

# GENERAL TERMS OF SALE AND DELIVERY



## 1.Scope of Applicability

Unless otherwise agreed in writing the following terms will apply exclusively to our goods and services. They shall likewise apply to all future business with the customer until they are replaced by new terms and the customer acknowledges them as binding for him in all business relations with us. Any purchase terms by the customer which are contrary to or deviate from the present terms will only be valid if confirmed by us in writing.

## 2.Formation of the Contract, Scope of Goods and Services

Our offers are subject to change and a contract will not be formed before we have given written confirmation of the order. Our order confirmation will be exclusively decisive in determining the scope of our goods and services. Any ancillary agreements and amendments must essentially be confirmed in writing in order to be valid.

## 3.Prices and Payment

3.1.Our prices are ex works excluding freight, insurance and assembly. Additional value added tax is to be paid on the stipulated prices.

3.2.Our invoices are to be paid within 30 days after the date of the invoice without discount or within 8 days after the date of the invoice minus 2% discount.

3.3.Retention of payments or set off with any counterclaims by the customer which are not recognized or res judicata is not admissible.

3.4.Should we become aware of circumstances detrimental to the customer's creditworthiness after conclusion of the contract we will have the right to carry out outstanding deliveries from all contracts with the customer only upon advance payment or furnishment of adequate security.

3.5.Where the customer is wholly or partially in arrears with payment he will be obligated to pay default interest of 8% p.a. above the respective basic interest rate unless we prove a greater amount of damage.

3.6.We reserve the right to refuse checks and bills of exchange. The good or service will be regarded as paid for when the check has been cashed or the bill of exchange has been paid on the due date. Discount charges and bill charges will be borne by the customer.

## 4.Delivery Deadlines

4.1.Prerequisite for observance of the delivery deadlines is the customer's timely compliance with his duties, in particular timely provision of the requisite documents, permits, etc. Any changes requested by the customer will postpone the delivery date. Delivery deadlines will commence upon our order confirmation.

4.2.We will have the right to make partial deliveries to a reasonable extent without prior agreement.

4.3.The delivery deadline will respectively be extended in the case of measures within the scope of labor disputes, in particular strikes and lock-outs and in the case of occurrence of unforeseen impediments beyond our control insofar as it can be proven that such impediments have considerable influence on the manufacture and delivery of the item being delivered. The same shall apply where such circumstances occur to our sub-contractors. Neither will we be liable for such circumstances where they arise during a delay which has already occurred. We will inform the customer in important cases as soon as possible of any such impediments.

4.4.In the case of delayed delivery for which we are responsible the customer will not be able to claim his rights until an adequate written period of grace has lapsed fruitlessly. In such a case the customer will have the right to rescind the contract. Any damage compensation claims due to delayed delivery are excluded except in cases of liability for intent or gross negligence.

4.5.Where delivery is delayed at the customer's request or on other grounds within his domain we will have the right to charge the customer any additional costs incurred.

## 5.Consignment and Passing of Risk

5.1.The risk will pass to the customer upon the good's leaving the plant or delivery warehouse.

5.2.Consignment will be exclusively at the customer's risk and cost. A transport insurance policy will only be concluded at the customer's request and cost.

5.3.The customer must inspect the goods for any defects caused by transport immediately upon arrival and immediately report any damage or loss in writing to the carrier.

## 6.Retention of Title

6.1.The delivered goods will remain our property until fulfillment of all claims toward the customer from the business relationship. As long as the retention of title is in force, the customer will be prohibited from pledging the goods or assigning them as security. In the case of pledging, seizure or other disposal of the goods or intervention by third parties the customer must inform us immediately.

6.2.As a precaution in the case of admissible resale of the goods within the scope of proper business, the customer is hereby assigning all future claims against his customers arising from the resale of the goods until the redemption of all our claims. However, he will remain authorized to collect the claims which were assigned as a precaution as long as such authorization is not revoked by us. In such a case we have the right to report the assignment and the customer will be obligated to immediately provide us with the papers necessary for reporting the assignment and collecting the claim.

6.3.Should the customer fail to comply with his payment duties by the latest within a period of 10 days after the due date we will have the right to rescind the contract and demand return of the goods.

## 7.Liability for Defects

7.1.The customer must inspect the goods for any possible defects immediately upon receipt of the goods and report any visible defects to us in writing within 7 days after receipt of the consignment. Where the customer fails to make the report on time he will be excluded from asserting any guarantee claims.

7.2.In the case of legitimate defects which have been reported on time the customer will initially only be entitled to make-up performance for which we can opt to either rectify the defects or replace the goods. Only in the case where make-up performance has ultimately failed will the customer be entitled to a reduction of the price or to rescind the contract if the defect is so severe that the customer is no longer interested in continuing with the contract. Where the customer opts to rescind the contract due to a legal or material defect after unsuccessful make-up performance he will not have additional claims to damages because of the defect.

7.3.Defects cannot be claimed in the case of only an inconsiderable deviation from the stipulated qualities of the good, nor in the case of natural abrasion or damage incurred after passing of the risk as a consequence of defective or negligent treatment, overuse of the good or other reasons beyond our control. Moreover, defects cannot be claimed in any case where changes or repair work was carried out on the good without our consent.

7.4.The guarantee period for material and legal defects will be 1 year from delivery of the goods.

## 8.Damage Compensation

Claims to damage compensation by the customer regardless of their legal ground are excluded unless the liability is prescribed by the Product Liability Act. Restriction of liability will likewise not apply to damage to body or health or loss of life, nor in cases of liability for intent or gross negligence or breach of cardinal contractual duties. However, damage compensation claims in the case of breach of cardinal duties are limited to foreseeable damage typical of the contract.

## 9.Return of Goods

Any claim to return or exchange of the ordered goods is excluded. In substantiated individual cases and after separate prior written agreement, the goods are to be delivered to our address freight paid and at the customer's risk. Essentially, only originally packaged goods will be credited. A cost flat rate of 20% will be deducted from the credit. Where additional efforts are required such as repair or repackaging they will be charged separately. Non-conventional or obsolete warehouse goods as well as special makes may generally not be returned. This will not apply in the case of a justified rescission by the customer.

## 10.Applicable Law, Place of Performance, Place of Jurisdiction

German law will apply excluding the UN Sales Convention.

The place of performance and payment is our company's domicile.

The exclusive place of jurisdiction for any disputes chosen by us is Munich or the relevant court at the customer's business domicile.

## 11.Severability Clause

Should individual terms of the contract with the customer or the aforementioned General Sales and Delivery Terms be or become wholly or partially invalid, this will not affect the validity of the remaining terms. The term that is wholly or partially invalid is to be replaced by a term which comes as close as possible to the economic success of the invalid term.