

General Conditions of Sale and Delivery

Section 1 Application, Quotes and Conclusion of the Contract

1. All our deliveries, services and quotes are subject to these Conditions of Sale and Delivery, which are components of all the contracts we conclude with our contract partners (hereinafter referred to as "Purchasers") regarding the goods or services we supply. They also apply to all future deliveries, services or quotes to the Purchaser, even if not specifically agreed.
2. Terms and conditions of the Purchaser or of third parties will not apply, even if we have not objected to their application in individual cases. Even if the Purchaser refers to a document which contains differing terms and conditions or indicating such, this does not constitute agreement with these terms and conditions.
3. Our quotes are subject to change and non-binding, unless they are expressly identified as binding or contain a defined acceptance period. Orders or jobs may be accepted by us within 14 days of receipt.
4. As regards the legal relationship between us and the Purchaser, only written agreements, including these Conditions of Sale and Delivery, are applicable. If we have made verbal commitments before entering into a contract, these are understood to be legally non-binding unless they have been confirmed in writing by us. Additions and changes to agreements reached, including to these General Conditions of Sale and Delivery must be made in writing. With the exception of the managing director and authorised representative, our employees are not entitled to make other differing verbal agreements. It is agreed that fax is sufficient for fulfilment of the written form requirement; transmission by other means, particularly via email, is not sufficient in this respect.
5. The minimum order value is €50 for organisational reasons.

Section 2 Scope of Delivery Obligations

1. Information provided by us regarding the subject of the delivery or service (such as weights, dimensions, values, strength, tolerances and technical data) and representations of these are (for example drawings and illustrations) are only approximate, unless explicitly confirmed otherwise in writing.
In particular, they are not guaranteed characteristics, but merely a description or identification of the delivery or service. Normal commercial variations and deviations as stipulated by legal provisions or technical improvements are permissible, as is the replacement of components by equivalent parts if they do not lessen effectiveness with regard to the contractually intended purpose.
2. We reserve the ownership or copyright to all quotes and cost estimates we submit, and to any drawings, diagrams, calculations, brochures, catalogues, models, tools and other materials and resources made available to the Purchaser. Unless we have given our express consent, the Purchaser may not make these items or their contents accessible to third parties, use them themselves or via third parties or reproduce them. At our request,

the Purchaser must return these items to us and destroy any copies when they are no longer required by the Purchaser in the ordinary course of business or if negotiations do not result in the conclusion of a contract.

Section 3 Pricing; Terms and Conditions of Payment

1. Prices apply according to the scope of service and delivery, referred to on our order confirmation. Additional services or special services are charged separately. Prices are given in € ex works, plus applicable packing costs, VAT, customs duties on export shipments, as well as fees and other government levies.
2. Quotation prices are subject to change. In the case of the issuance of an order, the definitive price is that given on the order confirmation. If delivery is to take place more than three months after the conclusion of the contract, this will remain subject to price increases due to increasing labour costs or material prices.
3. Invoices are to be paid within 30 days without any deduction, unless otherwise agreed in writing. The payment date is deemed to be the date on which we receive the payment. If the Purchaser does not pay by the due date, then the outstanding amount will incur interest from the due date at 5% per annum. Claims for higher interest rates and further damages in the event of default remain unaffected.
4. Offsetting against claims by the Purchaser as to the enforcement of a right of retention on such claims is only permissible if the counterclaims are undisputed or are legally binding.
5. We are entitled to carry out or provide outstanding deliveries or services only against advance payment or security if, after concluding the contract, we become aware of circumstances which considerably lessen the creditworthiness of the Purchaser, and which put the Purchaser's payment of outstanding debts from that particular contract, or from concluded framework agreements, at risk.
6. Tool costs are invoiced separately from the merchandise value. The former must be paid before the sending of an initial sample, or if the latter is not required, upon the first delivery of goods. The reimbursement of these costs does not result in the Purchaser acquiring a claim to the tools. The tools remain under our ownership and in our possession. We are obliged to keep the tools for a period of two years after the last delivery to the Purchaser. If, before the end of that period, the Purchaser discloses that further orders are to be abandoned within a year, we will keep the tools for that time. Otherwise, we may freely dispose of these.
7. If, in fulfilling an order, a spinning mandrel is produced, this will remain in our possession after the completion of the order. The production of these spinning mandrels will occur via a separate instruction by the Purchaser due to a technical specifications and plans from the latter. We are entitled to undertake modifications to these specifications and plans for technical reasons where these appear to be necessary for the fulfilment of the order. Costing for the production of the spinning mandrels will be invoiced separately from the merchandise value. The spinning mandrel will be retained by us for a period of two years after the last delivery to the Purchaser. If, before the end of that period, the Purchaser discloses that further orders are to be abandoned within a year, we will keep the spinning mandrels for that time. Otherwise, we may freely dispose of these.

Section 4 Delivery deadlines; Delays

1. Deliveries are made ex works. Agreed delivery times commence as soon as all details of the execution of an order have been clarified and both contracting parties have agreed on all terms of the transaction. Deadlines and dates for deliveries and services announced by us apply only as approximations, unless a set deadline or date has been expressly promised or agreed. If shipment has been agreed, the delivery deadlines and dates are to be construed as the time of delivery to the shipper, carrier or other third party responsible for transportation. Otherwise, delivery deadlines and dates relate to completion at our site.
2. Without prejudice to existing rights resulting from a delay of the Purchaser, we can demand an extension to delivery and service deadlines, or a postponement of delivery and service deadlines for the period in which the Purchaser fails to fulfil his contractual obligations to us.
3. Liability is excluded in the case of an inability to deliver or of delays in delivery caused by a force majeure or by other events which we could not foresee at the time of contract conclusion (e.g. malfunctions of any kind, difficulties in obtaining materials or energy, transport delays, strikes, lawful lockouts, labour energy or raw material shortages, difficulties in obtaining necessary regulatory approvals, regulatory actions or failed, incorrect or late delivery by suppliers), and which for which we are not accountable. If these events significantly impede the delivery or service or make it impossible, and the hindrances occurring are not of a merely temporary nature, we are entitled to withdraw from the contract. If the hindrances are temporary, then the delivery and service deadlines are to be extended or deferred by for the duration of the hindrance plus an appropriate time for starting up. If the Purchaser, as a result the delay, is not expected to accept the delivery or service, he can withdraw from the contract by giving us immediate written notification thereof.
4. Amendment agreements made after the conclusion of the contract, such as amendments to materials, release us from adherence to the agreed delivery and service deadlines, and extend these by the time required for the procurement of materials or tools.

Section 5 Place of Performance; Shipping; Packaging; Transfer of Risk; Acceptance

1. The place of performance for all obligations under the contract is our place of business. If the goods are to be shipped, this is to be done in the customary fashion. The manner of shipping and packaging is subject to our professional judgment.

The cost of packing materials is to be billed at cost price. Disposal is the responsibility of the Purchaser.

2. If the Purchaser has his own carrier, then the goods must be collected from us within five days of completion. Upon expiry of this deadline, we are free to hire a carrier of our choice and to bill for any storage costs incurred in the period up until delivery.
3. The risk passes, at the latest, upon the handing over of the delivered goods to the shipper, carrier or other third parties designated to transport the shipment to the Purchaser. The beginning of the loading process is the definitive point in time, in this respect. This also applies if partial deliveries occur or if we have taken on other services, for example the shipping. If shipment or delivery is delayed due to circumstances whose

cause lies with the Purchaser, risk passes to the Purchaser on the day on which the item is ready for delivery and we have communicated this to the Purchaser.

4. Crates, pallets and packages must be brought in exchange, upon collection of the goods. Otherwise we are entitled to refuse to surrender the delivery, without incurring any costs.

5. Insurance against damage, theft, fire, water damage or other insurable risks will occur only at the request and expense of the Purchaser.

6. If acceptance of the delivered goods is to be made, this must be done at our site. If the Purchaser waives acceptance at the site, acceptance is deemed to have been made upon successful dispatch. In the absence of agreement to the contrary, the purchase costs are to be borne by the Purchaser.

Section 6 Warranty; Material Defects

1. The warranty period is one year from delivery or, if acceptance is required as from the time of acceptance.

2. The delivered goods must be examined carefully after delivery to the Purchaser or to the third party he has designated. The goods are considered approved if we do not receive a written complaint regarding obvious defects or other defects that were visible on an immediate and thorough investigation, within seven working days after delivery of the items or otherwise within seven working days after the discovery of the defect or after any earlier date when the defect was visible to the client during normal use of the item without closer examination. At our request, the alleged delivery item is to be returned to us carriage paid. If complaint is legitimate, we will reimburse the cost of the cheapest shipping method. This does not apply if the costs increase if the delivery item is located at a place other than the place of specified normal use.

3. In the event that defects to the delivered goods concern more than 5% of the delivery, we are obliged and entitled to first repair or replace them (this choice being at our discretion) within an appropriate timeframe. Alternatively, we are entitled to issue a credit note for the relevant parts. In the event of a failure, i.e. an impossibility, unacceptability, refusal or undue delay in the repair or replacement, the Purchaser may withdraw from the contract or demand a reduction in price. Claims for damages due to defects caused by us will be carried out subject to the limitations of liability in these Conditions of Sale and Delivery.

4. We do not accept any responsibility for ensuring that materials offered or delivered are appropriate for purposes envisaged by the Purchaser, but not explicitly agreed. This does not apply if a promised characteristic of the materials is lacking. Furthermore, we assume no liability if the raw material and/or the tool necessary for the production of the items is provided by the Purchaser.

5. We are under no obligation to correct defects if the Purchaser's payment obligations towards us have not been met, where this corresponds to more than the value of the defective performance. In this case, the Purchaser is not obliged to meet his previous payment obligations, only if the defective performance is of no value to him.

6. If repair or replacement is rendered more difficult due to unauthorised repair work by the

Purchaser, the Purchaser will bear the extra costs of repair or replacement caused by this difficulty.

7. Material defects are to be determined in accordance with the industry-specific tolerances. The tolerances are prepared in accordance with pressure technology target values. Variant tolerances cannot be the subject of complaint, unless these are expressly agreed with us and laid down in writing.

Section 7 Property Rights

1. The Purchaser guarantees that the commissioned delivery item is free of intellectual property rights or copyrights of third parties. The Purchaser will promptly notify us in writing if any claims of infringement of such rights are asserted against him.
2. If claims of breaches of property rights are lodged against us, the Purchaser will release us on first demand from all claims asserted. The Purchaser will also indemnify us from the relevant costs of any necessary legal defence and make an appropriate advance payment according to the state of the on-going proceedings.

Section 8 Liability

1. Our liability for damages, for whatever reason, but in particular due to impossibility, delay, defective or incorrect goods, breach of contract, breach of duties during contract negotiations and unlawful acts, insofar it is a matter of fault, is limited in accordance with this section.
2. We are not liable in cases of simple negligence by our [managing] bodies, legal representatives, employees or other agents, as long as they do not constitute a breach of contractual obligations. Material contractual obligations include the timely delivery of defect-free delivery items and obligations which enable the Purchaser to use the delivery item as per this contract.
3. To the extent that we are liable for damage compensation pursuant to Section 8(2) of this contract, this liability is limited to damages which the Purchaser foresaw at the time of contract conclusion as a possible consequence of a breach of contract, or which it should have foreseen on application of due diligence. Indirect or consequential damages that result from defects in the delivered items are only eligible for compensation if such damages are to be typically expected under normal use of the delivered items.
4. If we are delayed with the delivery or the provision of services due to simple negligence, the Purchaser may only claim compensation in the event of damage, which will not exceed 0.5% of the price of the outstanding delivery for each week of delay, but not exceeding 5% of the value of the outstanding delivery. The assertion of the claim requires that we had been delayed and a reasonable grace period has been granted. The Purchaser's right to disengage from the statutory requirements of the contract remains unaffected. In the remaining cases, our liability for compensation is limited to material damage and financial losses resulting from this, up to €25,000 per claim, even if it is a breach of fundamental contractual obligations.
5. The above exclusions and limitations to liability apply to the same extent for the benefit

of our [managing] bodies, legal representatives, employees and other agents.

6. If we provide technical advice or consultancy and such information or advice is not within the contractually agreed scope, this is done free of charge and to the exclusion of any liability.

7. The limitations of this section do not apply to any liability claims due to wilful conduct, to guaranteed characteristics, due to injury to life, limb or health or in accordance with the product liability law.

Section 9 Commission Orders

1. If, in our performance of contract work or other orders, the Purchaser provides or supplies materials, material parts, semi-finished products or tools devices, then we will process and treat them with care and diligence. If the items provided or supplied by the Purchaser have obvious faults or defects, we will inform the Purchaser of this and request the replacement of the faulty or defective items. We are obliged to execute the order before the arrival of fault-free or defect-free items only to the extent that this is possible with regards to accuracy and professionalism. We are obliged to undertake further testing only if it is expressly agreed and if the testing costs are borne by the Purchaser.

2. If the pieces become unusable due to involuntary circumstances or force majeure, this cannot result in an entitlement to free replacement of the material or to our refunding other costs.

3. If any parts are unusable because of material error, then we are to be compensated for the corresponding processing costs.

4. If any items are unusable because of a processing error, then we will perform the same work on new pieces to be sent to us without charge. Other claims are excluded unless we have caused the processing error through gross negligence.

Section 10 Retention of Title

1. The goods delivered by us remain our property until the fulfilment of all our claims against the Purchaser.

2. In the event of the Purchaser undertaking processing with other goods not belonging to us, we will be entitled to co-ownership of the new item, at a proportion of the value of our goods to that of the other processed goods at the time of processing. The same applies to the item created from the process as for our goods.

3. If the Purchaser sells the goods delivered by us, regardless of the condition, he will assign his claims against his customer arising from the sale to us, even after any working or processing, up to the amount of our claims.

4. At our request, the Purchaser is obliged to disclose the assignment to his customer and present us with all the documents and information required for the assertion of our rights. If the Purchaser receives payments from his customer, these payments are deemed to have been collected for us and are to be immediately forwarded to us. Pledges and security assignments prior to the full payment of the goods are not permitted. Pledges by third

parties are to be communicated to us by the Purchaser without delay.

Section 11 Final Clauses

1. The place of jurisdiction for any disputes arising from the business relationship between us and the Purchaser is Brunswick. Mandatory legal rules governing exclusive items remain unaffected by this rule.
2. The law of the Federal Republic of Germany applies exclusively to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods.
3. If an agreement or these General Conditions of Sale and Delivery contains loopholes, then new, legally effective provisions which close these loopholes will be deemed agreed, whereby these provisions reflect that which would have been agreed by the contracting parties (had they been aware of the loophole) according to the economic objectives of the contract and the purpose of these General Conditions of Sale and Delivery.