

General Terms and Conditions of Delivery for Business Conducted Inside the European Union

I. General

Our quotations, supplies and performances shall be exclusively based on these Terms and Conditions and on any applicable separate contractual agreements. Conditions of the Buyer or other agreements deviating from these Terms and Conditions shall only become valid with our express written approval. The act of receiving the Buyer's conditions without reply on our part or of accepting and implementing an order, shall not constitute approval.

II. Quotations

Any documentation such as illustrations, drawings, weight and dimensional information presented with the order, shall not be binding unless expressly specified. We reserve the legal title and copyright to any quotations, drawings and other documentation; these may not be passed on to third parties. Any information and documentation specified as confidential by the Buyer shall only be passed on to third parties with the Buyer's agreement. All quotations shall be conditional unless they are made as a binding offer. Orders shall only become binding by our order confirmation.

III. Scope of delivery

The scope of delivery shall be determined by our written order confirmation. Where no written order confirmation but a quotation valid for a certain period has been issued and the quotation has been accepted by the Buyer in good time, this quotation shall be decisive. Any ancillary agreements or changes require our written agreement.

IV. Prices and payment

1. Unless otherwise agreed, prices shall be ex works, include loading at our works but exclude packaging and unloading. Prices shall be subject to VAT at the respective statutory rate.

2. Unless otherwise agreed, payment of our invoices shall be effected without deduction within 30 days after date of invoice to our bank and without any charges. No bills of exchange shall be accepted. Where the Buyer exceeds the agreed date of payment, we shall charge default interest at the rate of the usual overdraft interest charged by banks and not less than the statutory default interest. We reserve the right to claim for further damages.

3. The Buyer shall only be entitled to retain payment or offset counterclaims against a payment where these counterclaims are undisputed or have been legally decided.

V. Delivery period

1. The delivery period is derived from our agreements with the Buyer. Compliance with the delivery period shall be subject to all commercial and technical issues having been resolved between us and the Buyer and the Buyer having fulfilled all his obligations, such as provision of the required official certificates or approvals or downpayment. Where this is not the case, the delivery period will be extended accordingly.

An agreed delivery period commences with the dispatch of the order confirmation but not before the documentation to be supplied by the Buyer has been provided.

2. The delivery period shall be deemed to have been fulfilled, if the delivery item has left the works or it has been conveyed to the Buyer that it is ready for dispatch, prior to the expiration of the delivery period. The delivery period shall be extended accordingly, where non-compliance is due to an Act of God, such as industrial disputes or other events outside of our control. This also applies if such events affect our subcontractors. We shall also not be responsible for delivery delays caused by such events if these occur whilst we are already in default. In major cases, we will inform the Buyer as soon as possible of the start and end of such adverse circumstances.

3. The Buyer may withdraw from the agreement without notice if we are unable to provide the entire performance prior to the transfer of the risk. The Buyer may also withdraw from the agreement, where part of a delivery of an order cannot be executed and where he has a justified interest in refusing a partial delivery. Where this is not the case, the Buyer shall pay the contractual price due for the partial delivery. The same applies in case of our inability to perform. In addition, section IX 2 shall apply.

4. In case of a default caused by our side, resulting in damage for the Buyer, the Buyer shall be entitled to demand a flat-rate default compensation. This compensation shall amount to 0.5% for each full week of delay with the maximum, however, not exceeding 5% of the value of the part of the overall delivery that, as a result of the delay, cannot be used in time or in accordance with the agreement. The Buyer shall, in accordance with the statutory regulations, be entitled to withdraw from the agreement, where he has granted an appropriate extension for providing the performance – taking into consideration any statutory exceptions and where we were unable to provide the performance within this extension. Further claims as a result of a default of delivery shall be exclusively determined in accordance with section IX.

5. Where delivery is delayed upon request by the Buyer, we shall – starting one month after the Buyer has been informed that the goods are ready for dispatch – charge for costs arising from the storage and in case of storage in our works, at least, however, 0.5% of the amount of the invoice for each month. After expiration of an appropriate extension granted by us, we shall, however, be entitled to use the delivery items for other purposes and supply the Buyer at an appropriate later date.

VI. Passage of risk, acceptance

1. The risk passes to the Buyer upon dispatch of the delivery items, even if partial deliveries are made or other services, such as dispatch costs or transportation and installation are also handled by us. We shall insure the shipments against all types of transportation hazards on account of the Buyer (1% of the value of the goods) unless otherwise agreed with the Buyer. Any components provided by the Buyer (i.e. drive units, machines and accessories) shall only be insured for further shipment upon express request and specification of the good's values.

2. Where the dispatch of goods is delayed or goods are not dispatched due to circumstances not caused by us, the risk shall pass to the Buyer on the day that the goods are reported ready for shipping. We shall, however, insure the goods on account of the Buyer as specified by him.

3. Supplied objects shall be accepted by the Buyer, even if they contain minor defects without prejudicing his rights as specified in section VIII.

4. Partial deliveries shall be permitted as long as these are reasonable for the Buyer.

VII. Retention of title

1. Until full payment of all claims from the supply agreement, the goods shall remain our property, with all deliveries executed as a result of accepted orders constituting a single delivery transaction. In case of a current account, the retained title serves as a guarantee for the outstanding payments. We shall be entitled to insure the delivery objects against theft, breakage, fire, water and other damage on account of the Buyer unless the Buyer is able to verify that he has already arranged such insurance himself.

2. Where the Buyer combines our delivery object with other objects to form an integral whole, it shall be agreed that the Buyer shall transfer to us the proportionate co-ownership, whilst safeguarding our interest. According to § 950 of the BGB (German Civil Code) any conversion or processing by the Buyer shall be deemed to have been carried out on our behalf, without the title being transferred; we will thus, proportionate to the net invoice value of or delivered object, become the co-owner of the created whole, serving as a conditional commodity for safeguarding our claims according to paragraph 1. Where the Buyer sells the object supplied by us, the Buyer shall, already at this stage and up to the full settlement of all our claims and performances assign all claims against his clients including all ancillary rights to us. Upon our request, the Buyer shall inform his clients of the assignment and provide us with the information and documentation required to enforce our rights. Where the value of the existing securities exceeds the value of all claims by more than 20%, we shall, upon request by the Buyer, release some of the securities as we see fit.

3. The Buyer shall neither pledge the delivery object nor assign it as a security. The Buyer shall inform us immediately of any attachments, seizures or other third-party dispositions. In case of a violation of the agreement by the Buyer and, in particular, in case of a default in payment, we shall be entitled to take back the delivered goods after giving notice and the Buyer shall hand over the goods. An enforcement of the retention of title and attachment of the delivery object by us shall not constitute a withdrawal from the agreement.

4. Where the Buyer files for insolvency, we shall be entitled to withdraw from the agreement and demand the immediate return of the delivery objects.

VIII. Warranty for supplied defective goods

We offer the following warranty for supplied defective goods, disbaring further claims and subject to section IX:

1. All objects found to be defective due to a circumstance occurring prior to the risk passing on to the Buyer shall be repaired or replaced free of charge, as we see fit. Any such defects shall be brought to our attention in writing and without delay. Any replaced parts shall become our property.

2. We accept no liability for, in particular, the following cases: worn parts or parts, which due to their use by the Buyer are subject to operational wear, unsuitable or improper use, incorrect installation or commissioning by the Buyer or third parties, including, in particular, non-compliance with our installation and commissioning provisions, incorrect or negligent handling, unsuitable operating material, substitute material, faulty construction work, unsuitable construction grounds, chemical, electrochemical or electrical influences not caused by us.

3. In order for the repair or replacement to be executed as we see fit, the Buyer shall – after prior consultation – grant the required time and opportunity; in case of non-compliance, we shall be released from any liability for any resulting consequences. Only in urgent cases, where the operational safety is affected or in order to prevent excessively large damage – of which we should be informed immediately – shall the Buyer be entitled to remedy the defect himself or commission third parties for this purpose and be entitled to request reimbursement of the respective costs from us.

4. With regard to the costs arising from a repair or replacement, we shall – provided the complaint was justified – pay for the cost of the replacement including shipment as well as reasonable dismantling and installation costs and, where this is justified in the individual situation, the cost of providing our fitters and ancillary staff. Based on the statutory regulations, the Buyer shall be entitled to withdraw from the agreement, where – subject to the statutory exceptions – we do not remedy a situation within an extension period granted to us for repairing or replacing a defective object. In case of minor defects, the Buyer shall only be entitled to demand a reduction of the contractual price. Under no other circumstances shall the Buyer be entitled to demand a reduction in the contractual price.

5. We shall not be responsible for any resulting consequences where repairs are carried out incorrectly by the Buyer or third parties. The same applies to any changes made to the delivery object without prior permission.

IX. Liability

1. Where, as a result of our fault, the delivery object cannot be used by the Buyer as contractually agreed, due to suggestions or advice – provided prior or after the signing of the agreement – not or having been incorrectly implemented or due to the infringement of other contractual ancillary obligations – in particular, instructions for operating and maintaining the delivery object – the provisions of sections VIII and IX 2 respectively apply.

2. For any other damage not affecting the delivery object, we shall only be liable – for whatever legal reason – in the following cases: in case of intentional damage; in case of gross negligence of the corporate agents or management of our company; in case of any culpable loss of life, injury or adverse effect on health; in case of defects maliciously concealed or whose absence was guaranteed by us; in case of delivery object defects where we are liable for personal injury or damage to privately used objects according to the Product Liability Act. In case of a culpable infringement of main contractual obligations, we shall also be liable, in case of gross negligence of non-managerial staff and, in case of ordinary negligence – to a limited extent – with regard to any damage typical for the agreement and reasonably foreseeable.

All other claims shall be excluded.

X. Limitation

The warranty period is 12 months from the supply of the delivery object. All claims of the Buyer – irrespective of the legal reasons – shall be limited to 12 months. In case of intentional action or malicious conduct and claims in accordance with the Product Liability Act, statutory periods apply.

XI. Place of performance and jurisdiction

1. The place of performance for the objects/services rendered by us, shall be the place of business of our supply plant or of our distribution warehouse from where delivery was effected. The place of performance for all payments shall be Radolfzell.

2. The place of jurisdiction for all disputes arising from the contractual relationship shall be the competent law courts for Radolfzell. We shall, however, be entitled to take legal action before any other competent court.

3. For all legal relations between us and the Buyer, only the law of the Federal Republic of Germany applicable for legal relations amongst domestic parties shall apply.

XII. Validity for future orders

These General Terms and Conditions of Delivery shall also apply to any future agreements with the Buyer, even where no express reference is made to them and subject to these General Terms and Conditions of Delivery having been forwarded to the Buyer with a prior order confirmed by us.