

Terms and conditions of sale and delivery

1. General information, scope of application

(1) The present terms and conditions for sale and delivery apply to any and all business relationships with our customers ("Purchaser"). The terms and conditions for sale and delivery shall only apply if Purchaser is a businessman (section 14 *BGB* [*Bürgerliches Gesetzbuch*, German Civil Code]), a legal person under public law or a separate estate under public law.

(2) The terms and conditions for sale and delivery shall in particular apply to contracts regarding the sale and/or delivery of moveable goods ("Goods"), irrespective of whether we produce these Goods ourselves or purchase them from suppliers (sections 433, 651 *BGB*). Unless agreed otherwise, the terms and conditions for sale and delivery shall apply in the form applicable at the time the order is placed by Purchaser or the version most recently communicated to him in writing as a framework agreement, also for similar contracts in the future, without us having to refer to these again in each individual case.

(3) Our terms and conditions for sale and delivery shall apply exclusively. Deviating, contrary or supplementary general terms and conditions of Purchaser shall only if and only insofar become part of the contract as we agree to their applicability in writing. This approval requirement shall apply in all cases, for example also if we execute the delivery to Purchaser in full knowledge of his general terms and conditions.

(4) Any individual agreements with Purchaser in individual cases (including ancillary agreements, supplements, and amendments) shall always take precedence over these terms and conditions for sale and delivery. Subject to proof to the contrary, the content of such agreements shall be dependent on a written contract or our written confirmation.

(5) Legally relevant declarations and notifications of us by Purchaser in regard to the contract (e.g. setting time limits, warnings, withdrawal) after conclusion of the contract must be made in writing, i.e. in written or text form (e.g. letter, e-mail, fax).

(6) Information regarding applicability of legal provisions shall only be of clarifying character. These legal provisions therefore also apply without such clarification unless they are directly changed or expressly excluded in these terms and conditions for sale and delivery.

2. Conclusion of contract

(1) Our quotations are non-binding and subject to alteration. This shall also apply if we have provided Purchaser with catalogues, technical documentation (e.g. drawings, plans, calculations, estimates, references to DIN standards), other product descriptions or documents – also in electronic form; we retain ownership rights and copyrights to any of these.

(2) Purchaser ordering the Goods shall be considered a binding offer of contract. Unless specified otherwise in the order, we shall have the right to accept the offer of contract within three days of receipt by us.

(3) Acceptance may be declared either in writing (e.g. by way of order confirmation) or by dispatching the Goods to Purchaser.

3. Prices

(1) Our prices are given ex works Seelbach (Black Forest), excluding packaging and solely net plus statutory VAT on the day of dispatch unless special arrangements were agreed in writing.

(2) Prices are based on the cost factors applicable at the time of order confirmation, especially raw material prices, wages, taxes, freight charges and similar. If these change between the time the contract is concluded and delivery, we shall have the right to adjust our prices in accordance with the cost factors applicable at the time of delivery.

(3) Our prices are given in euro. If pricing or payment in a currency other than euro was agreed and if the exchange rate of the currency in question compared to euro changes at a later point, the payment shall be based on the euro price payable using the exchange rate applicable on the day of delivery.

4. Delivery and packaging

Goods will be shipped on the account and at the risk of the recipient. Packaging shall be invoiced at cost prices and will be taken back carriage forward in accordance with pertinent packaging regulations.

5. Payment

(1) Unless agreed otherwise, payments must be made within 30 days after receipt of the invoice without any deductions. In the event of payment within 14 days, a discount of 2 % can be granted.

(2) In the event of delayed payment, interest on arrears of 9 % above the base interest rate shall be invoiced from maturity in accordance with section 288(2) *BGB*. Basis for the calculation of interest on arrears shall be the date of crediting with our bank. In the event of orders from abroad, we have the right to demand payment in return for irrevocable letter of credit using our bank details or payment "cash against documents".

(3) We shall only accept bills of exchange for payment following a separate agreement. Their maturity must not exceed a period of three months. Credit for bills of exchange and cheques shall always apply subject to receipt and without prejudice to earlier maturity of the delivery price in the event of Purchaser being in default. Value date of crediting shall be identical to the day on which we can dispose of the exchange value. Discount charges and other charges shall always be borne by Purchaser. We shall have the right to invoice customary bank discount charges in the event of the bank applying the discount.

(4) Before payment of all outstanding invoices in full, we shall not be required to provide any further deliveries. Assertion of any and all set-off or retention rights regarding the purchase price claim is excluded.

(5) If Purchaser received several independent deliveries and is in delay with the payment for one of these, the invoice amounts for all deliveries shall become payable immediately. Non-compliance with the payment conditions or circumstances that reduce the creditworthiness of Purchaser shall result in the immediate maturity of all claims, irrespective of deferment or the maturity of any bills of exchange or cheques that were accepted. This shall also give us the right to execute outstanding deliveries only return for advance payments or the provision of securities as well as to withdraw from the contract after expiry of an appropriate grace period or to demand damages for non-fulfilment. Furthermore, we shall have the right to prohibit Purchaser to resell the items delivered subject to retention of title and to take possession of these items.

6. Delivery periods

(1) All delivery periods shall be non-binding for us and shall only be regarded as approximations. Under no circumstances shall an agreed delivery date be considered a business to be settled on a fixed date. Unless agreed otherwise in writing, the agreed delivery period shall commence on the day we confirm the order, but not before complete clarification of any and all details regarding execution and receipt of all documents Purchaser has to submit and compliance with all other requirements Purchaser has to meet.

(2) If the delivery period is given as a number of days, only working days shall be counted.

(3) The requirement for on-time delivery is compliance with the agreed payment conditions on the part of Purchaser. Deliveries may be made prior to expiry of the delivery period and partial deliveries shall be permissible and must be accepted by Purchaser.

(4) Any amendments to the contract demanded by Purchaser and all events of force majeure shall always exempt us from having to comply with the delivery period. This shall also apply to any failure of our suppliers to provide deliveries in time if we have concluded a congruent cover transaction, if neither we nor our supplier are responsible or if we are not required to procure an item in an individual case.

(5) If the agreed delivery date is exceeded by more than two months, Purchaser shall have the right to set an appropriate grace period of at least four weeks for us. If no delivery is made until expiry of that grace period, Purchaser may withdraw from the contract by written declaration. All further claims, especially damages due to non-fulfilment or indirect subsequent damage or third-party damage, are excluded. There shall be no right of withdrawal in the event of force majeure.

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(6) An excess quantity or shortfall of up to 10 % of the order placed shall not give Purchaser the right to file a complaint.

7. Retention of title

(1) All objects of purchase shall remain our property until full settlement of all claims on the part of Purchaser. This retention of title shall especially also apply in order to secure all claims arising in connection with the execution of the order, e.g. for transport cost advances, repairs at a later point and similar. The title shall always only be transferred to Purchaser once Purchaser has settled all his liabilities under the mutual business relationship. This shall also apply if the delivery price for certain items specified by Purchaser was paid.

In the case of current account, the retention of title shall be deemed a security for our balance claim.

(2) Editing and processing may only take part within the framework of usual operations. Editing and processing shall always take place on our behalf, without any commitment on our part and without any loss of our title. If Purchaser processes the Goods we retained title to using other goods, we shall be entitled to co-ownership of the new item in proportion to the value of all processed goods at the time of processing. The new item so created shall be an item subject to retention of title in terms of these conditions. The processed Goods shall only serve as security for our claims up to the value of the Goods subject to retention of title. If Purchaser sells the Goods we retained title to, he already assigns his claims arising from the sale to us, irrespective of whether he sold the Goods in unprocessed or processed form or together with other services or whether he sold them to one or more buyers. If Purchaser sells the Goods we retained title to, either in unprocessed or processed form, or together with other Goods not belonging to us, the claim shall only be deemed transferred to us to the amount of the item we retained title to that was processed in such item. The assigned claim shall only serve to secure our claim to the value of the respective sold Goods we retained title to.

(3) Purchaser shall only be entitled and authorised to resell the Goods we retained title to under the proviso that the purchase price claim under the resale is transferred to us in accordance with the preceding clause. Purchaser shall have no right to dispose otherwise of the Goods we retained title to. Purchaser shall be entitled to collect the claim under the resale despite the assignment; we may revoke this authorisation at any time with our right to collect the claim remaining unaffected by Purchaser's right to collect the claim. We shall, however, not collect the claim ourselves for as long as Purchaser fulfils his payment obligations in due form. On our request, Purchaser shall disclose to us the debtor of the assigned claims and shall notify the debtors of the assignment.

We are required to release the securities we are entitled to pursuant to the above clauses – at our choice – if and insofar as their value exceeds the claims that are being secured by more than 25 %, but subject to the proviso that, with the exception of delivery under a real current account relationship, such a release is only required for those services or their substitute values that have been paid in full themselves.

8. Notice of defects and warranty

The rights of Purchaser in the event of material defects and defects of title of the goods (including incorrect or short delivery as well as improper assembly, incorrect assembly instructions) are subject to legal provisions unless agreed otherwise in the following paragraphs. The special legal provisions in the event of delivery of the Goods to an end consumer (supplier regress pursuant to sections 478, 479 *BGB*) shall remain unaffected in all cases.

(2) The main basis of our liability for defects shall be the agreement concluded regarding the characteristics of the Goods. All product descriptions that are a component of the individual contract shall be deemed agreements regarding the characteristics of the Goods; in this respect, there shall be no difference whether the product description is that of Purchaser or the manufacturer or ours.

(3) Where no characteristics were agreed, the assessment whether there is a defect or not shall be based on legal provisions (section 434 clause 1 second and third sentence *BGB*). We do not, however, assume liability for public statements of third parties (e.g. advertising statements).

(4) Defects caused by normal wear and tear, excessive stress or improper use or defects resulting from instructions of Purchaser we objected against or from the use of materials of Purchaser shall not be covered by the warranty. Minor colour deviations when

compared to the original or colour specifications as well as deviations within the tolerances set out in section 10 are not considered justified grounds for a notification of defects.

(5) The condition for any claims for defects of Purchaser is that he has complied with his legal duty to inspection and objection (sections 377, 381 *HGB* [*Handelsgesetzbuch*, German Commercial Code]). If a defect is discovered during inspection or at a later point, we must be informed thereof immediately and in writing. A notification shall be deemed made immediately if it was sent within two weeks; timely sending of the notification shall be sufficient to comply with the time limit. Irrespective of this duty to inspection and objection, Purchaser shall report obvious defects (including incorrect or short delivery) in writing within two weeks after delivery; again, timely sending of the notification shall be sufficient to comply with the time limit. If Purchaser fails to conduct an inspection and/or to send a notification of defects in due form, our liability for the unreported defect shall be excluded.

(6) If the delivered item is defective, we shall initially have the right to choose whether we provide a supplementary performance by removal of the defect (subsequent improvement) or delivery of a defect-free item (replacement delivery). Our right to refuse supplementary performance in accordance with legal provisions shall remain unaffected by the above.

(7) We shall have the right to make the owed supplementary performance dependent on Purchaser paying the due purchase price. Purchaser, however, shall have the right to withhold a share of the purchase price that is appropriate in regard of the defect.

(8) Purchaser must give us the opportunity and time required for the supplementary performance; he especially has to submit to us the Goods reported as defective for inspection purposes. In the event of a replacement delivery, Purchaser shall return the defective item to us in accordance with legal provisions. The supplementary performance shall include neither removal of the defective item nor the re-installation if we were not obliged to perform installation in the first place.

(9) Any expenses incurred for inspection and supplementary performance, especially transport, infrastructure, labour, and material costs (not: costs for removal and installation) shall be borne by us if there actually is a defect. Otherwise, we can demand Purchaser to reimburse us for the costs incurred for the unjustified defect removal request (especially inspection and transport costs), unless Purchaser was not able to determine that there was no defect.

(10) If supplementary performance was unsuccessful, if an appropriate time limit set by Purchaser for supplementary performance expired without success or if no such time limit has to be set pursuant to legal provisions, Purchaser can withdraw from the contract or reduce the price. However, there shall be no right of withdrawal in the event of only minor defects.

(11) Damage claims of Purchaser or claims for reimbursement of fruitless expenses shall also in case of defects only be valid in accordance with section 9 and are excluded in all other cases.

(12) In deviation from section 438 clause 1 No. 3 *BGB*, the general statute of limitations regarding claims under material defects and defects of title shall be one year after delivery. If acceptance was agreed, the statute of limitations shall commence upon acceptance.

9. Other liability

(1) Unless specified otherwise in these terms and conditions for sale and delivery, including the following provisions, we shall assume liability for violations of contractual and non-contractual duties in accordance with legal provisions.

(2) Irrespective of legal grounds, we shall be liable for damages under fault-based liability in the event of intent and gross negligence. In case of slight negligence, we shall only be liable, subject to lower liability limits in accordance with legal provisions (e.g. due diligence in own matters),

a) for injury to life, limb or health,

b) for damage caused by not just minor violation of essential contractual duties (duties the fulfilment of which makes execution of the contract possible in the first place and fulfilment of which the contractual partner relies and can usually rely on); in this case, however, our liability shall be limited to reimbursement for the foreseeable damage that typically occurs.

(3) The limitations of liability resulting from clause 2 shall also apply in the event of breach of duty by or in favour of persons for whose culpability we have to assume liability in accordance with legal provisions. They shall not apply if we conceal a defect with fraudulent intent or have given a guarantee regarding the characteristics of the Goods and shall not apply to claims of Purchaser under product liability law.

(4) Purchaser may only terminate or withdraw from the contract following a breach of duty that is not a defect if we are responsible for the breach of duty. A free right of withdrawal of Purchaser (especially pursuant to sections 651, 649 *BGB*) is excluded. Legal requirements and legal consequences apply in addition to the above.

10. Tolerances

(1) Unless specified otherwise in the quotation, the dimensional tolerances are +/- 0.4 mm. Unless specified otherwise in the quotation, the quality assessment of the parts shall be subject to VDA volume 16.

(2) Regarding printing inks based on templates or samples, we reserve minor colour deviations.

11. Proof copies

(1) Each Purchaser shall be sent proof copies of each part before the order is executed. Principal shall review these for typesetting errors and other mistakes and the proof copies must be returned to us declared as ready for printing.

(2) We shall not assume liability for any errors unnoticed by Principal. Change requests made by phone must be confirmed in writing.

(3) If Purchaser waives submission of a proof copy, we do not assume any liability.

12. Plans, technical documents, tools

(1) Any printing documents that are included in the offer and that we have to prepare, such as drawings, films, and similar, shall be used for production only. They shall remain our property and will not be shipped.

(2) We will treat the property of Purchaser (drawings, blue prints, clichés etc.) with the appropriate commercial diligence and the property will be returned after completion of the order on request and at the costs of the customer. However, we do not assume any liability for pieces that are lost.

(3) Tools for which Purchaser assumes part of the tool costs, shall remain our property with no compensation being paid.

(4) We are required to retain tools for three years and printing documents for two years after the last call. Any deviating provision shall require a written confirmation by us.

13. Place of performance, place of jurisdiction

(1) The exclusive place of performance and payment shall be Seelbach (Black Forest). This shall also apply to any and all claims under bills of exchange and cheques.

(2) These terms and conditions for sale and delivery and the contractual relationship between us and Purchaser are subject to the law of the Federal Republic of Germany under exclusion of international uniform law, especially the CISG provisions.

(3) If Purchaser is a businessman in terms of the commercial code, a legal person under public law or a separate estate under public law, the exclusive – also international – place of jurisdiction for any and all disputes directly or indirectly connected to the contractual relationship shall be our place of business in Seelbach. We shall, however, also always have the right to bring action at the place of performance for the delivery obligation in accordance with these terms and conditions for sale and delivery or in accordance with any overriding individual agreement or at the general place of jurisdiction of Purchaser. Any legal provisions that take precedence, especially regarding exclusive jurisdiction, shall remain unaffected.

14. Partial invalidity

If parts of these terms and conditions for delivery or of our agreements with the customer are void or otherwise legally ineffective in individual cases, the validity of the remainder thereof shall remain unaffected.