

**I. Validity**

1. For all offers, contracts, agreements and Deliveries only our below conditions for delivery and payment are applied.

Different conditions of the buyer, which we do not explicitly acknowledge in writing, are not binding on us, even if we have not expressly excepted.

2. As far as individual rules of the contract or of these terms and conditions should prove ineffective, the contract stays binding. If necessary, it is to add a provision which comes next to what the parties wanted with the ineffective clause legally and economically.

**II. Offers, documents, subjects to change**

1. For the scope of delivery our written order confirmation is authoritative. Verbal or telephone taken collateral agreements, reservations, changes or supplements are only valid if they have been confirmed by us in writing.

2. The documentation, belonging to offers, such as illustrations, drawings, weight and measurements are only approximate and relevant only as such, unless they are explicitly designated as binding. For cost estimations, drawings and other documents, we reserve the right of property and copyright. They are not available for third parties. Drawings and other documents, belonging to offers need to be returned immediately at the expense of the other part on request or, if the order does not apply.

3. Changes of the technical execution of the ordered goods are permitted, if it is reasonable for the purchaser and thus not a significant change in functionality occurs.

**III. Price and Payment**

1. Our prices are always ex works for domestic market, plus VAT in the relevant statutory rate. The cost of insurance, packing and customs fees are billed separately to the customer. We can choose, either a lump sum or the actual cost.

2. As far as the production cost, on which we based our quotation to the purchaser for contract, subsequently increase significantly, a reasonable adjustment to our selling price is justified. A change in the costs within the meaning of clause 1 exists in particular if our suppliers increase the price for the contract goods or components thereof, if tariffs or other import fees increase or if the exchange rates move against the relevant day the contract was signed, significant to our disadvantage. A price adjustment is reasonable, if the amount occurred within the interim cost increases. This will be verified to the purchaser on request. Leads price adjustment to a price increase of more than 20% and we do not react to a written request of the customer, to limit the price adjustment to the context of 20% within two weeks after, the customer is entitled to rescind the contract.

3. The payments are, unless otherwise determined, to provide, in cash without any deduction, subject to the following conditions, in our paying agent, and that

a) for deliveries within the country 50% on receipt of the written order confirmation, balance 7 days after the invoice date net checkout;

b) for delivery to foreign countries 70% with order, balance against letter of credit.

Checks are accepted for payment only and apply only after the final redemption as an effective payment.

Other payment terms are only binding, if expressly and in writing a special arrangement has been made.

4. If the payments are in arrears rate of 8% above base rate, but at least 12% are charged. The interest is payable immediately. The claim for a higher damage remains also reserved for us as for the purchaser to verify, that in regard the damage did not happen, or is substantially lower than aforementioned lum-cost. The beginning of the return shall be communicated to the customer.

5. The withholding of payments due to any counterclaims of the purchaser as well as offsetting such counterclaims are ineligible; this is not applicable, if these counterclaims are undisputed or legally established.

6. Worsen the financial situation of the purchaser

such that the fulfillment of our requirement would be endangered, we may require immediate payment. If not executed contracts, we are entitled to demand advance payment or appropriate collateral.

7. Partial delivery are separately invoiced. In each case, the above terms are applied.

**IV. Reservation of proprietary rights**

1. We keep in all cases, the title to all supplied equipment and various objects. The ownership is passed only to the orderer after full payment. For goods which the purchaser course of his business from us, we reserve the property until all our claims against the purchaser of the business relationship are settled. This is applied, even if some or all of our demands were taken into a current invoice and the balance is recognized and considered.

2. The customer is entitled to the delivered objects as part of its regular course of business to resell. For case of resale, the ordering party has already all claims with all ancillary rights to it from the resale to the purchaser or arise against any third party, no matter, whether the goods will be sold without or after working or processing. To collect these claims the customer is even in right after the assignment. Our right to the collect receivables ourselves remains hereof unaffected. By this right we will not make use, as long as the customer's payment obligations are in the proper manner. We may require that the customer informs about our assigned claims and their announces the debtor makes all the information necessary for collection, together documents and inform the debtor of the cession. If the goods are resold together with other goods which do not belong to us, then the demand of the customer against the purchaser assigned in the amount of between us and the customer agreed delivery price.

3. Processing of the reserved commodity is always for us as a supplier within the meaning of § 950 Civil Code, but without committing. The processed goods are considered reserved in the sense of these conditions. If conditional product is mixed with others, not belonging to us processed or inseparably mixed, then we co-ownership of the new object in ratio of the invoice value of the goods to the invoice value of the other used goods at the time of processing and of mixing. The resulting shall be considered as conditional goods in the meaning of these terms.

4. If our goods are joined or inextricably mixed with other movable objects into a single object, and is the other thing to be regarded as the main, we get a pro rata ownership by the purchaser, if the principal belongs to the purchaser. The resulting from the processing and the combination and mixing of thing applies in the rest the same as for the conditional goods.

5. The customer may request that we share at our option, a portion of the collateral, where their realizable value exceeds the secured claims by more than 10%. The release shall arise, if the estimate of the collateral is 150% of the secured accounts receivable.

6. The buyer is obligated, to obtain and to keep all our still owned machines and other goods in proper condition with professional diligence and mark it at a clearly visible place at widely identified as our property.

7. Each foregoing provisions of different disposition of such property without our consent is enjoined for the purchaser, as long as of retention of title. If under delivered subject to retention machinery other items seized from third parties or otherwise be claimed, is terminated, we shall at once be informed on fastest means, if possible, by telephone, to communicate by fax or by facsimile. The buyer is obliged to provide us a possible seizure report and an affidavit assurance about the identity of the seized items.

8. If customer violates the contract, especially payment, we are in the right to repossess the goods. In Withdrawal of goods by us it is no withdraw from the contract, unless we have expressly declared in writing. The cost of redemption is borne by the purchaser. After take back we have the right for utilization of the goods. The sale proceeds is less reasonable selling costs to the credit liabilities of the

buyer.

9. For export business in countries where the aforementioned retention of title is not legally valid, we reserve the right, to ensure the property in accordance with the relevant statutory regulations of the receiving country. The purchaser is required to participate in this extent as far as necessary.

**V. Supply and delivery time**

1. The costs for domestic deliveries are ex work.

This also applies to foreign supplies, unless otherwise agreed.

2. The buyer has the duty to communicate the official name of his delivery point or center on time; otherwise for any incorrect information about deliveries we do not accept any responsibility.

3. The specification of certain time limits and delivery is subject to the proviso that we delivered properly and on time.

4. The delivery period begins, unless agreed otherwise, either after the final technical clarification of the order or the receipt of all necessary documents for order and benefits of deposit; crucial is the later date.

5. Delivery schedules are extended by the period in which the purchaser is in delay with the performance of its significant contractual obligations, in particular to fulfill its payment obligations.

6. The delivery period is extended ...of a default ... appropriately in case of force majeure and all unpredictable obstacles, which we are not responsible of, for the duration of the performed obstacle. This applies even if these conditions enter with our suppliers or their suppliers. The above particular circumstances include monetary and trade policies, Strikes and lockouts, official orders or market-related problems with material and goods procurement. Information about beginning and end of such obstacles will be shared with the customer as soon as possible. This may require us to require explanation if we referred to hereafter X.1 resign or within a reasonable delivery deadline. If we do not explain immediately, the orderer can withdraw.

7. The delivery deadline is met, if at its expiry the goods leave the factory or, if shipment has been reported.

8. In reasonable extent, we are justified for a part of services and if necessary additional deliveries.

**VI. Transfer of risk**

1. The risk will be passed to the orderer with the providing of the delivery and notification of readiness for dispatch. This applies even if the deliveries have been delayed due to circumstances for which we are not responsible. In case of failure to statement of readiness for dispatch, so goes the risk of delivering the goods to the Post, the shipper or carrier, but no later than when they leave the factory on the orderer.

2. Only on special request of the customer and at his expense, the shipment will be insured by us, free house, and against breakage, transport and fire damage.

3. Referring to our retention of title, the customer must ensure that the delivery is assured. As the basis for our assertion of our retention of title is the full value of the supply and repair, any damage now occurring to the delivered object is at the expense of the purchaser.

4. Any returns always go on expense of purchaser.

**VII acceptance delay**

1. For the duration of the delay in acceptance, we are entitled to store goods at the expense of buyer. We can for storage also operate via a transport company. During the period of delay in acceptance the purchaser has to pay the costs incurred by storage.

2. If the customer refused to accept it after a reasonable set grace period or declares seriously and finally that he is not willing to accept, we can cancel the contract or demand compensation. As to compensatory damages, we demand 25% of the agreed purchase price. The claim of a higher damage remains reserved. The purchaser can also bring the evidence that in fact no damage resulted or the damage incurred is significantly lower than the scheduled fee.

**VIII Installation****Claims due to a lack**

1. The buyer has to investigate the goods immediately after received delivery for completeness and defects and condition. Lack of quantity and visible defects are immediately made available within 3 working days of receipt of the goods, covert deficiency within the same time after discovery censure by written notice to us. For not in time declared deficiencies the warranty is eliminated.
2. We are not liable for public statements made by us, the supplier or its agents, if we did not know the expression and did not have to know that the statement at the time the purchase decision has already been corrected or if the customer does not demonstrate that the statements have influenced his purchase.
3. It is - except in the case of our fault -- no warranty, for improper or inappropriate use, faulty assembly or operation by the owner or a third party, natural wear, faulty or negligent treatment, improper equipment, replacement materials, wear, lack of construction work, unsuitable building, chemical, electrochemical or electrical influences. Clause 1 also applies to the extent in the preparation or in the operation against the instructions have been breached. We are also not liable for defects that the value or the suitability of the case only minimize slightly. A minor defect exists in particular if the error in the near future even disappears or even can be eliminated by the contractor by quite negligible effort.
4. If the customer demands due to a defect subsequent performance, we can choose replacement or removal of the defect. If the removal of the defect or remedy fails, the right, to reduce the purchase price or withdraw from the contract remains unaffected.
5. Claims and reimbursement of expenses remain unaffected, if not excluded by XI.
6. For conducting all our reasonable discretion, necessary repairs and replacements, the purchaser has to give us after consultation with us the necessary time and opportunity, otherwise we are freed of warranty. The purchaser is not entitled to rectify any defects without our consent or have it remedied by third parties to our costs or claim for price reduction.
7. Under warranty replaced parts become our property. For replaced parts the warranty terms outlined here are applied again.
8. All claims because of a defect are prescribed within two years from delivery of the thing. When and where the set up of the equipment is done by us, the warranty period begins from the date of commissioning. If it fails, however, to perform the installation or setup without our fault, it will remain in the period referred to preceding clause 1.

**X. Right of the supplier to cancel**

1. In the event of force majeure or other unforeseen events which we are not justifiable (paragraph V.6) we are entitled to rescind the contract if the economic significance of these events, or modify the content of the respective services significantly or considerably affect our operations and lead to the subsequent inability to contractually agreed designs. As far as we make use of this right of cancellation, the customer is informed immediately iafter recognition of the significance of the event. That cancellation right exists even if the customer first displayed an extension of the delivery time or the extension of delivery time has been agreed.
2. We also have a right to withdraw from the contract if, after the contract costs increase by 20% or more and the buyer does not agree within 2 weeks having called for a price adjustment in rate of 20% (paragraph III.2). Same applies if we are not being supplied by our suppliers and this is due to reasons we are not responsible for(para. V.1).
3. A right of rescission is available to us even if the buyer is in delay of payments and the orderer has supplied incorrect information of the facts concerning its creditworthiness, stops payments, or a set affidavit or a debtor has requested insolvency proceedings of his property. Our legal rights in case

of late payment of the purchaser shall not be affected.

4. In the event of a rescission and the withdrawal of delivered goods, we are entitled to compensation for expenses, transfer of the use and impairment. According to our choice, we can calculate compensation claims due to us either concrete or a flat rate of 15% of the purchase price. In the case of flat-rate, remains the customer's right to demonstrate that the compensation claims was not created or are in lower amount.

**XI. General Limitation of Liability**

Claims for damages, for whatever in law, are excluded, unless we are guilty of intent, or we have to stand for our own gross negligence, intent or gross negligence of our agents or the claim for damages resulting from the breach of contractual obligations. The liability for damages resulting from injury to life, limb or health, and liability under the Product Liability Act remains unaffected.

**XII. Jurisdiction**

In all disputes arising out of the contract, the action must be brought to the court, which is responsible for the headquarters of our company. We are also entitled to complain at the headquarters of the customer.

**XIII. Applicable Law**

The contractual relationship is governed exclusively by the law applicable in the Federal Republic of Germany. The use of UN Sales Law (CISG) is excluded.

**XIV General**

1. Reservations, amendments, or supplements are only valid if made in agreed writing.
2. As far as not provided in these supply and payment terms, in the contract or something otherwise, the purchaser is not entitled without our consent to transfer rights which are under this contract or these delivery and payment terms to third parties.
3. Decisive for the contract, these supply and Payment terms is its German version. This is applied even if a translation of the delivery and payment conditions in a different language was used in addition to the German conditions.