

General Sales Terms and Conditions

1 Exclusive Applicability of our Terms and Conditions

We accept orders exclusively under our sales terms and conditions. General terms and conditions of the buyer or provisions of the buyer differing from our sales terms and conditions or agreements are binding on us only if we expressly recognize them in writing.

2 Offers – Orders – Subject Matter of the Contract

2.1 Our offers are subject to change without notice in the sense that a contract does not come into being until we confirm the order.

2.2 Supplemental agreements to our offers and confirmations, as well as agreements with our field sales force and representatives require our written confirmation to be valid.

2.3 Solely our written confirmations are decisive for the subject matter of the contract.

3 Description of Goods – Quantity Tolerance

3.1 Sketches, drawings or models attached to our offers or confirmations, as well as technical information, e.g., weight or performance data, apply only as approximations.

3.2 Agreements regarding the quantity of goods to be delivered are valid with a fluctuation margin of up to plus or minus 3%. For special orders this fluctuation margin is 10%.

4 Prices – Tool Costs – Packaging

4.1 Our prices are for delivery ex works excluding packaging, customs and insurance.

4.2 If the buyer is responsible for part of the tool costs, this does not grant the buyer a claim to transfer of title or delivery of the tool. The tool costs will also be neither repaid nor amortized. However, we will keep the tool for five years from delivery of the last good produced with its help; after expiration of this period, we have full disposal over the tool.

4.3 If the buyer is responsible for just a part of the tool costs and the buyer does not accept all of the goods ordered in connection with the order of the tool, for whatever reason, the buyer is obligated to compensate us for the entire tool costs.

4.4 Packaging is to be calculated at the lowest cost and not taken back.

5 Property Rights – Buyer Parts – Drawings

5.1 If we accept a delivery based on the buyer's drawing or model, the buyer must vouch that third-party property rights are not breached. This also applies if we develop or construct the contractual goods on behalf of the buyer.

5.2 If, for production of the contractual goods, we require parts that are to be provided by the buyer, the buyer is then obligated to deliver these parts in a number corresponding to the quantity ordered plus a reserve of 10% at no charge.

5.3 We retain the ownership and copyrights to all drawings, sketches, samples or similar documents that we provide; such documents may not be made accessible to third parties.

6 Call Orders – Division – Acceptance

6.1 For call orders, the entire order quantity is deemed called one month after expiration of the agreed call deadline; in the absence of such an agreement, six months after conclusion of the contract.

6.2 If the buyer does not make a division of the goods to be delivered, and such division is incumbent on the buyer, by no later than within one month after expiration of the agreed division deadline, or in the absence of such an agreement, no later than six months after conclusion of the contract, we may divide and deliver the goods at our option.

6.3 In each case, acceptance of the ordered goods is a primary performance obligation of the buyer.

7 Shipping – Transfer of Risk

7.1 The determination of the shipping method is at our reasonable discretion. We are not obligated to select the cheapest, surest or fastest shipping method or to insure the goods.

7.2 Risk transfers to the buyer upon transfer of the goods to a freight forwarder, but no later than at the time at which the goods leave our plant. If dispatch is delayed by circumstances for which the buyer is responsible, risk transfers already when we first request the buyer to take the necessary actions on the buyer's part. All agreements regarding transport and insurance costs do not affect the transfer of risk.

8 Delivery Deadline

8.1 Stipulated delivery deadlines apply only approximately.

8.2 If delivery is delayed by circumstances that are outside our personal area of influence, in particular through force majeure, official intervention, labour disputes, difficulties in procuring materials, production disruptions, special requests of the buyer or the like, the delivery deadline shall be extended by the duration of the impediment. An impediment whose end cannot be foreseen authorizes the buyer and us to withdraw from the contract, to the extent we cannot fulfill the contract as a result of the impediment.

8.3 If we are in default with a delivery, the buyer may withdraw from the contract if the buyer has given us a reasonable extension period in writing of at least four weeks and the goods have not been dispatched within this extension period.

8.4 The buyer may not derive any claims for damages against us of any kind from the exceeding of a delivery deadline or from default in delivery.

9 Liability for Defects

9.1 The buyer must notify us of any defects in the delivered goods in writing without delay after their discovery. The notification deadline for defects that can be recognized during a feasible examination in the normal course of business is eight days; for other deficiencies eight weeks from each receipt of goods. If the buyer fails to make immediate or timely notification of a defect, the buyer thus forfeits all warranty rights.

9.2 The buyer also loses all warranty rights if the goods are processed or subjected to other changes.

9.3 Erroneous partial deliveries do not entitle the buyer to refuse acceptance of other partial quantities.

9.4 To the extent a properly reported notification of defects is justified, we will deliver error-free replacement goods at no cost, however, only after return of the defective goods to us, whereby we bear the costs of the return shipment. We may also elect instead to amend the contract, in whole or in part, or to reduce the purchase price. The buyer is not entitled to more extensive rights, in particular claims for damages.

10 Payment

10.1 Our invoices are in euros and are to be settled by payment in euros.

10.2 Unless stipulated otherwise, the payment period is ten days with a 2% cash discount or 30 days net (2/10, net 30) from the invoice date. If the goods are not dispatched until after the invoice date, the payment period begins as of the invoice date.

10.3 As an exception to Item 10.2, one-half of tool costs are to be paid immediately after conclusion of the contract and the other half is to be paid upon submission of the reference sample, net without a cash discount; tool costs become due no later than the date stipulated in Item 10.2.

10.4 To the extent we accept checks or bills of exchange, such acceptance is always made only on account of payment. In such cases we are not responsible for timely submission or protest of dishonored bills. The

buyer will be charged the costs of discounting, taxation and collection; the buyer must reimburse these amounts upon request without delay.

10.5 If, after conclusion of the contract, we become aware of circumstances that cause the buyer's creditworthiness to appear doubtful, at our option we may require advance payment or the provision of

collateral. The same applies if the buyer defaults on the fulfillment of an obligation to us incumbent upon the buyer.

10.6 If the buyer does not pay by the due date, even absent the existence of a default, we may charge interest as of the due date in the amount of the cost of a current loan by our principal bank, but at a minimum 2% above the current discount rate of *Deutsche Bundesbank* [German Federal Bank].

10.7 If the buyer defaults on the fulfillment of a payment obligation, all payment targets in all transactions concluded between the buyer and ourselves lapse.

10.8 The buyer is not authorized to offset payment claims against our payment claims or to exercise a right of retention on outstanding amounts.

11 Retention of Title

11.1 The goods delivered by us remain our property until full payment of all of our receivables from the business relationship with the buyer, even if they should have been entered in a current invoice.

11.2 Any acquisition of title by the buyer is excluded during the working or processing of goods delivered by us. Working or processing is to be made such that we are to be seen as the manufacturer. With regard to the processing of goods of another origin, which are also subject to a retention of title extended to the processing, we acquire joint ownership in the new item in the ratio of the invoice value of our goods to the value of the other goods that such goods have at the time of processing. Should ownership or joint ownership of the buyer arise during the working or processing of the goods subject to retention of title or their joining with other goods due to whatever circumstances, such ownership or joint ownership transfers to us immediately upon its arising. The buyer already transfers to us now all expectant rights that could lead to such an acquisition of title by the buyer. Our ownership or joint ownership arising due to working or processing or joining is to be treated legally in the same manner as the original goods.

11.3 All receivables of the buyer from a subsequent disposal of goods, in which we have ownership or joint ownership, transfers to us already upon conclusion of the purchase contract, specifically, regardless of whether the goods are sold without or after working or processing or joining, or whether they are sold to one or more customers. In the event that the goods sold do not belong to us in full or that they are sold together with goods not belonging to us, the assignment of the counterclaim comprises only the amount of the invoice value of our goods. The buyer may collect the assigned receivables. We may rescind this authorization if the buyer does not satisfy an obligation to us incumbent on the buyer punctually or if we become aware of circumstances that allow our rights to appear jeopardized. The buyer's collection right lapses automatically if the buyer ceases its payments, if a court requests that the buyer disclose its financial circumstances, if the opening of a legal settlement or bankruptcy proceedings against the buyer is requested, or if the buyer attempts an out-of-court settlement. At our demand the buyer must notify the debtor of the assigned receivables of the assignment, inform us of the debtors and the amounts owed by them, and hand over to us the documents we require to assert the assigned receivables.

11.4 The buyer may dispose of, work, or process goods owned by us or in joint ownership, or join such goods with goods of other origin, only as part of the normal course of business. A disposal is permitted only by way of sale and only subject to the proviso that the buyer's receivables from the sales transactions transfer to us as prescribed above. The buyer is not entitled to other disposals over our goods; the buyer may neither pledge them nor transfer ownership as collateral. The buyer must notify us without delay of pending or already completed access by third parties to the goods subject to retention of title or assigned receivables. The buyer shall bear the costs incurred by us through an intervention.

11.5 If the buyer defaults, in whole or in part, in satisfying a liability secured by the retention of title, or we become aware of circumstances that allow our rights to appear jeopardized, we may then demand the surrender of the goods delivered by us, without having declared in advance the withdrawal from the purchase contract pursuant to § 455 *BGB* [German Civil Code] or having set a deadline for fulfilling the payment obligation pursuant to § 326 *BGB*. The continuance of the purchase contract and the buyer's obligations remain unaffected by such demands and by the surrender of the goods. If we take back the goods delivered by us by exempting the buyer of its acceptance obligation, we may demand at least 25% of the invoice value of the goods as damages due to non-performance.

11.6 The retention of title is subject to a condition subsequent in such manner in that ownership of the goods subject to retention of title and the assigned receivables transfers to the buyer upon full payment of all of our receivables from the business relationship without further action. We undertake, at the buyer's request, to release the collateral (goods and receivables) to which we are entitled under the aforementioned provisions, based on our selection, to the extent that their value exceeds the secured claims by more than 20%.

12 Place of Performance – Court of Jurisdiction – Applicable Law

12.1 The place of performance for delivery and payment is Wermelskirchen [Germany].

12.2 The exclusive court of jurisdiction for all disputes regarding and arising from the contract is Wuppertal [Germany]. However, we also have the right to bring suit against the buyer in another jurisdiction applicable to the buyer.

12.3 For foreign transactions, the entire contractual relationship is subject to the laws of the Federal Republic of Germany unless another legal system is required to intervene.

13 Severability

Should a provision of our sales terms and conditions, or another part of the contract concluded between us and the buyer, be or become ineffective or inapplicable, this does not affect the remaining contractual content. The ineffective or inapplicable provision shall be replaced by a valid provision that comes closest to such provision, which we and the buyer would have stipulated given a reasonable assessment, had we been aware of the invalidity or inapplicability when the contract was concluded