



GENERAL CONDITIONS OF SUPPLY AND DELIVERY FOR PRODUCTS AND SERVICES

I. Scope of supplies or services.

1. The scope of supplies or services shall be governed by mutual declarations in writing. Where an agreement has been entered into without such mutual declarations, either the written order confirmation by the Supplier or the Performer (in the following the Supplier) shall govern, or where such order confirmation has not been issued the written order of the Purchaser. The divergent conditions of the Purchaser which were not accepted expressly are non-binding for the Supplier, also when the Supplier do not decline them expressly.
2. Protective devices will be supplied to the extent or expressly agreed upon.
3. Supplier reserves all titles and property rights originating from copyright on cost estimate, drawings and other documents such may not be disclosed to third parties without the prior confirm of the Supplier. All drawings and other documents shall immediately be returned on request of the Supplier.
4. Additional conditions shall not be binding unless confirmed in writing.

II. Prices.

1. Prices quoted, if not agreed otherwise, are the Supplier's ex-warehouse including packing.
2. For the home country Purchaser (Germany, Austria and Switzerland): payment shall be made during 30 days period, if not agreed otherwise, without any discount, free paying office of the Supplier.
- 3.1. For the foreign Purchaser: payment shall be made prior to delivery per wire transfer or credit card if the sum of the Contract is not higher than EUR 5.000,00 or equivalent.
- 3.2. For the foreign Purchaser: an irrevocable confirmed Letter of Credit shall be issued by the bank of the Purchaser if the Contract value exceeds EUR 5.000,00 if not agreed otherwise.
4. The invoices issued by the Supplier are not to be amended by the Purchaser.
5. Payment is to be made prior to the due days. Delays in payments for more than a week cause reminding in writing and per telephone. To cover these unforeseen costs the Supplier will charge extra 0.5% of the sum of the Contract for each week of delay.
6. The Purchaser may set off only such claims as are undisputed or finally determined.

III. Retention of title.

Title to all goods is retained by the Supplier until each and every claim of the Supplier against the Purchaser originating in the business relations has been duly satisfied. Prior to this event goods may not be pledged or given as security and may only be resold by resellers in the normal course of business, against payment from their Customers. Any costs incurred in connection with interventions following this Section shall be borne by the Purchaser.

IV. Supply of deliveries and services and its period.

1. The period for supply of deliveries and services can be only approximately agreed. The Supplier does not enter into any fixed-date-delivery deal.
2. The period of supply begins on the date the purchase order in writing was acknowledged by the Supplier. Above period shall be deemed to have been met if the goods have been delivered to the carrier or picked up or the notice that goods are ready for shipment has been given within the agreed period.
3. If the period for supply of deliveries or services can be proven to have been exceeded because of mobilisation, war, strike, lockout or in the event of other unforeseeable circumstances, it shall be adequately extended. In case any of above mentioned obstacles occur the Supplier shall inform the Purchaser immediately.
4. If the Supplier comes to a delay the Purchaser must give him a reasonable additional period. If this period ineffectively expires, the Purchaser can cancel those quantities and services which the Supplier is unable to deliver. The Purchaser has the right to cancel the Contract after an additional period of time granted to the Supplier has ineffectively expired and if partial deliveries or services that have been already executed are of no interest. Any claims for compensation because of delay or non-delivery are excluded.

V. Transfer of risk.

Risk shall pass to the Purchaser even if freight delivery paid has been agreed upon, when the goods have been delivered to carrier or picked up. Every care shall be taken in packing. Shipment shall be carried out to the best of the Supplier's judgement. At the request and expense of the Purchaser the goods shipped will be insured by the Supplier against breakage, damages in transit or fire. If the shipment or delivery is delayed at the request of the Purchaser, risk shall pass to the Purchaser for such period of delay. The Supplier however undertakes to effect at the Purchaser's expense insurance as requested by the Purchaser.

VI. Acceptance.

1. Goods delivered shall be not accepted by Purchaser only in case of noncompliance with the specification.
2. Partial deliveries are admissible.

VII. Liability for faults.

1. The Supplier shall at his discretion either repair or replace those parts that have become of no use or markedly impaired in usefulness within 3 months after transfer of risk (if not agreed otherwise) regardless of actual operating time owing to circumstances prior to transfer of risk, particularly such as faulty design, materials or workmanship. The Supplier must be informed in writing of such faults immediately after they have been noticed and not later than 2 weeks after the transfer of risk.
2. If the Supplier lets expire an adequate extension of time as set by the Purchaser without remedying the fault, the Purchaser shall have the right to claim a reduction of the price. If no agreement is reached between the Supplier and the Purchaser, the Purchaser can cancel the Contract.
3. Liability for faults does not cover natural wear and tear nor damage arising after transfer of risk owing to faulty or negligent handling, excessive strain, unsuitable materials for operation, deficient civil engineering work and such chemical, electrochemical, electrical influences as were not assumed at the time of the Contract.
4. The Purchaser has to comply with his contractual obligations, in particular with the agreed conditions of payment. If complaint in respect to a fault is made, the Purchaser may withhold payment to an extent which is fair and reasonable in respect to the faults occurred. However if the Contract is entered into in pursuance of the Purchaser's line of business payments may only be withheld under the condition that the complaint in respect to a fault is justified beyond any reasonable doubt.
5. Period of liability for faults or repairs shall be 3 months, for replacements or renewals 6 months. However, above period shall run at least until expiry of warranty period as originally provided for in respect of contractual goods.
6. The Supplier is not liable for consequential damages occurred from the usage of the goods delivered (including the Purchaser's production failure, personal or property damage).
7. The liability of the consequences of any inexpert alterations or repairs carried out by the Purchaser or a third party is denied.
8. The liability of the consequences of the retail of the goods delivered by the Purchaser to the third party inland and abroad is denied.

VIII. Impossibility of performance of the contract; cancellation.

1. Insofar any unforeseen events as described under Section IV Subsection 3 effect the economic consequences or substance of the Supplier's services or have a major effect on the Supplier's business, the Supplier reserves the right to cancel the contract. If the Supplier intends to exercise his right of cancellation, he shall inform the Purchaser of such intention immediately after recognising the significance of the event. This shall apply even when the extension of delivery period has been before agreed upon with the Purchaser.
2. Any other claims on the part of the Purchaser against the Supplier and his executives, no matter on what cause in law, are excluded.
3. Orders accepted and confirmed by the Supplier are non-cancellable. Cancellation fee is charged by the Supplier on a case to case basis at the Supplier's discretion.
4. Frame orders are accepted over 12 months period starting from the date the order was accepted by the Supplier. The goods ordered but not called-off has to be paid by the Purchaser upon 12 months' period expiration of the order placed.

IX. Place of jurisdiction

1. The exclusive place of jurisdiction in case of all litigations arising directly or indirectly from this contract shall be at the discretion of the Supplier, the domicile of Supplier's head office.
2. Contractual relations shall be governed by German law.

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