

General Terms and Conditions of Sale

1. General - Scope

- 1.1. Our Terms and Conditions of Sale shall apply exclusively. Any contradictory or deviating Terms and Conditions of the Purchaser shall not be recognised, unless we have expressly agreed in writing to their validity. Our Terms and Conditions of Sale shall also apply even if we perform delivery without reservation in spite of knowing the Terms and Conditions of the Purchaser are contradictory to or deviate from our own.
- 1.2. These Terms and Conditions are a significant integral part of our offer and of delivery contracts concluded with us and shall apply in full as far as nothing else to the contrary has been agreed in writing.
- 1.3. Verbal agreements shall require written confirmation. All agreements with our representatives and employees - such as orders via telephone or telegraph - shall also require our written confirmation for their effectiveness.
- 1.4. Our Terms and Conditions of Sale shall also apply for all future business with the Purchaser.

2. Offer - Contract conclusion - Non-assignability

- 2.1. Our offer is non-binding. Orders issued shall only become binding for us upon our written confirmation, or when we have delivered and charged the delivery item to the Purchaser.
- 2.2. If the order is to be qualified as an offer pursuant to § 145 BGB (German Civil Code), then we can accept this within four weeks.
- 2.3. We reserve the right to design changes and modifications also following the conclusion of the contract, as far as the delivery items as well as its function and appearance are not fundamentally changed and are unreasonable for the Purchaser.
- 2.4. Should our order confirmation deviate from the order, then the Purchaser's agreement shall be deemed applicable in the event of them not objecting in writing within five working days.
- 2.5. For the scope of the delivery, our written order confirmation shall be decisive.
- 2.6. Rights of the Purchaser from this contract may only be assigned to third parties with our consent.

3. Prices - Payment conditions

- 3.1. As far as nothing else arises from the order confirmation, our prices shall apply ex manufacturer's works.
- 3.2. The statutory Value Added Tax is not included in our prices, it shall be shown separately in the invoice at the statutory level on the day of the invoice issue.
- 3.3. The deduction of discount shall require special written agreement.
- 3.4. Provided that nothing else arises from the order confirmation, the sale price shall be due for payment net (without deductions) on handover of the contractual object. Should the purchaser default on payment, then we shall be entitled to demand default interest at the statutory level, optionally to assert a right to higher default damages in case of proof.
- 3.5. Bills of exchange or cheques as payment shall be deemed valid upon encashment. Bills of exchange can only be accepted following prior agreement. All costs arising from this shall be borne by the Purchaser. We shall not assume liability for punctual presentation, protest notification and return of the bill of exchange in case of non-payment.
- 3.6. In case of non-compliance of the Terms and Conditions of Payment or should it become known to us following the conclusion of the contract that the payment claim is endangered due to a lack of ability to perform, then we shall be entitled to execute outstanding deliveries and performances only against advance payment or security.
- 3.7. The Purchaser shall only be entitled to offset if their counterclaims have been legally established, are undisputed or recognised by us. Furthermore, they shall only be authorised to exercise a right of retention provided that their counterclaim is based on the same contractual relationship.

4. Delivery time

- 4.1. The delivery time stated by us shall only become binding with written confirmation of a "binding delivery date" by us. This shall however be subject to the proviso that deliveries to us have been made correctly and in due time and further shall have prerequisite that the Purchaser has completely met any contractual obligations to be fulfilled, in particular the rendering of agreed down payments including possibly opening of letter of credit with a German bank.
- 4.2. The delivery time shall not begin prior to the receipt of our order confirmation by the Purchaser and not prior to complete order clarification. Fixed-date transactions shall not be effected.
- 4.3. A reasonable grace period shall be deemed to be agreed for the delivery time stated by us. The delivery time shall be deemed as observed if readiness for shipping has been informed or the delivery item has left our warehouse or the manufacturing works by the time of its expiry.
- 4.4. In case of industrial disputes and the occurrence of unforeseeable obstacles which are beyond our control, or obstacles for which the manufacturing works are responsible, the delivery deadline shall be extended appropriately. This shall also apply if the obstacles occur during an already existing delay.
- 4.5. Should the Purchaser incur damages due to a delay for which we are responsible, especially in case of a firmly agreed delivery date, then the Purchaser shall be entitled to claim compensation. In case of slight negligence, for every full week in exceeding the deadline this shall amount to 1/2 %, however in total a maximum 5% of the part or total net order which has not been punctually delivered as a result of the delay. All further compensation claims due to culpable delay shall be excluded in case of slight negligence.
- 4.6. Should the Purchaser default on acceptance or breach other obligations to cooperate, then we shall be entitled to demand compensation for damages incurred by us, including any additional expenses. In this case also the risk of accidental loss or accidental deterioration of the contractual object shall transfer to the Purchaser as of this point in time in which they are in default of acceptance.

5. Transfer of risk and transportation

- 5.1. As far as that nothing else arises from the order confirmation, delivery for new machines shall be agreed ex manufacturer's works.
- 5.2. Provided no deviating agreement has been made, we shall be entitled to determine the shipping method and the transportation means ourselves with the exclusion of any liability.
- 5.3. The shipping shall occur at the Purchaser's risk. The costs of transport insurance, the conclusion of which we are entitled to effect but not obligated to, shall be borne by the Purchaser. Transportation damages are to be reported in writing within one week at the latest following receipt of the delivery item. The scope of our liability, notwithstanding any further claims in case of intent and gross negligence attributable to us, shall be limited to claims which we ourselves have against the carrier and / or the transport insurance; change and reduction shall be excluded in this case.
- 5.4. Should the shipping be delayed as a result of circumstances for which we are not responsible, then the risk shall transfer to the Purchaser from the day of the shipment becoming ready for dispatch. We shall be obligated to insure the delivery item against damages upon request by the Purchaser. The costs shall be borne by the Purchaser.
- 5.5. Delivered objects are to be accepted by the Purchaser, even if they display minor defects, regardless of the rights arising from Section 7.
- 5.6. Part deliveries shall be permissible.

6. Reservation of proprietary rights

- 6.1. We reserve the proprietary rights of the contractual objects until receipt of all payments arising from the business relationship - irrespective of the legal grounds. In case of behaviour in breach of the contract, in particular default of payment, we shall be entitled to take back the contractual objects. Our taking back of the contractual objects shall not constitute a withdrawal from the contract, unless we have expressly declared this in writing.
- 6.2. Should the estimated value of the reserved goods which serve as security for unsettled claims with the Purchaser exceed more than 50 percent, then we shall be obligated, at the request of the Purchaser, to release securities of their choice.
- 6.3. The Purchaser shall be obligated to handle the contractual objects with care; in particular they shall be obligated to sufficiently insure the replacement value of these against fire, water and theft damages at their own cost.

As far as maintenance and inspection work is necessary, the Purchaser must carry this out in due time at their own expense.

- 6.4. The Purchaser must inform us immediately in writing in case of seizures and other third party interventions to enable us to assert our rights.
- 6.5. As long as a reservation of proprietary rights exists, the Purchaser may not dispose of, pledge, assign as security, lease the contractual objects or allow access to them by others.
- 6.6. As far as the Purchaser violates the aforementioned prohibition, they shall however hereby assign all claims to us to the amount of the final invoiced sum (inclusive VAT) which accrue to them as a result of resale or remunerated transfer of the contractual objects to third parties. The Purchaser shall abstain from the collection of any resulting claims in these cases and provide us with assigned claims as well as the necessary information for collection, make the associated documents available to us and inform the debtors of the assignment.

7. Liability for defects of the delivery

- 7.1. All parts which display material defects within six months from the delivery which result from circumstances prior to the transfer of risk shall be repaired or newly delivered free of charge at our discretion. The determination of such defects shall be reported to us immediately in writing. Material defect claims - irrespective of the legal grounds - shall lapse in six months. Contrary to Clause 1, the statutory deadlines for claims pursuant to the German Product Liability Act (Produkthaftungsgesetz) shall also apply, as well as in case of intentional or malicious conduct. Replaced parts shall become our property. Should the subsequent performance fail, the Purchaser may reduce or withdraw from the contract.
- 7.2. No liability shall be assumed for damages resulting from natural wear.
- 7.3. No warranty shall be given for damages occurring due to any of the following reasons:
- unsuitable or incorrect use
 - faulty assembly or commissioning by the Purchaser or a third party
 - in case of faulty or negligent handling of the delivery item, especially with respect to given operating instructions, in particular neglecting or not properly carrying out the stipulated maintenance work and inspections
 - excessive use
 - in case of using unsuitable equipment and materials
- 7.4. Following notification, the Purchaser must grant the necessary time and opportunity to carry out repairs or replacement deliveries which we deem to be necessary at our discretion; otherwise we shall be exempt from our liability for defects. Only in urgent cases where there is a risk to operational safety, of which we are to be immediately informed, or if we are in default of rectification of the defect, the Purchaser shall be entitled to rectify the defect themselves or have it rectified by a third party and demand reasonable compensation from us for their costs.
- 7.5. For the immediate costs incurred as a result of repairs or replacement, provided that the complaints have been seen to be justified, we shall bear the necessary expenses of the repair, in particular of the transportation, travel, work and material costs, as far as these do not increase as a result of the contractual object having been brought to a location other than the registered office of the Purchaser.
- 7.6. Improper modification or commissioning work by the Purchaser or a third party without our prior approval shall render our liability as null and void for any consequences arising from this.
- 7.7. Further claims of the Purchaser, in particular a claim for compensation for damages which do not occur on the delivery item itself (e.g. lost profit, loss of use) shall only exist
- in case of gross culpability (intent, gross negligence)
 - in case of loss of life, personal injury or damage to health
 - in case of a culpable breach of essential contractual obligations, as far as the achievement of the contractual intent is endangered, with regard to the contract-typical, foreseeable damage
 - in cases in which liability is assumed in accordance with the German Product Liability Act for faults with the delivery item, for personal damages or damage to property of privately used objects
 - in case of the absence of characteristics which are expressly assured, if the assurance had the intent to safeguard the Customer against damages not caused by the delivery item itself
 - in case of defects which have been maliciously concealed or whose absence we have guaranteed
- In all other cases liability shall be excluded.
- 7.8. Used delivery items shall be sold under exclusion of any liability for material defects. Claims of cases in 7.7. and § 444 German Civil Code (BGB) shall remain unaffected. If the Purchaser is a consumer, then the warranty period for used objects shall be 1 year.
- 7.9. Otherwise the provisions of Section 7 shall apply accordingly in the presence of a defect of title, whereby claims of the Purchaser only then exist, if we are immediately notified in writing regarding any claims asserted by a third party, the Purchaser neither directly nor indirectly acknowledge an alleged infringement, all defence possibilities remain unrestricted to us, the legal infringement is not based on the Purchaser having modified or utilised the delivery item in a manner not in accordance with the contract or the defect of title is attributable to an instruction of the Purchaser.

8. Right of withdrawal or reduction as well as further liability of the Seller

- 8.1. Both contractual parties may withdraw from the contract if the entire contractual performance becomes or is conclusively impossible. The same shall apply in case of our inability to perform. The Purchaser may also withdraw from the contract if during the order for similar objects it becomes impossible to fulfil part of the delivery to the amount required and they have a legitimate interest in refusing a part delivery. If this is not the case, then the Purchaser may reduce the counter-performance accordingly.
- 8.2. Claims for compensation by the Purchaser shall only exist in case of gross culpability on our behalf. Should we wish to exercise our right to withdraw in accordance with 8.1., then we must immediately inform the Purchaser after becoming aware of the consequences of the incident. In this case we shall be obligated to reimburse any received counter-performance without delay.
- 8.3. Should we become aware of any circumstances following the conclusion of the contract which in our opinion reduce the creditworthiness of the Purchaser, then we shall be entitled to carry out still outstanding deliveries only against advance payment and to withdraw from conclusion following a reasonable grace period or to demand compensation due to non-fulfilment.
- 8.4. In case of 8.3. notwithstanding the possibility to assert a claim for higher damages, we may also optionally demand a lump-sum compensation of 20 % of the purchase price as compensation, as far as the Purchaser cannot prove that the damage did not occur or is significantly less than the lump-sum.

9. Liability for secondary obligations

- If due to a fault on our behalf, the delivered object cannot be utilised by the Purchaser in accordance with the contract as a result of incomplete or faulty performance of suggestions and advice prior to or after conclusion of the contract, as well as other contractual secondary obligations - in particular instructions for operation and maintenance of the delivery item - then the regulations of Sections 7 and 8 shall apply accordingly.

10. Place of performance - Place of jurisdiction - Application of law

- 10.1. As far as nothing else arises from the order confirmation, the place of performance is our registered office.
- 10.2. As far as the Purchaser is a trader, a legal entity under public law or a special fund under public law, then the place of jurisdiction is our registered office. This is also valid for proceedings based on documents and bills of exchange.
- 10.3. The law of the Federal Republic of Germany shall apply; the terms of the UN Sales Convention shall be excluded.