

General Terms and Conditions of Sale

1. General Terms and Scope of these Terms and Conditions

All contracts of sale and other supply agreements concluded with us are subject to our General Terms and Conditions of Sale below. The placement of an order or the acceptance of delivery shall constitute acceptance thereof. We do not accept the terms and conditions of sale used by the customer that contradict or deviate from our terms and conditions of sale, unless we have explicitly consented to their applicability in writing. Our terms and conditions of sale shall also apply to any future transactions with the customer.

2. Offer

Design work is also to be remunerated in the event that an agreement is not reached. All illustrations, figures and dimensions in our sales documentation are only approximate and not binding. All titles and copyrights in and to cost estimates, calculations, illustrations, figures and other documentation remain in our property. They may not be made available to third parties and are to be returned upon our request.

3. Prices, Terms of Payment

3.1 In the absence of an agreement to the contrary, our prices are quoted ex works excluding packaging, shipping and insurance. Our prices do not include statutory value added tax (VAT).

3.2 In the event that a delivery period exceeding four months is agreed upon, we reserve the right to adjust the prices to the cost increases (e.g. increases in material prices) accordingly.

3.3 Subject to an agreement to the contrary, our invoices are payable within 14 days of the respective invoice date with a 2% discount and within 30 days without deductions. The receipt of the funds shall determine the timeliness of payments. Bills of exchange shall only be accepted without assuming any liability for protest in the presence of a corresponding agreement and subject to their eligibility for discount. The expenses for bills of exchange and discounts are to be borne by the customer, as are the transaction expenses and costs incurred for the cashing of checks.

3.4 Notwithstanding our rights provided under No. 6.3, and should the customer fall into arrears with payments - with one installment in whole or in part, in the event that installments have been stipulated - we may rescind the agreement or claim damages for breach of contract if subsequent payment is not made within a reasonable grace period. We charge arrears interest at a rate of 2% over the current interest rate, with a minimum of at least 5% p.a. We reserve the right to claim additional damages for arrears. The customer shall bear the onus of proof that no or materially fewer damages for arrears were incurred.

3.5 The right of setoff may only be exercised by the customer with undisputed counterclaims or those determined by a final and binding declaratory judgment. The customer may only exercise rights of retention based on claims arising from the same agreement.

3.6 We reserve the right to demand sufficient security for our accounts receivable, including those that are not yet due and payable, whereby further advance performance on our part is subject to this security, should there be any doubt as to the creditworthiness or financial solvency of the customer.

4. Delivery Time

4.1 All stipulated delivery periods shall only begin upon the clarification of all technical issues, the delivery of the docu-

mentation, official permissions and releases to be provided by the customer, as well as the receipt of the agreed deposit. Delivery periods shall be deemed to have been respected if the product has left the works or notification of readiness for delivery has been made within the delivery period. The delivery period may be reasonably extended if the order is amended after the initial placing of the order.

4.2 Should we become unable to fulfill our contractual obligations because of unforeseeable and extraordinary circumstances beyond our control, which we have not been able to avoid in spite of making the efforts to be expected from us in such circumstances, (e.g. disruption of operations, regulatory interferences, delays in the supply of important raw materials and construction materials, difficulties related to the supply of energy) – regardless of whether in our works or in those of our suppliers – the delivery period may be reasonably extended if delivery has not become impossible. In the event that delivery becomes impossible, we shall be released from our obligation to deliver. The stipulations above shall also apply in the case of strikes or lockouts. If the delivery time is extended in the cases mentioned above, or we are released from our obligation to deliver, the customer may not assert corresponding claims for damages nor rescind the contract. We will notify the customer of the circumstances mentioned above in a timely manner.

4.3 The customer is entitled to claim verifiable damages for delays incurred, which is, though, limited to 0.5% of the goods' net price for each full week of the delay, and with a maximum of 5% of the goods' net price, should we be responsible for the delay of a delivery. Should the customer in the event of a delayed delivery grant a reasonable grace period threatening to refuse acceptance of the delivery, the customer shall be entitled to rescind the contract once the grace period has expired and no delivery has been made; claims for foreseeable damages on the grounds of non-performance may only be asserted by the customer if we, or our executives, caused the delays willfully or out of gross negligence.

4.4 In the event that the customer fails to accept delivery or violates other obligations to cooperate, we shall be entitled to claim the resulting damages, including any additional expenditures incurred. In this case, the risk of accidental destruction or deterioration of the goods shall pass to the customer at the time that the customer falls into arrears with the acceptance.

4.5 We are entitled to make partial deliveries and, accordingly, invoice partial amounts.

5. Shipping, Transfer of Perils

5.1 In the absence of an agreement to the contrary, the shipping route and method will be determined by us. The customer shall bear the costs of shipping the goods to the customer's location.

5.2 The risk passes to the customer when the goods are ready for dispatch if the customer is a merchant as per the legal definition. Otherwise, the risk shall pass to the customer as soon as the goods are delivered to the carrier.

5.3 Insurance against damages caused by breakage, shipping, fire and water are available provided the customer explicitly requests these and bears the cost thereof.

5.4 The customer may only refuse acceptance of the goods if it becomes immediately apparent that they deviate from the order.

6. Retention of Title

6.1 We retain title on the goods purchased from us, until all payments due under the corresponding agreement have been received. In the event that the customer is a merchant as per the legal definition, we shall retain the title on all of the goods delivered by us, until all payments due under the business relationship are made.

6.2 The customer is entitled to possess and use the goods, while our retention of title remains in force. Should the customer, however, fall into arrears with payments or fail to fulfill the obligations with regard to the retention of title, we shall be entitled to take repossession of the goods. The repossession of goods subject to retention of title by us shall not constitute a cancellation of the contract. After repossessing the retained goods, we shall be entitled to dispose of them; the proceeds from the disposal of such goods shall be credited against the accounts receivable from the customer – less reasonable transaction costs for disposing of the goods.

6.3 The customer is obliged to keep the retained goods in an orderly condition during the time these are subject to retention of title. We are entitled to insure the retained goods at the cost of the customer against damages resulting from fire, water and otherwise for the period of time title is retained inasmuch as the customer does not provide evidence of sufficient insurance coverage.

6.4 Goods subject to retention of title may only be pledged, assigned as collateral or hired out with our previous written consent. Should third parties intervene with goods subject to retention of title, especially by levying execution, the customer is to immediately notify us in writing and to inform the third party of our retention of title. The costs incurred in pursuing our collateral security shall be borne by the customer to the extent that they can not be claimed from a third party.

6.5 Any processing and conversion of goods supplied by us, which remain in our property, shall be deemed performed on our behalf such that we incur no liabilities herefrom. Should the goods be processed or inseparably commixed with other objects that do not belong to us, we shall gain co-ownership of the new object corresponding to the ratio between the value of the goods supplied by us and the other processed and/or commixed objects at the time of such processing/mixture. If the goods are commixed such that the customer's object is deemed principal object, the parties agree that the customer assigns pro rata co-ownership to us. The customer shall subsequently safeguard the ensuing sole ownership or co-ownership for us. Notwithstanding the aforementioned, the same that applies to goods supplied subject to retention of title shall also apply to the new object.

6.6 The customer is authorized to resell the sold object in the course of ordinary business transactions, unless the customer is in arrears with payment, a motion to initiate insolvency proceedings has been filed or payment have been ceased. The customer however shall herewith assign to us its claims against purchasers arising from the resale or from another legal ground, together with all ancillary rights as collateral irrespective of whether the retained goods are resold in their original state or after being processed. The customer is authorized to collect the account receivable, unless the customer is in arrears with payment, a motion to initiate insolvency proceedings has been filed or payment has been ceased. Upon our request

the customer is to notify us of the assigned claims and their debtors, and to provide us with all information and accompanying documentation necessary for their collection, as well as to inform the debtors (third parties) of the assignment.

6.7 If the value of the collateral held by us exceeds the secured claims by more than 20%, we are obliged to release such collateral upon request by the customer; we reserve the right to determine, which collateral will be released.

7. Warranty

7.1 The customer's warranty rights are subject to the customer fulfilling its duties to inspect the goods and disclose nonconformities as provided for by Sections 377, 378 HGB (German Commercial Code). We are to be notified of defects in writing without delay after they are discovered.

7.2 In the event of a defect, for which we are liable, we reserve the right to remedy such defect or provide a replacement at our sole discretion. If we chose to remedy the defect, we shall be obliged to bear all costs thereof, especially the expenditures for shipping and transportation, including the costs for work and material, inasmuch as these are not increased by the fact that the goods were brought somewhere other than the place of performance. Replacement parts shall pass into our ownership.

7.3 Should the subsequent improvement fail, the customer may at its discretion claim a reduction of the purchase price or rescind the contract of sale.

7.4 Notwithstanding anything to the contrary below, further claims by the customer – irrespective of the legal grounds – are precluded. We are not liable for damages suffered by anything other than the goods supplied by us; in particular, we assume no liability for loss of profits or other pecuniary damages suffered by the customer.

7.5 The limitation of liability above shall not apply inasmuch as the damage is caused willfully or because of gross negligence by us or our executives. It shall also not apply if the customer claims damages for breach of contract on the grounds that a warranted quality is lacking.

7.6 The warranty period shall run for six months as of the passage of risk.

8. Liability

8.1 Any liability for damages exceeding that provided for in Numbers 7.4 and 7.5 is excluded – irrespective of the legal nature of the claim asserted.

8.2 The provisions under Subsection 1 shall not apply to claims raised under the Produkthaftungsgesetz (German Product Liability Act).

8.3 Inasmuch as our liability has been excluded or limited, this shall also apply to the personal liability of our executives, employees, assistants, representatives and agents.

9. Place of Jurisdiction, Place of Performance

The laws of the Federal Republic of Germany shall apply exclusively.

The place of performance and jurisdiction shall be at our place of business.