

Terms and Conditions of Sale and Supply



1. General

- a) The following Terms and Conditions shall apply exclusively to all sales and supplies. Any deviating agreement or amendments are only valid if approved expressly by us in writing and shall in any case be only valid for the specific order for which they are agreed upon; for later orders, only our Terms and Conditions of Sale and Supply shall be valid. The Buyer disclaims his own terms of trade unless he immediately interposes an objection in writing, or when he takes delivery of the goods despite his objection.
- b) As long as our Terms and Conditions of Sale and Supply contain no relevant regulation and no other agreements are made, the statutory regulations apply.

2. Offer

Our offers are always made without obligation. Although we establish all of the information in offers, price lists and advertising brochures carefully, this information is non-binding. In particular, provided that nothing to the contrary is explicitly required by the circumstances, it does not represent any statement regarding condition or quality.

3. Order Confirmation

- a) All orders, agreements, assurances etc. including those of our representatives are subject to our written confirmation to become valid in law.
- b) Queries concerning our order confirmations must immediately be submitted in writing within one week at the latest.

4. Prices

- a) Prices are ex works unless otherwise agreed upon and stipulated to the contrary.
- b) Our price lists are based on the wage, material and overhead costs prevailing at the time of order confirmation. If the time between conclusion of the contract and planned delivery date exceeds four months, the list price valid at the time of delivery shall be applicable.
- c) Rates and taxes introduced or levied at a time after conclusion of the contract shall be at the cost of the Buyer.

5. Delivery Time

- a) Delivery periods begin with the date stipulated in our order confirmation, however not before we have received all documents and information from the Buyer that are required to clarify the type of the delivery item in question.
- b) If we fall behind schedule, the ordering party must grant us an appropriate period of grace. When this period has expired, he can withdraw from the contract if the goods have not been reported as ready for dispatch by the time the period expires.
- c) In cases where we grant retrospective alteration wishes, the delivery periods undertaken by us shall no longer be valid.
- d) In the event of force majeure and other unforeseeable, extraordinary and non-culpable circumstances - for example materials procurement difficulties, operational breakdowns, strikes, lockouts, lack of means of transport, official intervention, power supply difficulties, etc., even if these affect the preliminary supplier - the delivery period shall be extended as appropriate if the circumstances hinder the scheduled fulfilment of our obligation. However, we shall invoke the aforementioned circumstances only if the ordering party was notified without undue delay. If the delay in delivery is longer than six weeks, each contracting party shall have the right to withdraw from the contract.

6. Packing

- a) In lack of specific instructions, the goods are packed at our discretion in the customary way. Packing costs shall be charged additionally at cost price.
- b) The unobjected acceptance of the goods by the forwarder or carrier shall be deemed proof of correct packing.
- c) Packing material is not taken back or reimbursed unless explicitly agreed upon otherwise.

7. Dispatch and Passing of Risks

- a) Goods reported ready for dispatch must immediately be taken. We are entitled to effect partial shipment where possible. In case of delays in dispatch through no fault of us we are entitled to

store the goods at our discretion and at the Buyer's cost and risk and to charge the Buyer accordingly.

- b) In lack of specific instructions, we select methods of dispatch and forwarding routes at our own discretion without giving guarantees of any kind for selecting the cheapest and fastest forwarding method.
- c) Delivery shall always be effected ex works at the risk of the Buyer. Upon delivery to the Buyer, the railroad, the forwarder or the carrier, in any case however upon leaving our works the risk passes to the Buyer, also in case of carriage-paid delivery.

8. Transport Insurance

We insure goods in transit against transport damages at the cost of the Buyer, unless we receive written notice of the Buyer that he himself undertakes to insure the relevant goods.

9. Terms of Payment

- a) Unless agreed upon differently, our terms of payment are cash without discount. For specifically produced products one third of the purchase price must be paid immediately after receipt of the order confirmation.
- b) Offsetting is only allowed against undisputed and legally enforceable counter claims.
- c) We are entitled to demand pre-payment or securities if the Buyer has defaulted with any due payment or if we get knowledge of unfavourable financial circumstances of the Buyer which may have a negative effect on the creditability of the Buyer. After a reasonable additional respite we are entitled to cancel the contract or to demand compensation for inexecution of the contract.

10. Reservation of Title

The deliveries shall be made under reservation of title. All goods remain our property until all our present and future claims are satisfied. In case of a current account, the reserved property serves to secur our credit balance.

11. Notice of Defect and Warranty

- a) If the ordering party is a merchant, he must notify us of complaints occasioned by incomplete or incorrect deliveries, or of notifications of defects caused by discernible faults in the goods delivered without undue delay, i.e. no later than ten (10) days after the receipt of the goods, directly and in writing whilst providing precise information about the individual defects. Otherwise the goods shall be deemed to have been approved. Notice of non-discernible defects must be given without undue delay.
- b) Our liability for defects in goods supplied by us shall be restricted to a period of one year from the passing of risk to the ordering party.
If complaints are justified, we undertake to carry out improvements free of charge or to procure replacement goods; the option is ours. If the replacement or improvement is a failure or proves to be impossible, or if the replacement delivery or improvement is refused by us in a breach of trust or not carried out in spite of the setting of an appropriate period of grace, the ordering party shall have the right to choose whether to demand a reduction in the purchase price or withdraw from the contract.
Returns shall not be accepted without prior agreement with us.
- c) Minor deviations from quality, colour, size, weight, etc. that are customary in the trade or technically unavoidable may not be the subject of complaints.
We shall not take on any guarantee for damage that was incurred for the following reasons: unsuitable or improper use, faulty assembly or faulty commissioning by the ordering party or third parties, natural wear and tear, faulty or negligent handling, unsuitable operating materials, substitute materials or chemical, electromechanical or electrical influences, provided that these are not attributable to errors by us.
- d) In order to be able to execute all reworks and replacements we discretionarily deem necessary, the Buyer shall grant us ample time and possibility for this purpose, or else we shall be discharged from the warranty of fitness. Only in urgent cases of endangerment to the safety of operation and for protection against disproportionately severe damages, where we must immediately be notified, or when we are in delay in removing the defect, the Buyer is entitled to either repair the defect himself or to have it repaired by a third party and to charge us with the necessary costs incurred.
- e) The guarantee period for replacement items delivered in the course of the improvement work shall expire no later than the original guarantee period for the delivered goods. The period of liability for defects in the delivered goods shall be extended by the duration of the operational interruption that was caused by the improvement work.

12. Liability and Damages

- a) In accordance with the provisions of law we shall be liable without limitation for loss or damage arising from a guarantee we have given.
- b) We shall also be liable for loss or damage arising from injury to life, bodily injury or injury to health unless we are not responsible for the breach of our obligations and, in the case of loss or damage arising from a breach of our obligations unless we committed such breach neither intentionally nor as a result of gross negligence. Our liability under the Product Liability Act (Produkthaftungsgesetz) shall remain unaffected in so far as it is mandatory.
- c) For the rest we shall not be liable for compensation for loss suffered for defects or other breaches of our obligations except for loss or damage arising from culpable breach of material contractual obligations; in such a case our liability shall be limited to the loss or damage which we foresaw as a possible result of the breach of our obligations at the time of the conclusion of the contract or which we knew or must have known or ought have foreseen.
- d) Our liability for defects or other breaches of our obligations in accordance with the previous paragraph c) shall also be limited in the case of material damage to the sum insured under the liability insurance and, in the case of pecuniary loss, to the loss of profits from the use of the specific delivery.
- e) Breach of obligations of our legal representatives or our vicarious agents shall be equivalent to a breach of such obligations on our part.
- f) Any statutory rights of rescission shall not be limited by the above provisions.

13. Safety and Health Protection

The goods comply with the basic safety and health requirements of EC-Machine Directive (89/392/EWG; 91/368 EWG; 93/44/EWG; 98/37/EG).

Repairs and maintenance works may only be carried out by specialised personnel of the manufacturer or his authorised representative.

In case of unauthorised modifications carried out without prior consent of the manufacturer or his authorised representative, the issued EC Declaration of Conformity or representation of the manufacturer becomes invalid and according to the EC-Machine Directive the party responsible takes on the role of the manufacturer.

14. Property Rights

We undertake no liability for the export of our goods into areas outside the Federal Republic of Germany if our goods cause infringements on the property rights of third parties.

15. Waste Disposal Obligation of the Buyer

If the goods delivered by us come under the German law "Elektro- und Elektronikgerätegesetz (ElektroG)", the following applies:

- a) The Buyer himself is responsible for the disposal of the goods delivered by us.
- b) We are not obliged to take back the goods delivered by us for the purpose of their disposal.
- c) The Buyer himself bears the costs of the waste disposal.

16. Place of Fulfilment and Legal Venue

- a) Place of fulfilment is St. Georgen im Schwarzwald, including all sales effected by a branch of by one of our distribution warehouses.
- b) As far as the Buyer is a businessman, body corporate under public right or a common fund under public law, our place of business shall be the legal venue for both parties. We shall, however, be free to bring any charges at the place of business of the Buyer.
Otherwise this only applies if the Buyer should move his place or his usual place of abode out of the jurisdiction of the Zivilprozessordnung (approx. common-law action rules), or when his place or his usual place of abode is not known at the time of enforcement of our claims.
- d) German law and the above provisions shall exclusively apply to the legal relations between the Buyer and ourselves, whereas the above provisions shall in any case have precedence over possible purchase conditions even if we should not explicitly contradict these conditions again. The validity of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded.