

I. General

- Our quotations, supplies and performances shall be exclusively based on these conditions. Any deviations herefrom need to be made in writing.
- The contract shall be deemed to have been entered into at the time of receipt of our written order confirmation. Our written order confirmation shall be decisive for the extent of the supply or performance. In the event that any licences, approvals or letters of credit which may be required cannot be obtained by the Buyer within a period of three months after date of contract, we shall be entitled to withdraw from the contract. In the event that individual stipulations should be or become invalid, this shall not affect the validity of the other stipulations.
- If production is performed according to the Buyer's drafts, we shall not be held responsible if, as a result hereof, protective rights of any third party/parties are infringed unless we acted with malice aforethought or gross negligence. Our claim for reimbursement for the performances so far rendered shall be maintained.
- Any and all data contained in our drawings, pictures, tables of dimensions and weights as well as performance data shall be decisive only if expressly referred to in the contract. We reserve the right to effect technical amendments serving the improvement of the supply item.
- Any and all documents issued by us shall remain our property. They shall not be made available to any third party/parties.
- Quality and performance of our products shall be controlled according to the methods described in the Allweiler quality control manual, as revised.

II. Supplies, performances, passing of risk

- All of our services are to be understood ex works. Supplies, passing of cost and risk shall be governed by the Incoterms as revised on the date of contract. Unless otherwise specifically agreed upon, the means of transportation shall be selected by us.
- The delivery time shall be determined by the delivery date quoted in our order confirmation. It shall commence with the time of making the contract and shall be extended by the period until fulfillment of all contractual prerequisites to be created by the customer. The delivery time shall be deemed met if prior to its expiry, the risk passes to the Buyer. The risk shall also pass to the Buyer if and when he shall have received our written advice of shipment or readiness for acceptance of the supply or performance item. Partial shipments shall be permitted.
- In the event that the Buyer does not receive and/or accept the goods or a contractual part performance at the time or location agreed, or if due to his behaviour he prevents performances from being rendered, and unless the delay is attributable to an act or omission on our part, he shall effect payment provided in the contract as if the supply or performance had been effected or rendered. We shall be entitled to store the goods at the Buyer's cost and risk until acceptance.
- In the event that after making the contract, a material deterioration of the Buyer's financial situation (e.g. reorganization under Chapter X, supplementary proceedings) becomes known jeopardizing our claims under the supply contract, we shall be entitled, without being committed to pay damages at the same time maintaining our claims under part performances, to withdraw from the contract or to claim a right of retention unless the Buyer furnishes sufficient security within an adequate period of time set by us. The delivery time shall be extended by the duration of the right of retention exercised under this paragraph.
- If we fail to meet our obligations in due course and the Buyer expressly declares that at the end of an adequate extension of time he will refuse the service, he shall be entitled at the end of this period to withdraw from the contract. Any further claims of the Buyer especially for damages on whatever legal grounds shall be excluded unless we or our executives can be held responsible for malice aforethought or gross negligence. In case of delayed performance at our end, any claims of Buyer especially for damages shall also be excluded unless we or our executives can be held responsible for gross negligence or malice aforethought. To the extent as we shall be committed to pay damages under this paragraph, the amount of damages shall be limited to 0.5 % for each full week of delay, the maximum, however, not exceeding 5 % of the partial value of the supply which cannot be made use of as a result of the delay.
- If, after making the contract, circumstances arise beyond the control of the parties to this contract such as labour conflicts, embargo, riot, distress, general lack of common supplies, shut-downs, political causes and the like affecting or preventing performance of the contract, each party shall be entitled to extend the delivery time by an adequate period furnishing proof of the influences and upon immediate notification of the occurrence of such circumstances. If within the extension of time, performance of the contract is not possible, the parties to the contract shall be entitled to withdraw from the contract in whole or in part.

III. Prices and payments

- The prices are to be understood without packing ex works.
- Payment of our invoices shall be effected without deduction within 30 days after date of invoice to one of the bank accounts as stated by us.
- The Buyer exceeding the agreed dates of payment, we shall, without prejudice to any other claims, charge default interest in the amount of 4 % above the respective current rate of discount of the Deutsche Bundesbank (German Federal Bank).
- In the event that payment is not effected when due without the Buyer being entitled to exercise the right of retention according to Section 3.5 below and if there are reasonable doubts regarding the Buyer's solvency or credit worthiness, we shall be entitled to make any and all claims under the existing business connection immediately due and payable and to effect any further supplies and performances against advance payment only.
- Any rebates and allowances granted shall be revoked in case of involuntary or voluntary arrangement, bankruptcy or default and in case of enforcement. Any right of retention can be derived by the Buyer only from any counterclaims allowed by us or established in court. Payments shall be effected in the contractual currency.

IV. Retention of title

- Until full settlement of all claims, the goods supplied shall remain our property.
- In the event that the above goods are united by the customer with other items so as to form one integral whole, it shall be deemed agreed that the customer shall transfer to us the proportionate joint ownership. As a security, claims resulting from any resale shall already now be assigned to us by the Buyer together with all secondary rights. In case our claims are endangered as listed under item 3.4 above, the Buyer agrees, at our request, to disclose the assignments to the third buyers and to provide us with the information and documents required to enforce our rights.
- If according to the law of the country of destination, the retention of title does not take effect, however, if it permits to reserve other rights to the supply item, we shall be entitled to exercise any rights of this kind. The Buyer agrees to cooperate in appropriate measures which we intend to take to protect our property or any other right to the supply in its stead.
- Agreement on the devolution of title shall be deemed effected at the time of receipt of the last payment owed by the Buyer under the entire business connection, it being understood that no further notice need to be made to this effect.
- We agree to release the security due to us provided its value exceeds the claim still to be secured by more than 20 %.

V. Notification of defects, warranty, liability

- Any defects shall be brought to our notice in writing and without delay, however, no later than 14 calendar days after receipt of the goods and, in case of latent defects, no later than 14 calendar days after the defect has been detected. We shall be given a chance of checking the claim at the site. The Buyer shall be committed to receive and accept the goods even if he makes a claim in respect of a defect.
- Defects or the lack of assured properties shall be warranted by us exclusively in such a way that by taking measures at our option, we shall either repair or replace the goods free of charge. If the repair or replacement has failed or is delayed, the Buyer, at the end of an adequate extension of time, shall be entitled to reduce the purchase price or to withdraw from the contract. Defects of part of the lot supplied shall not result in rejection of the entire lot.
- The warranty period shall be 6 months after taking into operation, however, no more than 12 months after the passing of risk. Warranty for normal wear and tear shall be excluded. The warranty period for any items exchanged shall be 3 months after passing of risk, at least, however, until the end of the original warranty period of the supply item. Parts replaced shall pass into our property and shall be delivered to us on request.
- For the remedy of defects at the site, the Buyer shall provide any kind of assistance and appliances required for the measures to be taken and work to be done. If it is found that any defect is due to circumstances for which we are not to be held responsible, the repair costs shall be for the Buyer's account.
- In the event that the Buyer effects any changes or repairs to the supply item without our consent, the warranty shall be deemed excluded, and our liability for any consequential damages ceased.
- The Buyer's right to lodge claims for damages shall in any event be barred after 6 months from the time of notification of the defect in due course at the earliest, however, at the end of the warranty period.
- Any further claims of the Buyer especially for compensation for damages of whatever kind including those damages not caused to the supply item as such shall be excluded on whatever legal grounds they may be lodged. This exemption from liability shall not apply in case of malice aforethought or gross negligence on the part of the Seller or his executives and in those cases in which according to the Product Liability Act, responsibility shall be assumed in case of defects for personal or property damages caused to items in private use. Neither shall it apply in case of absence of properties expressly assured if the very assurance was meant to protect the Buyer against any damages not caused to the supply item as such.
- The warranty for any foreign products supplied by us shall be limited to the assignment of all of our warranty and liability claims against the previous supplier unless defects in foreign products are attributable to a defect caused by us. Only if the claims assigned cannot be enforced against the previous supplier, the Seller shall be held liable under his warranty.
- Claims for damages resulting from proposals, consultation, instructions, neglect of contractual secondary duties and wrongful act effected and performed prior to or after making the contract shall be excluded unless they are attributable to malice aforethought or gross negligence on the part of the Seller or his executives.

VI. Place of performance and jurisdiction

- The place of performance for the supplies and services to be rendered by us and the place of performance for all payments shall be the place of business of our respective supply plant from where delivery was effected.
- The contract shall be subject to German law. The exclusive place of jurisdiction shall be at Radolfzell. We shall also be entitled to take legal action before any other competent court. To the extent as the United Nations Convention on Contracts for the International Sale of Goods of April 1, 1980 (CISG) contains deviating stipulations, the stipulations of these general business conditions shall have precedence.
- In case of doubts regarding the interpretation of these general export delivery conditions, the German wording shall prevail.

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