

General Conditions of Purchase

1.0 General Terms

1.1 Our conditions of purchase apply exclusively; we do not accept any conditions of the Supplier which are contrary to, or deviate from, our conditions unless we have given our consent to their application expressly and in writing. Our conditions of purchase also apply if we accept the delivery without reservation in spite of our knowledge of conditions of the Supplier which are opposing or deviate from our conditions of purchase.

Any changes or additions to these general ordering conditions require our express written consent.

1.2 If we have informed the ordering party of the intended purpose of the deliveries or services or if the intended purpose is recognizable to the Supplier even without an express information, the Supplier shall be obliged to inform us immediately if his deliveries or services are not suitable for said intended purpose.

1.3 Our conditions of purchase only apply in relation to businesspeople within the meaning of Section 310, 1 of the BGB (German Civil Code). They will also apply to all future business transactions with the Supplier.

1.4 We may cancel the order without being charged any costs for this if the Supplier does not confirm the order to us in writing within two weeks after its receipt unless the deliveries or services have been performed in the meantime.

1.5 Orders must be in writing. Oral orders, changes or additions shall only be binding if they are confirmed by us in writing.

1.6 The assignment of orders to third parties shall not be permitted without our written consent and shall entitle us to withdraw from the contract fully or partly or to require compensation for non-compliance.

1.7 The Supplier shall supply all documents of proof (e.g. certificates of origin) which we require for obtaining customs or other benefits.

2.0 Delivery terms

2.1 Agreed terms of delivery shall be binding. For the timeliness of deliveries not including assembly or erection, the receipt at the delivery address specified by us shall be decisive; for the timeliness of deliveries including assembly or erection and of services, the acceptance shall be decisive.

2.2 Any circumstances jeopardizing the compliance with agreed-upon delivery dates shall be reported to us in writing immediately so that further steps to be taken can be agreed.

2.3 In the case of any delay in delivery, we shall be entitled to impose a contractual penalty amounting to 0.5% of the delivery value per full week but no more than 10%. We shall be entitled to claim a contractual penalty in addition to performance; we undertake to declare the reservation of contractual penalty to the Supplier within 10 working days, counted from the acceptance of the delayed delivery, at the latest. Any further claims and rights are reserved.

3.0 Shipping; transfer of risk

3.1 Unless otherwise agreed, the shipping and packing costs, duties, fees and other charges shall be borne by the Supplier. Unless otherwise agreed in writing, deliveries shall be free domicile. If prices are stipulated ex works, the goods shall be shipped at the lowest possible cost unless we have required a particular mode of transport. Additional costs due to non-compliance with a shipping or packing regulation or for an accelerated delivery necessary for complying with a delivery date shall be borne by the Supplier. If prices are stipulated free recipient, we may give instructions regarding the mode of transport, forwarding agent or carrier after the conclusion of the contract. If,

however, additional costs are incurred by the Supplier as a result, we will reimburse them if we have been informed of them by the Supplier, with the difference being indicated, and if we keep up our instruction nevertheless.

3.2 Each delivery shall be accompanied by packing slips and delivery notes indicating the content, the order number and any other purchase order indicators. At the time of delivery at the latest, we shall be sent consignment notes containing the same information. If for a delivery, through the fault of the Supplier, the requested shipping documents are not delivered on a timely basis or the above information is missing in the shipping documents, the goods shall be stored at the cost and risk of the Supplier till the receipt of the shipping documents or the complete information.

3.3 For deliveries with or without erection or assembly, the risk shall be transferred at the time of the acceptance to be performed at the place of erection.

4.0 Insurance

We shall not bear the costs of any insurance of the goods, especially of a freight forwarders liability insurance.

5.0 Invoices

Invoices shall be sent separately for each order/delivery, with the order number and any other purchase order indicators being specified, to our address (Eschau-Hobbach) unless a different invoicing address is mentioned in the order. Duplicates of invoices shall be marked as such. The invoice must comply with the legal provisions currently in effect. Improper invoices shall be returned to the issuer.

6.0 Payments

6.1 The price indicated in the order is binding. Payment shall be made at the conditions mentioned in the order.

6.2 The period for payment commences as soon as the invoiced deliveries or services have been accepted or, if no acceptance is planned, have been performed completely and the proper invoice has been received. However, the agreed period for payment does not commence prior to the agreed delivery date. At our choice and unless otherwise agreed, payments shall be made within 14 days with a 3% cash discount, within 30 days with a 2% cash discount or net within 60 days.

6.3 Payments do not mean that the deliveries or services are recognized as being compliant with the contract.

7.0 Assignment and pawning

The assignment or pawning of contractual claims shall only be effective with the ordering party's written consent. The ordering party will not refuse said consent without an important cause.

8.0 Liability for defects; examination of defects

8.1 The Supplier shall guarantee that the deliveries or services comply with the agreed specifications, have the assured properties and do not have any defects which remove or reduce their value or their suitability for the use which is customary or assumed under the contract. Furthermore, the Supplier guarantees that his deliveries and services comply with the generally accepted rules of technology, the relevant environmental, accident prevention and other industrial safety regulations and the generally accepted safety technology and occupational health and safety rules that currently apply in Germany.

8.2 Prior to the commencement of production or the performance of the service, the Supplier shall, without request and in writing, report any changes in the type of the composition

of the processed material or in the design as compared to deliveries or services of the same type which were performed to us earlier. The changes require our written consent.

8.3 We will be obliged to examine the delivery for any quality or quantity deficiencies within an appropriate period and to make complaints immediately. In the case of hidden deficiencies, this shall apply from the time of their discovery. Insofar as incoming goods inspections according to a spot-check procedure are agreed, we may, in the case of any excess of the agreed quality limit values, reject the entire delivery and test 100% of it at the Supplier's expense.

8.4 The period of limitation is 36 months, counted from the transfer of risk

8.5 We are entitled to the legal claims for deficiencies without any deduction; in any case, we shall be entitled to require the elimination of the deficiencies or a faultless delivery from the Supplier at our choice. The right to receive compensation, particularly compensation instead of performance, is hereby reserved expressly.

In urgent cases, if due to pressing time and the risk of substantial damage it is not possible to notify the Supplier and enable him to cure the deficiency, we may perform the elimination of deficiencies ourselves at the Supplier's expense.

9.0 Industrial property rights

9.1 The Supplier shall be liable for the deliveries or services not infringing any third-party industrial property right, also with regard to their use. To the extent the Supplier has acquired or processed products from third parties, Supplier warrants that as per his knowledge such products or services do not violate industrial property rights of third parties.

9.2 If claims are made against us by third parties, the Supplier shall be obliged to indemnify us against said claims upon the first written request. The Supplier's obligation to indemnify relates to all expenses which are incurred by us necessarily due to, or in connection with, a third-party claim, except in situations where the Supplier is not liable as per clause 9.1.

9.3 The period of limitation for claims under this clause 9 is 5 years, counted from the delivery resp. performance.

10.0 Product liability; indemnification; liability insurance cover

10.1. If the Supplier is responsible for product damage, he shall be obliged to indemnify us against any third-party damage claims upon our first request insofar as the cause is within his domain and organizational area and he is liable in external relationships.

10.2 As part of his liability for damage within the meaning of Subsection 1, the Supplier shall also be obliged to reimburse any expenses under Sections 683 and 670 of the BGB and Sections 830,840 and 426 of the BGB which are incurred due to, or in connection with, a measure taken by us. Any other legal claims remain unaffected.

10.3 The Supplier undertakes to keep a product liability insurance with a limit of liability at the lump-sum amount of 5 million euro per personal injury / property damage; if we are entitled to make any further damage claims, they remain unaffected.

11.0 Reservation of ownership; provision of materials; secrecy

11.1 Models, samples, production facilities, tools, measuring and testing equipment, provided materials, drawings, works standard sheets, printer's copies and the like which we surrender to the Supplier will remain our property, and we reserve all copyrights thereto.

11.2 They may not be made accessible

to third parties without our express consent. They may be used exclusively for production in accordance with our orders. After the handling of our orders, they shall be returned to us without request. They shall be kept secret from third parties. Said secrecy obligation shall continue to exist after the handling of the contract. We may require the return of the items and documents from the ordering party at any time

11.3 Any processing or reshaping by the ordering party will be done on our behalf. If the goods subject to our reservation of ownership are processed together with other items not belonging to us, we will obtain shared ownership of the new object in the ratio of the value of our item (purchase price plus VAT) to the other processed items at the time of processing.

11.4 The same shall apply to joining and mixing mutatis mutandis.

12.0 Spare parts

12.1 The Supplier shall be obliged to supply spare parts at adequate conditions for the projected time of technical use but not more than 5 years from delivery.

12.2 If the Supplier discontinues the production of the spare parts, the Supplier shall be obliged to give us the opportunity to place a last order and/or, on request, to surrender to us the equipment and documents necessary for the production of the spare parts and to permit us to use them free of charge.

13.0 References and publications

When specifying references or in publications, the Supplier may mention our company or its trademark only with our prior written consent.

14.0 Binding character

Even in case of legal ineffectiveness or infeasibility of individual regulations, the remaining regulations remain in effect. The ineffective regulation will be replaced by one that most closely approximates the economic intent in a legally permitted manner.

15.0 Court of jurisdiction; applicable law; place of performance

15.1 If the Supplier is a businessman, our place of business shall be the court of jurisdiction; however, we shall also be entitled to sue the Supplier at his place of residence. German law applies.

15.2 Unless otherwise stipulated in the order, our place of business shall be the place of performance.