

## General terms

- I. **Acceptance of order:** An order is considered to be accepted as soon as it is confirmed by us in written form. Verbal agreements are not valid at all. If an order is not confirmed by us in written form, all the offers granted are without obligation.
- II. **Delivery period:** the delivery periods mentioned by us are non-binding. We must reserve missed deadlines occurring from a disturbed production flow, delay in receiving materials, delay in receiving engineering drawings etc. We do not accept claims for damages because of noncompliance of delivery periods. Special circumstances, for example war, strike, power breakdown and information on the buyer that seems to be insufficient release us from delivery obligations which were possibly made. If there is anything to the contrary agreed in written form we are legitimated to make part-delivery.
- III. **Dispatch:** The goods are always dispatched at the purchaser's costs and risk. We charge package at cost price. If there is anything to the contrary agreed in written form we do not retract package. Replacements of goods being damaged during transport can only be effectuated against charging. Dispatch of goods is always effectuated according the possibilities of dispatch that seem to be the most favorable.
- IV. **Prices:** Our prices are always ex works Ostdorf, excluding package. All of our prices are without obligation. We reserve the right to charge the prices which are valid at the day of delivery.
- V. **Payment:** All the payments have to be effectuated 10 days after date of invoice if there is no other agreement. The purchaser is not at all authorized to withdraw a payment or to deduct the amount from an existing invoice. Withdrawing of payment in the case of complaint is forbidden. When payment is delayed we are authorized to claim compensations due to delay in the amount of minimum debit interest and provision between duty and payment according to the usual bank clearing. According to our right as supplier, no notice of default is needed. When payment is made by draft, check or other instruction papers, costs for discounting etc. are always charged to the purchaser. Drafts are only accepted subject to the possibilities of discounting and a previous permission in written form.
- VI. **Protective rights:** If the supplier has to deliver objects according to drawings, models or samples given to him by the purchaser, the purchaser takes over the warranty, that the protective rights of third persons are not infringed. If a deliverer of a third person – under reference to his proper protective right - is not allowed to produce and deliver goods according to drawings, models or samples of the purchaser, he will be obligated to stop production and delivery and to demand compensation of the costs used. The purchaser obligates himself to release the supplier concerning claims for damages of third persons immediately. For all direct damages occurring from violation and enforcement of certain protective rights , the purchaser has to pay an adequate advancement at the instigation of the supplier. Samples or drawings sent in were only returned if desired. If there is no conclusion of contract the supplier is allowed to destroy samples and drawings 3 months after release of the offer.

- VII. **Retention of title:** All goods delivered shall remain our property until all and any claims to which we are entitled because of the business relationship, in particular outstanding balance claims, have been fully settled by the purchaser. When processing our goods by the purchaser, which is made in order of our company and without obligations for us, we are the producer and obtain the property of new products. If our goods are mixed up, combined or processed with other materials, we acquire common ownership proportional to the invoice value of our goods towards the other materials. The purchaser has to keep the goods, which are our properties, carefully. He has the right to sell our property as long as he clings to the duties of the business relationship in time. All claims resulting from the sale of goods from which we have the ownership the purchaser subrogates in the total extent of the debt of our property percentage concerning the sold goods for security to us. The purchaser will reveal the assignment and give us all assigned claims as well as the goods subject to retention title. The purchaser is revocably authorized to contract the claims he assigned to our company, in case he is not in delay. An assignment to a third person is not allowed. Pledging or transfer by way of security of goods which are our property or common ownership are not allowed. The purchaser has to inform us immediately about procedures of compulsory execution of third persons concerning our property or our claims. When purchaser is in delay of payment we have the right to demand for a temporary withdrawel of the goods which are our property, without the fact that it seems to be a cancellation of the contract. The purchaser bares the full risk of the goods delivered by us, and he is liable to keep it carefully in store and to assure it against loss (theft, fire, etc). Previously in case of a damage, he disposes the claim against the insurance, in fact a first-order partial amount of the purchasing price of the goods delivered by us under retention of title. This is also valid if the insurance does not cover the whole damage in full amount, so that we are not relegated to a partial compensation. If the value of our securities exceeds the amount of our claims more than 25%, we will release securities on demand of our purchaser.
- VIII. **Liability for defects:** Complaints shall be announced 10 days after receipt of goods in written form at the latest. Parts which are possibly damaged or adjudged as not being in proper condition shall be returned to us immediately so that they can be controlled. If our control determines the correctness of the complaint, we will have the choice whether we execute a correction free of charge or send a replacement delivery of the parts rejected. Parts manufactured as replacement from a third person cannot be put down to our account at all. We do not grant a replacement free of charge for those parts, too. Claims for compensation because of loss of profit, loss of time or delay in delivery against third persons are strictly refused by us.
- IX. **Obligation of our terms of delivery:** With placement of an order the purchaser declares expressly his agreement with our sales conditions and resigns in any case the purchase conditions mentioned on the order sheet or anywhere else.
- X. **Final clause:** German right is valid for relationship between the parties. Invalidity of individual points of this condition has no effect on efficacy of the other regulations. Place of execution and jurisdiction for all obligations occurring from this contract is Balingen. The supplier may even take the purchaser to courts which for the location of the purchaser and in case of an action for assertion of a claim concerning payment of a cheque or a draft are responsible for the place of payment.