclusively; we do not acknowledge or accept any terms and conditions of the buyer which conflict with or differ from our terms and conditions of delivery unless we have expressly agreed to their validity. Our terms and conditions of delivery apply even if, whilst being aware of the terms and conditions which conflict with or differ from our terms and conditions of delivery, we make a delivery to the buyer unreservedly.
- (2) All agreements which are entered into by the buyer and ourselves for the purposes of fulfilling this contract are set down in writing in this contract. Any possible amendments or additions are also set down in writing.
- (3) Our terms and conditions of delivery only apply in respect of domestic or foreign companies within the meaning of section 14 of the German Civil Code.

2. Offer – Offer Documents

- (1) The written order is the authoritative document in terms of the scope of supply. However, if our order confirmation differs from the order, the confirmation shall apply unless there are no valid reasons for such deviation and the buyer objects within 7 working days after receipt of the order confirmation.
- (2) All the delivery data describes the quality due and does not constitute the provision of a guarantee.
- (3) We reserve our proprietary rights and copyrights in respect of illustrations, drawings, calculations and other documents. This also applies to those written documents which are described as "confidential". The buyer requires our express written approval before he passes these on to third parties.

3. Prices – Terms of Payment

- (1) Unless the order confirmation states otherwise, our prices apply "ex works", excluding packaging, freight, customs duties, insurance and assembly. These are invoiced for separately.
- (2) The statutory VAT is not included in our prices; the statutory amount is shown separately in the invoice on the day of invoice.
- (3) The deduction of a discount requires specific written approval.
- (4) Unless the order confirmation states otherwise, the net purchase price (with no deduction) is due for payment within 30 days from the invoice date. The statutory regulations apply as regards the consequences of a default in payment.
- (5) Changes to the delivery item which, on account of the products' special characteristics or the buyer's special local conditions, were not identifiable when submitting the offer and/or when clarifying the technical details, even though state-of-the-art technology was used, but which are required to achieve the quality due are to be paid for additionally to a reasonable extent.
- (6) The buyer only has the right to offset if his counterclaims have been established as being legally valid, are undisputed or are acknowledged and accepted by us or are ready for a decision. In addition, he is only allowed to exercise a right of retention if his counterclaim is based on the same contractual relationship.

4. Delivery Period

- (1) Dates of delivery shall be non-binding unless expressly confirmed in writing by us.
- (2) The start of the delivery periods stated by us is dependent upon clarification of all the technical details and also receipt of the agreed advance payment.

- (3) Compliance with our delivery obligation also requires that the buyer has duly honoured his obligations in good time. If this is not the case, then the delivery period will be extended for a reasonable length of time. We reserve the right to enter a plea of non-performance. The delivery period shall be extended to a reasonable extent if our sub-suppliers fail to effect their deliveries to us in due time or in a fault-free manner. In such case, we shall assign to the buyer our claims for damages against our supplier with regard to compensation of any damage caused by such delay. If any delays become evident, we will inform the buyer as soon as possible.
- The delivery deadline shall be extended for a reasonable period if events occur for which we are not responsible – for example, industrial disputes, absence of employees, particularly due to sickness – and if such events have a significant impact. We will inform the buyer of the start and end of such circumstances as soon as possible.
- (4) If the buyer is in default of acceptance or if he culpably violates other duties to co-operate, we are entitled to demand compensation for the damages which we incur including any possible additional expenditure.
- (5) If the conditions stated under Subsection (3) exist, the risk of accidental loss or accidental deterioration of the delivery item passes over to the buyer on the date on which the buyer is in default of acceptance or payment.
- (6) In accordance with the statutory regulations, we are liable if the supply contract is a firm deal within the meaning of section 323, paragraph 2, no. 2 of the German Civil Code or § 376 of the German Commercial Code. In accordance with the statutory regulations, we are also liable if, as the result of a delivery delay for which we are responsible, the buyer is entitled to assert that his interest in continuing the execution of the contract has ceased.
- (7) In addition, in accordance with the statutory regulations, we are liable if the delivery delay is due to an intentional or grossly negligent breach of contract for which we are responsible; the fault of our representatives or vicarious agents is ascribable to us. If the delivery delay is not due to an intentional breach of contract for which we are responsible, our liability to pay compensation for damages is limited to the foreseeable typically occurring damage.
- (8) In accordance with the statutory regulations, we are also liable if the delivery delay for which we are responsible is due to the culpable breach of a fundamental contractual obligation; in this case however the liability to pay compensation for damages is limited to the foreseeable typically occurring damage.
- (9) Moreover, in the event of a delivery delay we are liable for damage proven by the buyer for each completed week of delay, this being 0.5% of the delivery value but, as a maximum, no more than a total of 5% of the delivery value.
- (10) The above-stated limitations of liability shall not apply to any injury to life, limb or health.
- (11) If the buyer cancels the order, we are entitled to assert a claim for damages and overall this amounts to 10% of the total order value. We reserve the right to make further claims if we so specify, just as the buyer has the right to prove that we have incurred no damage or the damage incurred is significantly less than 10% of the total order value.

5. Transfer of Risk – Packaging Costs

- (1) Unless the order confirmation states otherwise, delivery "ex works" is agreed. If dispatch is delayed due to circumstances for which the buyer is responsible, the risk passes over to the buyer upon receipt of the notification that the items are ready for dispatch.
- (2) To the extent agreed upon in writing in the purchase order or if requested by the customer in writing 2 weeks before shipment of the goods at the latest, we will take out transport insurance to cover the delivery; the customer will bear the ensuing costs.

6. Liability for Defects

- (1) Any and all claims made by the buyer as a result of defects require that the buyer has duly complied with his inspection obligation and his obligation to give notice of defects in accordance with § 377 of the German Commercial Code.
- (2) If the delivery item is defective then, at our reasonable discretion, we are entitled to opt to perform subsequently by removing the defect or by delivering a new item free of defects. In the event of the defect being removed, we are obliged to bear all the costs, particularly transport costs, freight charges, labour costs and costs of materials, which are necessary in order to remove the defect, provided that these are not increased due to the fact that the delivery item was transported to a place other than the place of performance. In each case we only bear expenses up to the amount of the purchase price. Following his approval, the buyer must grant us the necessary time and opportunity to remedy the defects and supply replacements which, at our reasonable discretion, we deem to be necessary.
- We shall be entitled to demand that all replaced parts and the titles thereto shall be returned to us. In addition, the customer shall be obliged to return any parts that are to be inspected by the producer / sub-supplier as to alleged defects.

- (3) If we fail to subsequently perform, the buyer is entitled, after he has set a reasonable time limit which has lapsed with no remedial action taken, to opt for withdrawal from the contract or a reduction in price.
- (4) In accordance with the statutory regulations, we are liable if the buyer asserts claims for compensatory damages which are based on intent or gross negligence, including intent or gross negligence on the part of our agents or vicarious agents. If we cannot be blamed for an intentional breach of contract, the liability to pay compensation for damages is limited to the foreseeable typically occurring damage.
- (5) In accordance with the statutory regulations, we are liable if we are in culpable breach of a fundamental contractual obligation; in this case however the liability to pay compensation for damages is limited to the foreseeable typically occurring damage.
- (6) Liability on account of culpable harm to life, body or health remains unaffected; this also applies to mandatory liability in accordance with the product liability law.
- (7) If only a minor defect is present, the buyer is only entitled to a reduction in price. A defect is in particular considered to be minor if it is a deviation from the contractually agreed performance of the machine by not more than 10 %. We are also not liable or responsible for defects ensuing from the products' special characteristics or the buyer's special local conditions which were not identifiable when clarifying the technical details or when running tests in our factory, even though state-of-the-art technology was used.
- (8) The period of limitation for defect claims is 12 months, calculated from the transfer of risk. It relates to an eight-hour operation. It is shortened to 6 months in the event of a multiple-shift operation.

7. Joint Liability

- (1) Liability for damages other than that provided for in Section 6 is excluded, regardless of the legal nature of the asserted claim. This applies in particular to claims for damages ensuing from negligence in contracting on account of other breaches of duty or on account of tortious compensation claims in respect of material damage in accordance with § 823 of the German Civil Code.
- (2) The limitation according to Subsection (1) also applies if, instead of a claim for compensation for damage in place of performance, the buyer demands compensation for futile expenses.
- (3) If the liability for compensatory damages is excluded or limited vis-à-vis us, this also applies with regard to the personal liability for compensatory damages of our salaried personnel, employees, co-workers, representatives and vicarious agents.
- (4) Any liability for culpable injury to life, limb or health shall remain unaffected thereby.

8. Safeguarding Retention of Title

- (1) We retain title to the delivery item until we have received all payments ensuing from the supply contract. If the buyer acts in breach of contract, particularly if he delays payment, we are entitled to rescind the contract and request that the delivery item be returned. If we take back the delivery item we are withdrawing from the contract. Once we have taken the delivery item back, we are entitled to sell it and the sales proceeds will be charged up against the liabilities of the buyer, less reasonable sales costs.
- (2) The buyer is obliged to handle the delivery item carefully; in particular he is obliged to insure the item adequately, at his own expense, against damages ensuing from fire, water and theft. The policy must be a replacement value insurance policy. If maintenance and inspection work is required, the buyer must carry this out in good time and at his own expense.
- (3) The buyer must inform us of levies of distress or other infringements by third parties immediately and in writing so that we can institute legal proceedings in accordance with § 771 of the Rules of Civil Procedure. If the third party is unable to refund us with the court and out-of-court litigation expenses, the buyer is liable for the loss suffered by us.

9. Place of Jurisdiction – Place of Performance

- (1) The place of jurisdiction for any possible disputes ensuing from this contract is our registered office; we are however entitled to bring an action against the buyer at the court responsible for his registered office.
- (2) The Law of the Federal Republic of Germany applies; the validity of the UN Sales Law is excluded.
- (3) Unless the order confirmation states otherwise, our registered office is the place of performance.