

General Terms of Business for Sales, Supplies and Payment

§ 1 Validity

All supplies, services and quotations are made by us exclusively in accordance with these Terms of Business. They shall therefore apply to all future business relationships even if not expressly agreed. These terms shall be deemed to have been accepted on acceptance of the goods or services at the latest. We hereby explicitly object to any counter-confirmations by the contracting partner referring to his general terms of business or purchasing.

§ 2 Quotation, conclusion of contract, content of contract, written form, changes to execution

(1) Our quotations are non-binding and subject to change without notice. However, submission of an order shall constitute a binding declaration on the part of our contracting partner that he wishes to purchase the goods ordered. The contract shall not be deemed to be concluded until, at our discretion, we accept our contracting partner's order by issuing an order confirmation or by delivering the ordered goods to the customer. We reserve the right to sell the goods to another buyer. Confirmations of acceptance and all orders and other declarations of intent that are of significance to the legal transaction (e.g. addenda, alterations, secondary agreements or assurances), drawings, illustrations, measurements, weights and other performance data shall not be legally valid unless confirmed by us in writing.

(2) We are not obliged to immediately confirm receipt of orders received via e-commerce by electronic means. If we confirm receipt of an order, a delivery acknowledgement shall not constitute a binding acceptance of the order on our part. The other obligations set out in § 312 (e) 1 sentence 1 no.s 1-3 and sentence 2 of the German Civil Code shall also not apply.

(3) We reserve the right to make changes to work procedures or designs at any time. This shall only apply if our contracting Party can reasonably be expected to accept a change to a promised performance, taking our interests into account. We are not obliged to make changes to products already delivered.

§ 3 Prices, price changes

(1) Should the price of equivalent goods change in the period between the confirmation of order and delivery of the goods, the new price shall apply unless a fixed price has been agreed. If there is a price increase, the new price must be within the scope of standard market prices. The contracting partner will be notified of price increases without undue delay. If the contracting partner objects to the increase within one week of receipt of the notification, we shall at our discretion be entitled to withdraw from the contract or deliver the goods at the original price. We must inform our contracting partner of our choice without undue delay. If we decide to withdraw from the contract, further claims on the part of our contracting partner shall be ruled out. The same applies to the as yet undelivered quantities of any partial deliveries. Additional supplies and services shall be billed separately.

(2) All changes to foreign currencies or in the euro exchange rate occurring since the contract was entered into shall be for the customer's account.

(3) Unless otherwise stated, our prices are net prices. Value-added tax shall be payable in accordance with the statutory provisions valid at the time. Unless otherwise agreed, prices shall be exclusive of freight and packing from the applicable place of performance.

§ 4 Delivery and performance period, obstacles and hindrances to supply, flat-rate charges

(1) All execution and/or delivery dates or periods shall be non-binding. Delivery periods shall be agreed as approximate periods. The delivery period begins on the day on which the order confirmation is sent and shall be deemed to have been complied with when the goods have left the factory or warehouse by the end of the delivery period or, providing it is possible to dispatch the goods, when the goods have been reported as ready for dispatch.

Our supply is subject to our receiving our own deliveries properly and on time. We shall therefore be released from our obligation to deliver if we are not responsible for the non-delivery, especially when a congruent hedging transaction is entered into.

(2) We are not responsible for supply and performance delays caused by force majeure and other incidents which make it particularly difficult or impossible for us to supply or perform, such as official decrees, strikes, lockouts, or other business disruptions, delays in obtaining supplies of important raw materials or energy, even those which occur to our suppliers, their sub-suppliers or third parties whom we call in for the execution of our obligations, even if we have agreed binding periods and dates. These entitle us to postpone supply or performance for the duration of the hindrance plus a reasonable lead time. In this case we are furthermore entitled to entirely or partially withdraw from the contract in respect of the non-fulfilled part. The same applies in the event of subsequent changes to the contract which may affect the delivery period; in such cases the delivery period shall also be extended by a reasonable period unless special arrangements have been made. If one of the abovementioned circumstances makes supply or performance impossible, we shall be released from our obligation to supply.

(3) If the hindrance lasts longer than three months, the contracting partner shall be entitled to set a reasonable period of grace for delivery of the non-fulfilled part, following which he shall be entitled to withdraw from the contract in respect of the non-fulfilled part. The contracting partner may not derive any entitlement to compensation from the extension of the delivery period or our release from our obligations. We may only invoke the above circumstances if we have notified the contracting partner thereof without undue delay.

(4) If we are responsible for the failure to meet binding delivery periods or dates or are in default of delivery, the contracting partner shall be entitled to compensation for the delay amounting to 0.5% for every full week of the delay up to a maximum of 5% of the net invoice value of the goods and services affected by the delay. Any further-reaching claims are ruled out unless we have caused the delay as a result of gross negligence at the very least. However, we shall be entitled to prove that no damages have been suffered or that the damages suffered are considerably lower than this flat-rate fee.

(5) Compliance with our delivery and performance obligations is conditional upon the timely and proper discharge of our contracting partner's obligations.

(6) If our contracting partner should be in default of acceptance, we shall be entitled to demand compensation for the loss we incur as a result; the risk of accidental loss or damage shall transfer to our contracting partner on commencement of the default of acceptance.

(7) We are entitled to make partial deliveries of goods or services at any time. This does not apply if the interests of the contracting partner would be unreasonably impaired by a partial delivery of goods or services. The same applies to our right to deliver before the end of an agreed delivery period.

(8) If dispatch is delayed at the request of our contracting partner, he shall bear the storage costs starting from one month after notification of readiness for dispatch. These costs amount to 0.5% of the net invoice value per month for storage on our premises. If our contracting partner proves that the cost of comparable, standard industry storage would be much lower outside our premises, our claims will be reduced by a reasonable level in accordance with the abovementioned rate. This shall not affect our entitlement to compensation for substantiated higher costs. In the event of delay in accordance with this paragraph, we are furthermore entitled to set a reasonable period of grace for the acceptance of the goods or services, following which we are entitled to dispose of the object of the contract elsewhere and deliver after a reasonable extended delivery period. This shall not affect existing payment obligations. Reference is made to paragraph § 8 article 6.

§ 5 Transfer of risk

The risk transfers to the contracting partner as soon as the goods are handed over to the person or company carrying out the transportation or have left our warehouse, that of our supplier or that of the third party appointed by us for the purpose of dispatch. If it is impossible to dispatch the goods for reasons for which we are not responsible, the risk will transfer to the contracting partner on notification of readiness for delivery. Goods notified as being ready for dispatch must be collected immediately. If dispatch of the goods is delayed for reasons for which we are not responsible, the risk will transfer to the contracting partner on notification of readiness for delivery regardless of whether the goods are being dispatched from the place of fulfilment and who is paying the freight charges.

§ 6 Warranty, complaints, limitation period, restriction and exclusion of warranty

(1) All new products, materials, equipment, machinery and parts are warranted for 12 months; this does not apply to contracts that incorporate VOB Part B in its entirety. The warranty period starts on the date on which the product is delivered.

(2) No warranty claims in respect of second-hand material shall be entertained whatsoever.

(3) If our operating, maintenance or other instructions are not followed, if changes are made to the products, parts are exchanged or consumables not specified in the original specification are used, all warranty claims relating to defects of the delivered products shall be invalidated if the contracting partner does not refute a corresponding substantiated claim that it was one of these circumstances that brought about the defect.

The same applies in the event of improper or unsuitable use, faulty installation or poor maintenance or other work. If the circumstances listed in paragraphs 1 and 2 of this section occur in our contracting partner's sole or virtually exclusive sphere of control or risk, our contracting partner shall be responsible for proving that these circumstances did not give rise to a claim under the warranty or cause a defect.

(4) Normal wear and tear is not covered by the warranty under any circumstances.

(5) The contracting partner must notify us in writing of any obvious defects without delay but no later than eight days after receipt of the object of the performance. Defects reported to us after the end of the abovementioned periods will not be covered by the warranty. Defects, which can not be detected within the period of time as given in sentence 1 (One) of this paragraph, even in case of careful examination, must be reported to us in writing without delay.

(6) It is the obligation of the contracting partner to prove all conditions of entitlement to a warranty claim, especially for the defect itself, the point of time when the defect was discovered and the timeliness of the complaint.

(7) In the event of a defect, the contracting partner is entitled to demand that the defect be repaired; we reserve the option to replace the item concerned. If it should become apparent for any reason whatsoever that the goods are not actually defective or that there are no grounds for claiming under the warranty, the contracting partner shall bear all costs associated with the dispatch, examination and repair of the item concerned.

(8) If the repair of the defect should be unsuccessful, the contracting partner may at his discretion demand a reduction in the purchase price or, if the object of the warranty is not a building service, withdraw from the contract. The contracting partner does not have the right to withdraw from the contract in the case of a minor breach of contract, especially in the event of minor defects. If the contracting partner decides to withdraw from the contract after the unsuccessful repair of the defect, he will not be entitled to claim any further compensation in respect of the defect.

- (9) If our contracting partner is entitled to compensation after the unsuccessful repair of the defect, the item shall remain with the contracting partner if he can reasonably be expected to keep it. Compensation shall be limited to the difference between the purchase price and the value of the defective item. This does not apply in the event that we have committed the breach of contract maliciously.
- (10) With regard to the properties of the goods, only the manufacturer's product description shall be deemed to have been agreed. Public statements, endorsements or advertising by the manufacturer shall not constitute a contractual description of the properties of the goods.
- (11) If our contracting partner receives inaccurate installation instructions, our obligation shall only extend to providing installation instructions that are free from inaccuracies and only if the inaccuracy in the installation instructions prevents the proper installation of the goods.
- (12) The above paragraphs conclusively regulate the warranty rights in respect of our products and exclude other warranty claims of any nature whatsoever. Our contracting partner shall not receive any guarantees in a legal sense from us.
- (13) Warranty claims against us may only be made by the immediate contracting partner and may not be assigned.

§ 7 Retention of title

- (1) Pending discharge of all receivables (including all net receivables under trade credit terms) held by us against our contracting partner either now or in the future for any legal reason, the contracting partner shall furnish us with the following security, which may be released upon request as soon as the value of the security exceeds that of the receivables by more than 20% on a sustained basis.
- (2) The goods shall remain our property. Any processing or transformation thereof shall be deemed to have been performed on our behalf and in our name and order, but with no obligation on our part. If our (co-)ownership lapse because the item is incorporated into other property, it is hereby agreed that (co-)ownership to the new object shall be transferred to us in an amount equal to the value attributed to the item in our invoice. Our contracting partner shall store the goods in which we hold (co-)ownership rights free of charge. Goods in which we hold (co-)ownership rights shall be referred to hereunder as "goods subject to retention of title".
- (3) Our contracting partner shall be authorised to process and sell the goods subject to retention of title as part of his normal business operations as long as he is not in default of any of his obligations. The goods may not be assigned, pledged or used as security. Our contracting partner hereby assigns to us in full all and any receivables arising from the goods subject to retention of title from reselling them or for any other legal reasons (insurance, tort) including all balances under trade credit terms by way of security. We accept the assignment. We revocably authorise our contracting partner to collect the receivables assigned to us in his name for our account. This authorisation may only be revoked if our contracting partner fails to properly comply with his payment obligations. If our interest in doing so is justified, we shall be entitled to notify our contracting partner's customer of the assignment.
- (4) In the event of any third-party intervention in the goods subject to retention of title, including but not limited to seizure, our contracting partner shall disclose our ownership rights and immediately notify the third party so that we are able to assert our ownership rights. For this purpose, our contracting partner shall provide us in writing with all the information necessary for us to observe our rights without undue delay. Our contracting partner shall hold us harmless if we are unable to recover the resultant court or out-of-court expenses from the third party.
- (5) In the event of any breach of contract on the part of our contracting partner, including but not limited to payment default, we shall be entitled to reclaim the goods subject to retention of title or, where applicable, demand assignment of our contracting partner's rights of relinquishment held against third parties. Such action or seizure of the goods subject to retention of title shall not constitute rescission of the contract on our part.
- (6) Our contracting partner shall be obliged to insure the goods subject to retention of title against damage resulting from the risk of loss of any kind (e.g. fire, theft, vandalism) at his expense. He is furthermore obliged to treat the goods with care and to carry out any necessary maintenance, repair or inspection work at his own expense.

§ 8 Payment, payment date, offsetting restrictions, reduction in purchase price, retention

- (1) Our invoices are due and payable net against invoice within 30 days of the invoice date without deduction. We shall be entitled to allocate payments received against debts owing as we see fit.
- (2) If payment is not made on time, we shall be entitled to charge interest amounting to 8% above the interest base rate from the payment due date onwards. We shall furthermore be entitled to prove and claim a higher interest rate or additional loss.
- (3) Payment shall be regarded as having been effected when the amount is at our unconditional disposal. To the extent that we accept payment by means other than cash, which we reserve the right to do, the payment shall likewise not be regarded as having been effected until the amount owing is credited unconditionally to our account or we have unconditional disposal of it.
- (4) If we should become aware of circumstances which shed doubt on the creditworthiness of our contracting partner or if it becomes evident that our claim to payment is jeopardised by our contracting partner's insufficient solvency, we shall be entitled to call in the entire outstanding debt, even if we have agreed to accept non-cash means of payment. In this case we shall be furthermore entitled to demand prepayment or security, and shall not be obliged to deliver in such cases until such time as our contracting partner has made the prepayment or paid the security.
- (5) The exercising of a right of retention, offsetting or reduction of the agreed price is excluded even if complaints for defect have been filed with us. This does not apply in case of undisputed or legally established payment claims or complaints for defect expressly recognised by us.
- (6) In case the delivery is delayed for reasons that the contracting partner is responsible for, we are entitled, independently from the actual delivery date, to use as latest invoice date the delivery date as agreed in the contract. This applies even in cases where we agree with the delayed delivery date. This will not affect any other claims against our contracting partner whatsoever.

§ 9 Industrial property rights, confidentiality, ownership

- (1) If we supply parts in accordance with our contracting partner's designs, drawings, models, plans, samples or other instructions, we shall not be held liable for the infringement of copyrights, commodity laws, trademarks, patents or other industrial property rights. Our contracting partners shall hold us completely harmless in this regard.
- (2) To the extent that we provide our contracting partner with technical representations of any nature whatsoever, this shall not affect any industrial property rights whatsoever; in other words, the sole right to duplication, dissemination, exhibition and any other exploitation shall unreservedly remain with us. Our contracting partner shall not be entitled to duplicate the information we provide, pass on the content to third parties or exploit it in any other way. Ownership of all drawings, estimates or other documents shall remain with us unless the transfer thereof is expressly agreed. All such information is strictly confidential.
- (3) Unless expressly agreed to the contrary in writing, information belonging to our contracting partner of which we become aware in connection with the execution of the contract shall not be deemed to be confidential.

§ 10 Exclusion and limitation of liability – limitation period

- (1) Our liability for the simple negligent breach of duties is excluded unless it involves breach of material contractual obligations ("cardinal" obligations).
- (2) Any liability for the simple negligent breach of duties is limited to the amount of such damages that are foreseeable at the time the contract is entered into and such damages that can typically be incurred within the scope of the transaction entered into in line with the type of goods in question.
- (3) In the event of a simple negligent breach of industrial property rights, our liability shall also be limited to the level of foreseeable losses typical of the type of contract. We shall furthermore only accept liability on condition that the handling of the legal issues is entrusted to us and that the alleged interference with industrial property rights is exclusively connected with the construction of the supplied products themselves and is not the result of its incorporation into other property or its joint use with other products.
- (4) In the event of an infringement of industrial property rights, we reserve the right to a) acquire the necessary licences for the allegedly infringed industrial property rights or b) provide our contracting partner with a modified product or parts of it, which in the case of a replacement for the infringing product would extinguish the claim of infringement.
- (5) The exclusion or limitation of liability shall not apply in the event of claims by the customer on the basis of the Product Liability Act and in the case of damage resulting from injury to life, body or health for which we are responsible.
- (6) Claims for compensation on the part of our contracting partner due to a defect shall expire after a period of one year as of the delivery of the product. This shall not apply if we can be accused of gross negligence and in the case of damage resulting from injury to life, body or health for which we are responsible.
- (7) The provisions of this paragraph apply both in respect of our contracting partner itself and his vicarious agents. The provisions of this paragraph apply furthermore in respect of ourselves as well as for our employees, our legal representatives or vicarious agents especially regarding the exclusion or limitation of liability.

§ 11 Court of jurisdiction, choice of law, written form

- (1) The sole place of jurisdiction for all disputes arising from the contractual relationship and/or all legal relationships between us and the Purchaser shall be Koblenz, regardless of the kind of action or proceedings involved or the object of the action. We reserve the right to choose a different place of jurisdiction.
- (2) To the exclusion of all other regulations, such as the UN Convention on contracts for the International Sale of Goods of 11 April 1980, these terms of business and all legal relationships between the contracting parties shall be governed by the laws of the Federal Republic of Germany.
- (3) Amendments and addenda to these terms of business and this contractual relationship must be made in writing. This also applies to the cancellation of the clause on the written form.
- (4) If any provisions in this contract should be ineffective or should a loophole in the contract become evident, this should not affect the validity of the other provisions.