

General Terms and Conditions of Business

1 Scope of terms

- (1) Deliveries, services and offers from the seller all fall under the exclusive conditions of these General Terms and Conditions of Business (GTCB). These also apply for future business relationships even if not explicitly agreed. At the latest when the goods or services are received the terms of this document will be considered as accepted. Limited acceptance from customers who point to their own GTCB will not be accepted by us.
- (2) All agreements made between the seller and the customer concerning the application of these GTCB's are to be in writing.

2 Quotes and contract conclusion

- (1) In case customer's order qualifies for an offer to purchase, we are entitled to accept this offer. Such acceptance can also be conveyed implicitly by executing shipment of the ordered products. An offer from our side is generally deemed to be non-binding as long as it has not explicitly been denoted in writing by the seller as binding.
- (2) Drawings, illustrations, dimensions and other specifications are only binding if explicitly agreed in writing.
- (3) Employees of the seller are not authorised to make verbal additional agreements or other agreements in writing concerning the contents of this contract.

3 Prices

- (1) If not otherwise stated, prices offered by the seller are binding for a period of 30 days after the quote has been issued. Otherwise conclusive are the conditions noted in the order confirmation from the seller which include valid prices and VAT. Additional deliveries and services will be treated separately.
- (2) Prices are unless otherwise agreed exclusively in Euro and excluding VAT, packaging, freight, postage and insurance.
- (3) For orders under a product value of 25.- Euro net an operating cost of 10.- Euro will be raised.

4 Delivery and time of performance

- (1) Delivery dates or deadlines are to be agreed upon in writing.
- (2) Delivery and performance delays resulting from circumstances beyond our control (acts of god) including strike, lock out, authority orders etc which lead to deliveries becoming extremely difficult or impossible, including such with suppliers and sub-suppliers are not the responsibility of the seller in cases where delivery dates have been bindingly conveyed. In such cases the seller is eligible to delay deliveries and services for the duration of such occurrences plus an adequate starting-up time. The seller is also entitled to stand down from parts of or the whole contract.
- (3) If the delay continues for a period longer than three months then the customer is entitled (having given an adequate additional respite) to stand down from parts of or the whole contract. In cases where delivery times are prolonged or the seller is freed from the contract then the customer is not eligible to claim compensation of any kind from the seller. Such claims will only be possible if the customer informs the seller immediately.
- (4) If the seller can foresee that a delivery delay will happen then he will inform the customer without undue delay. He will inform the customer of the reasons for the delay and offer an estimated delivery date.
- (5) The seller is entitled to deliver goods and services partially at all times other than in cases where this renders the contract uninteresting for the customer.
- (6) The adherence of all of the sellers obligations is dependent upon the customer fulfilling his obligations.
- (7) In cases where the customer does not fulfil his obligations then the seller is eligible to claim compensation for damages from the customer, with the upcoming of non fulfilment on the customers part all risks of downfall are conveyed to the customer.

5 Transfer of risks

All risks are transferred to the customer as soon as the goods have been handed over to the conveyor or been taken out of the sellers stock for despatch. If despatch is delayed upon the wish of the customer then risks are transferred from the moment of notification of delay.

6 Customer rights due to defects

- (1) All products are delivered free of manufacturing and material defects. The enforcement period for complaints in cases of manufacturing or material defects is one year from date of delivery.
- (2) If the sellers operation- or maintenance instructions are not adhered to, alterations, modifications are carried out, non-original spare parts or consumables are used by the customer then the sellers/manufactures warranty will become automatically void. It is the responsibility of the customer to provide substantial evidence that none of these have lead to a manufacturing or material defect.
- (3) The customer must relay information in writing about discovered defects without undue delay to the seller, at the latest one week after the delivery has been received. Defects which could not be found with a careful check and within this period must be conveyed to the seller in writing as soon as these have been found.
- (4) In cases where a customer finds a defective product then the seller has the right to (at his own expense) choose one of following:
 - a) The defective product/appliance be repaired and subsequently sent back to the customer
 - b) The customer holds the product/appliance ready for repair through a service technician sent by the seller. Should the customer demand that repairs be carried out at a particular place then the seller has the right to accommodate whereby spare parts will not be charged. Labour-time and travel expenses however are to be paid by the customer.
- (5) Should repairs after an adequate time fail then the customer may choose between, price reduction, refund or he may stand down from the contract.
- (6) Liability for normal wear and tear excluded.
- (7) Claims due to defects through the customer against the seller are not transferable to third parties.

7 Retention of ownership

- (1) Until all present and future demands against the customer (including account balance and current account), which the seller has obtained through lawful events are cleared the seller will receive following securities which he may upon demand free should the value of the demands be more than 20%.

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- (2) The goods will remain property of the seller. Processing or transformation is always carried out for the seller as a manufacturer but without any commitment for him. Should the (co-) ownership expire through conjunction then it will be now agreed, that the (co-) ownership of the customer of the goods will lead to the invoice value being carried over to the seller. The customer takes care of the (co-) owned goods at his own expense. Goods upon which the seller has a co-ownership will be designated as conditional goods (Vorbehaltsware).(3) The customer has the right to process and deal with conditional goods as long as he is not in arrears. Neither the pledging to third parties nor security transfer is allowed. The customer pledges herewith all demands on the sales he has initiated legally or otherwise (illegally, from insurance claims), in full to the seller. The customer authorises (revocable) the seller to draw in all demands under the customer's name in his own name. This authorisation may only be withdrawn when the customer does not fulfil his obligations.
- (4) In cases when 3rd parties wish to take possession of the goods, in particular in garnishments, then the customer will make clear to the appropriate person that the goods are not his property and will contact the seller without undue delay so that he be in a position to care for his interests. The customers will be liable for all costs which arise in such cases.
- (5) Should the customer behave in a manner contrary to the contract (in particular arrears) then the seller is entitled to back down from the contract and redeem all goods.

8 Payment

- (1) If not otherwise stated then all invoices from the seller are to be paid in full without deductions. For payments within 10 days the customer may deduct 2% early settlement discount.
The seller is entitled to use payments to settle older bills where and when applicable regardless of other regulations. In such cases the customer will be duly informed. Should costs and interest already have arisen then the seller is entitled to deduct firstly the costs, then the interest and finally the main costs for the order.
- (2) Payments are considered as complete only when the seller can actually dispose of it. In cases where payment is carried out by cheque then payment is complete when the cheque has been successfully cashed in.
- (3) In the event that the customer comes into arrears then the seller shall be entitled, from the moment the arrears begin to claim interest of 8 (eight) percent above the basic interest rate as compensation. These will be reduced respectively should the customer prove that the actual damages are less than those stated by the seller. The seller is entitled to provide evidence of higher damages.
- (4) Should the seller receive knowledge about circumstances which put the credibility of the customer at question, in particular bounced cheques of payment refusal then the seller may demand immediate payment of the full sum in question even when he has taken cheques from the customer. In this case the seller is entitled to ask for advance payment (in part or full) or securities.
- (5) The customer may only offset, hold back or reduce payments when the circumstances have been accredited or are obviously indisputable. The seller is entitled to retention in cases of demands compatible with the contract.

9 Design changes

The seller reserves the right to change the design of products at any time. He is not obliged to carry out such changes on products which are already in use.

10 Patents

- (1) The seller will release the customer and his customers from claims though violation of copyrights, brand or patents other than when the concept of the delivery item is from the customer. The scope of the release will be calculated according to the predictable damage.
An additional condition for this release is that the customer hands over the rights for eventual lawsuits and that the claimed infringements concern the construction/design of the article/s in question without an association with other products.
- (2) The seller is entitled to choose to free himself from section 1 (above) through:
 - a) procurement of the respective licenses or patents or
 - b) serves the customer with a differently designed product or parts hereof thus removing the questionable article which may have caused the infringement.

11 Nondisclosure

If not otherwise agreed in writing then information associated with orders are not considered to be worthy of secrecy.

12 Liability

- (1) Liability claims are independent from the nature of the breach, including illegal actions providing these have not been conducted willingly or through gross negligence.
- (2) In cases of breach of contract the seller is liable for every negligence, but only up to a predictable damage limit. Claims for loss of profit, expenses deriving from claims of 3rd parties along with indirect damages are excluded and may not be claimed unless the seller has guaranteed that particular properties have been found to protect the customer from such claims.
- (3) The liability limits in section 1 and 2 do not apply for claims which have arisen through deceit on the part of the seller nor for liability for guaranteed properties or claims according to the product liability law and damages to life, limb or health.
- (4) When the liability of the seller is limited or excluded then this is also applicable for all employees, representatives and auxiliary assistants of the seller

13 Applicable rights, place of judgement

- (1) This GTCB and the entire legal relationship between customer and seller underlie the laws of the Republic of Germany (Bundesrepublik Deutschland). The UN Convention on Contracts for the International Sale of Goods is not applicable.
- (2) Providing the customer is a merchant, juristic person of a public corporation or a civil servant then Wermelskirchen is the exclusive place of judgement for all conflicts which may arise resulting from this contract and or the relationship between customer and seller.
- (3) In the case that one or more clauses in this GTCB be or become invalid this has no effect upon all other clauses contained in this GTCB.