

General Terms and Conditions of Sale and Delivery

Page: 1 / 3

1. General Information

- 1.1. Our general terms and conditions of sale and delivery shall apply exclusively - we will not recognize any conflicting terms and conditions unless we have expressly confirmed this in writing. They will not be recognized even if we do not object to them again upon receipt.
- 1.2. All verbal agreements, consultations, declarations, assurances of any kind require our express confirmation in writing in order to be valid; this principle also applies insofar as such declarations, consultations, assurances and the like are made by our representatives or by our vicarious agents.

2. Offer

- 2.1. The documents belonging to our offer, such as illustrations, drawings, weights, and measurements, are only approximate unless they are expressly designated as binding. In this context, we reserve the right of ownership and copyright to cost estimates, drawings, and other documents; they must not be made accessible to third parties. We are obliged to make plans designated as confidential by the customer accessible to third parties only with the previous consent by the customer.
- 2.2. Design modifications are allowed insofar as the modification is reasonable for the orderer, by considering the interests of both parties.
- 2.3. In this context, construction drawings will not be provided.
- 2.4. Unless otherwise agreed in writing, our offers will not be deemed as binding offers.

3. Scope of Delivery

Our order confirmation in writing shall be decisive for the scope of delivery. Any subsidiary agreements and amendments require the confirmation in writing by the supplier.

4. Prices and Payment Conditions

- 4.1. Unless expressly agreed otherwise, the prices are deemed to be ex works and will include the loading operation but exclude the packaging. The said prices are subject to VAT at the respective statutory rate.
- 4.2. We request payment within a term of 10 days after invoicing without any deduction. In the case of installations and Machinery which will be assembled by us, the payment shall be made without any deduction to our paying office, unless expressly agreed otherwise, namely:
one third down payment after receipt of the order confirmation
one third after delivery
one third after assembly.
- 4.3. For the paying office see the information under point 12: Bank Details
- 4.4. Unless a fixed price has been agreed upon, we will be entitled to modify the prices quoted by us accordingly in the event the cost factors being decisive for our calculation change significantly between the conclusion of the contract and the delivery.

- 4.5. The customer will only be entitled to rights of set-off and retention in the event the counterclaim is legally established, undisputed, or recognized by us.

5. Delivery Periods and Delay in Delivery

- 5.1. The delivery period shall start from the date of dispatch of the order confirmation, but not before the provision of the documents, approvals, releases to be procured by the orderer and before the receipt of an agreed down payment.
- 5.2. The delivery period shall be deemed to have been complied with in the event the delivery item has left our works or the notification of readiness for the dispatch has been given by the time of expiry of the respective delivery period.
- 5.3. The delivery period will be extended appropriately in the event of measures within the scope of labor disputes, especially of strikes and lockouts, as well as in the event of unforeseen hindrances being beyond our control, insofar as the said hindrances demonstrably have an essential influence on the completion or delivery of the delivery item. This principle will also apply if any circumstances occur at the sub-suppliers. The Supplier will not be responsible for the circumstances mentioned above even if they occur in the course of an already existing delay. In important cases, the Supplier will inform the orderer as soon as possible of the beginning and of the end of the said hindrances.
- 5.4. If the orderer incurs damage due to a delay caused by the Supplier's own fault, the buyer will be entitled to a compensation claim relating to the delay by excluding any further claims. It shall amount to 0.5 per cent for every full week of delay, without exceeding the value of 5 per cent of the value of that part of the total delivery that cannot be used on time or according to contract as a result of the said delay.
- 5.5. In the event the dispatch is delayed at the orderer's request, the customer shall be charged for the costs incurred by storage, starting one month after the notification of readiness for dispatch but in the case of storage in our works at least 0.5 per cent of the invoice amount for every month. However, in this context, we will be entitled to dispose otherwise of the delivery item after the fruitless expiry of a reasonable deadline set by us and to supply the orderer with a reasonably extended deadline.
- 5.6. However, the compliance with the delivery term will be subject to the fulfillment of the contractual obligations of the orderer.

6. Transfer of Risk

- 6.1. The risk shall pass to the orderer at the latest upon the dispatch of the delivery items, even if partial deliveries are carried out or if we have assumed other services, such as shipping costs or delivery and positioning. At the orderer's request, we will insure the shipment at the buyer's expense against theft, breakage, transport, fire and water damage as well as against other insurable risks.
- 6.2. In the event the shipment is delayed due to circumstances the orderer is responsible for, the risk shall pass to the orderer from the date of the readiness for shipment; however, we will be obliged to take out the insurances requested by the buyer at the latter's request and expense.

6.3. The delivered items shall be accepted by the orderer, even if they have minor defects, whereby this applies without any prejudice to the rights according to section 8.

6.4. Partial deliveries will be allowed.

7. Retention of Title

7.1. All our deliveries shall remain our property (goods subject to retention of title) until all our claims have been satisfied, whereby this applies irrespectively of the legal grounds, including any conditional claims or claims not yet due, even from contracts entered into at the same time or at a later stage. This principle will also apply in the event payments are made on specially designated claims.

7.2. The customer may only sell the goods subject to retention of title in the ordinary course of business under his normal terms and conditions and as long as he is not in default, whereby this applies provided that the said claims from the resale are transferred to us according to the description indicated below. In this context, the customer shall not be entitled to dispose of the reserved goods in any other manner.

The customer hereby assigns to us as security the claims arising from any resale in the amount of the final invoice price agreed upon between the customer and us; the said security shall serve as security for us to the same extent as the goods subject to retention of title. In the event the claim from the resale is set by the customer in a current account relationship with his own customer, the customer's claim from the current account relationship will be assigned to us in the amount of the final invoice price of our goods.

The customer will remain entitled to collect the claim from the resale of the reserved goods as long as he is not in default of payment. The customer will only be entitled to assign claims arising from the resale of the reserved goods - including the sale of claims to factoring banks - with our prior consent in writing. Upon our request, the customer will be obliged to disclose to us the names of the debtors, to submit us all documents required for the collection of the claim by ourselves; in this context, the customer will also be obliged to notify his debtor in writing of the assignment of the claims to us.

7.3. The orderer is neither allowed to pledge the delivery item nor to assign it as security. In the event of any seizure or confiscation or other dispositions by third parties, the customer has to notify us immediately.

7.4. In the event of conduct by the orderer in breach of contract, especially in case of default in payment, we will be entitled to take back the goods after having issued a reminder whereby in this case the orderer will be obliged to surrender the said goods.

The assertion of the retention of title as well as the seizure of the delivery item by us has not to be deemed to be a withdrawal from the contract unless the German Installment Purchase Act (Abzahlungsgesetz) applies.

The same principle shall apply if we become aware of circumstances which, according to our due discretion, are suitable to reduce the buyer's creditworthiness.

7.5. At the customer's request, we will be obliged to release securities to the extent that the value of our securities exceeds the value of our claims by more than 15%.

8. Warranty and Liability

8.1. Our warranty obligation depends on the customer's immediate compliance with his obligation to inspect the goods and give notice of any defects according to the sections 377 and 378 of the German Commercial Code HGB. Notwithstanding the said obligation to inspect and give notice of any defects incumbent upon our customers, the complaints must be made in writing within a term of 8 calendar days at the latest, calculated from the date of discovery of the respective defect.

8.2. We will be liable for defects in the delivery, which shall also include the absence of expressly warranted characteristics, to the exclusion of further claims as follows:

8.2.1 All parts that prove to be unusable or significantly impaired in their usability within 6 months (in the case of multi-shift operation within 3 months) of commissioning as a result of a circumstance that occurred prior to the transfer of risk - in particular due to faulty design, poor construction materials or poor workmanship - must be repaired or redelivered free of charge at our reasonable discretion. The discovery of the said defects must be reported to us in writing without any delay. All replaced parts will become our property. If the shipment, positioning, or commissioning is delayed through no fault of our own, the liability shall expire within a maximum term of 12 months from the date of transfer of risk. For essential third-party products, our liability shall be limited to the assignment of the liability claims we are entitled to against the supplier of the third-party product.

8.2.2 No warranty will be taken for the damages caused by the reasons listed here in the following: Unsuitable or improper use, faulty assembly and/or commissioning by the orderer or by third parties, natural wear and tear, faulty or negligent handling, unsuitable operating materials, replacement materials, faulty construction work, unsuitable building ground, chemical, electrochemical or electrical influences, unless they can be attributed to our own fault.

8.2.3 The orderer must provide us with the necessary time and opportunity to carry out all repairs and replacement parts deliveries that appear necessary at our reasonable discretion. If this is not the case, we shall be released from our liability for defects. Only in urgent cases of danger to operational safety and in order to prevent disproportionately large damage, in which case we must be notified immediately, or in the event we are in default with the rectification of the defect, the orderer is entitled to rectify the defect himself or to have it rectified by third parties and to demand reimbursement of the necessary costs from us.

8.2.4 Of the direct costs arising from the repair and/or replacement delivery, insofar as the complaint proves to be justified, we will bear the costs of the replacement part, including shipping, as well as the reasonable costs relating to removal and assembly, and, if this can be reasonably demanded in the individual case, the costs of any necessary provision of our fitters and assistants. The orderer will bear all the other costs.

8.2.5 The warranty period for the replacement part/repair is of three months. However, it shall run at least until the expiry of the original warranty period for

the delivery item. The term relating to the liability for defects in the delivery item must be extended by the duration of the interruption of the operations caused by the repair work.

8.2.6 Any improper modifications or repair work carried out by the orderer or by third parties without our previous consent will void the liability for the resulting consequences.

8.2.7. Any further claims of the orderer, especially a compensation claim for damage not caused to the delivery item itself, will be excluded.

This exclusion of liability will not apply in case of intent or gross negligence on the part of the owner or executive employees and in cases in which liability is assumed according to the German Product Liability Act (Produkthaftungsgesetz) for personal injury or property damage to privately used objects in case of defects in the delivery item. It shall also not apply in the absence of characteristics which have been expressly warranted if the warranty purpose consisted of the protection of the orderer against a damage which has not occurred to the delivery item itself.

8.2.8 Any other claims of the orderer, in particular for rescission, termination or reduction as well as for compensation of damages of any kind, including such damages which have not occurred to the delivery item itself, will be excluded thereof.

This exclusion of liability will not apply in case of intent or gross negligence on the part of the owner or executive employees and in cases in which liability is assumed according to the German Product Liability Act (Produkthaftungsgesetz) for personal injury or property damage to privately used objects. It shall also not apply in the absence of characteristics which have been expressly warranted, if the warranty purpose consisted of the protection of the orderer against a damage which has not occurred to the delivery item itself.

8.3.1 Insofar as liability towards us is excluded or limited, this shall also apply for what concerns the personal liability of our employees/workers/vicarious agents.

8.3.2 The right of the orderer to assert claims arising from defects will become time-barred in all cases after a period of 6 months from the date of timely notification of defects, but at the earliest upon expiry of the warranty term.

9. Liability for Collateral Duties

If, due to the fault of the Supplier, the delivered item cannot be used by the orderer according to the contract as a result of omitted or faulty execution of suggestions and consultations before or after having entered into the contract as well as other contractual collateral obligations - in particular instructions for operation and maintenance of the delivery item - the provisions under the sections 8 and 10 will apply to the exclusion of further claims of the orderer.

10. Rights of Withdrawal

10.1. The orderer can withdraw from the contract if the entire performance becomes finally unfeasible for us before the transfer of risk. The orderer can also withdraw from the contract if, in the case of an order for similar items, the performance of a part of the delivery becomes impossible in terms of quantity and the said orderer has a justified

interest in the refusal of the said partial delivery. If this is not the case, the orderer is entitled to reduce the counter-performance accordingly.

10.2. In case of a performance-related delay within the meaning of Section 5 of the Terms and Conditions of Delivery and if the orderer grants us a reasonable period of grace with the express declaration that it will refuse the acceptance of the performance after the expiry of the said period, and if the period of grace is not complied with, the orderer will be entitled to withdraw from the contract.

10.3. If the impossibility occurs during the delay in acceptance or due to the fault of the orderer, the latter will remain obligated to the counter-performance.

10.4. In the event of unforeseen events within the meaning of Section 5.3 of the Terms and Conditions of Delivery, insofar as they significantly modify economic importance or the content of the performance or have a noticeable effect on our operations, and in the event of subsequent impossibility of performance, insofar as we are not responsible for this, the contract will be subject to an appropriate adjustment. If this cannot be justified from an economic point of view, we will be entitled to withdraw from the contract in whole or in part.

10.5. If we want to make use of the right of withdrawal, we must inform the orderer immediately after having realized the consequences of the products, even if an extension of the delivery period was initially agreed with the orderer.

11. Place of Jurisdiction - Miscellaneous

11.1. Irrespective of the amount in dispute, the place of jurisdiction will be the local court competent for our registered office; however, in this context, we will also be entitled to sue the customer at the court responsible for his place of residence.

11.2. The place of performance for the duties arising from or in connection with the present contract is D-35216 Biedenkopf or D-73433 Aalen.

11.3. The above-mentioned terms and conditions will only apply to merchants within the meaning of Section 24 of the German General Terms and Conditions Act (AGB-Gesetz).

11.4. The contractual relationship will be governed by German law while the application of the Uniform Laws on the International Sale of Goods will expressly be excluded.

11.5. If any individual provisions of these General Terms and Conditions of Sale and Delivery should be invalid in whole or in part, the remaining provisions will maintain their validity. The parties agree that the invalid provision shall be replaced by a valid one which is reasonable for both parties and which comes as close as possible to the economic purpose intended by the invalid provision.

12. Bank Details

12.1 VR-Bank Ostalb eG

IBAN: DE78 6149 0150 0410 1050 07

BIC: GENODES1AAV

12.2 Heidenheimer Volksbank eG

IBAN: DE20 6329 0110 0406 9740 04

BIC: GENODES1HDH

12.3 VR Bank Lahn-Dill

IBAN: DE23 5176 2434 0014 1060 06

BIC: GENODE51BIK