

General Purchase Terms and Conditions
-Valid for business transactions with companies -

<p>I. Applicability / Contract focus</p> <p>1. These general purchase terms and conditions are valid exclusively and only for business transactions companies, officially lawful jurists or officially lawful persons in terms of § 310 sec. 1 BGB (shall now be referred to as „supplier“) for goods which we purchase.</p> <p>2. Our general terms and conditions of purchase are valid without exceptions. Opposition or alterations from our purchase terms and conditions, or from our delivery or sales conditions, are not recognised. The only exception is if we have expressed our acceptance in writing. Our terms and conditions are valid even if the supplier does not recognise the conditions in his own terms and conditions or if we acknowledge opposing or alternative conditions to ours and accept delivery without reservation.</p> <p>3. We reserve the right to cancel the contract if the supplier does not adhere to our purchasing terms and conditions. In this case, any claims of the supplier are not accepted.</p> <p>4. Verbal agreements or discussions, particularly through our agents, are only contractually binding upon written confirmation.</p> <p>II. Offer and acceptance / Contract completion</p> <p>1. Any order received is contractually binding only once it has been processed and has been signed by us. Verbal orders or orders received by telephone are only contractually binding when followed by a written confirmation from us.</p> <p>2. In certain cases, the drawings given by us and the given tolerance levels are legally binding. When accepting our order, the supplier should be fully aware that by viewing the plans, he has been informed about the type of design and the extent of the work involved. We do not accept any commitment to the contract if any obvious mistakes, typing errors or calculation errors have occurred in the documents, drawings or plans. The supplier is obliged to inform us about any mistakes, so that the order can be corrected and rewritten. This also applies to missing documents or drawings.</p> <p>3. Our offer counts as binding for one week.</p> <p>4. Legal declarations or legal reports by suppliers against us or against a third party must be advised in writing.</p> <p>III. Advertisement exemption</p> <p>The supplier frees us from the requirements of our customer, if the customer refers to an advertisement made by the supplier, a pre-supplier (legal supplier according to § 4 sec. 1 or 2 of the product liability law) or an assistant of the supplier and which would have not existed in this form without the advertisement. This rule is not dependant upon whether the advertisement has been made before or after contract acceptance.</p>	<p>IV. Delivery times, procurement risk, acceptance and transfer of risk, shipping costs</p> <p>1. The agreed delivery times and dates are absolutely binding. The delivery time starts from the date of acceptance of our offer by the supplier. They goods must have arrived at the chosen address or site within this delivery time, or on the agreed delivery date. Should any delays be expected, the supplier should inform us immediately in writing and wait for our decision regarding the contract.</p> <p>Our rights due to the delay of the service remain unaffected by this information duty.</p> <p>If the supply is delayed, we reserve the right to apply a charge of 1% of the net order value up to a maximum of 10% of the net order value at the start of each week, per week, starting from the agreed delivery date in addition to receiving the goods if the supplier does not have proof of any damages of loss. The applied charges are calculated in accordance with our damages claim. The validity of any other damages claims is not affected.</p> <p>If the supply is delayed, the purchaser is entitled to the necessary legal rights. In particular in the case of an unsuccessful order process within an unsatisfactory length of time, we are free to choose a refund or damages claim instead of the service, to source the goods with a third party or to inform the supplier of a cancellation.</p> <p>The acceptance of a delayed delivery or service does not imply that we accept any liability or any relating claims due to the delay. Any outstanding paperwork which we might require from the purchaser can only be requested if a reminder has been sent in writing and if the documents have not been received within a reasonable amount of time.</p> <p>The supplier is required to cover the shipment charges and to send the goods without any further costs to the given address. The goods should be suitably packed to avoid any transportation damages. If we have made an exception and agreed to cover the shipping costs, the supplier must follow our shipping instructions or choose the most reasonable shipping/despatch method for the purchaser. The damage and transport insurance costs will only be covered by us if this has been agreed or requested in advance.</p> <p>Despatch notices, shipping documents, invoices and other correspondence should contain our order number.</p> <p>The shipment is to be made upon risk of the supplier. All risks including all possible damages or total loss are to be covered by the supplier until the goods reach the given delivery address or site. The risk is transferred to us only upon acceptance of the goods at the given reception point.</p> <p>V. Invoicing, payment, payment conditions, claim assignment</p> <p>1. The price shown in our order is binding. Included in the price, as long as no other terms have been expressly accepted in writing, is delivery „door-to-door“ as well as</p>
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packaging and the legal VAT charges. Further costs for customs clearance will be covered by the supplier.

2. If no other terms have been agreed, we will pay the total value of the invoice within three weeks, starting from delivery and receipt of the invoice with 3 % cash discount or within 30 days net.
3. If proof of the material certification is requested, this represents a considerable part of the delivery, and should be delivered to the purchaser along with the goods.
4. The supplier must offer a certain level of security to us when paying in advance - the bank acting as guarantor, for example.
5. The supplier's requirements from us should only be passed on to a third party with our permission. Payments will only be made to the supplier. We are authorised to make charges.

VI. Damage liability

The supplier is fully liable for all damages caused by himself or any of his contractors in their full cost and degree according to legal regulations. The supplier carries the risk for transport damages.

VII. Guarantee, attestation, objections

1. We are fully entitled to all fault claims according to the law. In particular, we are entitled to choose between requesting the supplier to correct the fault or to provide us with a new delivery. We expressly assert our right to payment of damages, including payment of damages instead of the service, for every degree of fault at their full cost according to legal regulations.
2. The limitation period for making any claims against defects is 36 months. This period starts from the transfer date.
3. We also have the right to cancel the contract and seek compensation for the complete agreement even if only slight changes from the agreed conditions or a seemingly insignificant reduction in usefulness occur.
4. A second chance to make an improvement will not be granted if the first attempt fails.
5. Upon receipt of a delivery of goods, the purchaser will solely check the identity of the goods, the quantity of goods received and will check for transport damages, as far as and as soon as possible and according to their intended purpose and reasonable business practice. The purchaser generally carries out a spot check of the goods. The advised receipt of defective goods is valid if the advice is despatched within 10 days of discovering the fault (§ 377 HGB). If the advice is not received by the supplier despite being sent, the advice counts as valid if the purchaser sends the notice immediately after being informed of the missing advice document. Objections to the late receipt of the notice and non-acceptance are not possible. These conditions also apply to replacement deliveries and improvements.

VIII. Quality assurance

The supplier must ensure the necessary type and extent of quality assurance according to the most current levels of

technology. The supplier is obliged to agree a suitable quality assurance with the purchaser, if considered to be necessary.

IX. Product liability

1. In the case of defect products which have been proved to be the fault of the supplier, we are initially exempt from any resulting product liability for which we would normally be directly responsible for. Our supplier exempts us from liability in the same way as if the product had been sold directly to our client.
2. In this case the supplier is also required to refund any expenses which might arise (according to §§ 683, 670 BGB), from or in conjunction with any recall measures which we may decide to take. As far as reasonably possible, we will inform the supplier of his intent to take recall measures and the extent/contents of the recall and will give the supplier the opportunity to take action.
3. The supplier is obliged to obtain an appropriate level of liability insurance. Any outstanding damages claims by us remain unaffected.
4. In addition, the supplier is required to ensure the necessary level of insurance against product liability and recall risk and must be able to present the insurance policy and insurance confirmation upon our request.
5. The supplier is responsible for marking his own products so that they are permanently recognisable as his products; apart from if a one-off exception has been agreed.
6. The supplier should mark his products, or if not possible or inappropriate, should take other necessary measures to ensure that if a product defect occurs, other products which could also be effected can be immediately identified. The supplier must duly inform us about the markings or give us information about any alternative measures undertaken so that we are able to identify any problems ourselves.

X. Patent rights

1. The supplier agrees to the fact that the goods and services received are free from commercial patent rights or copyrights of any third party and that according to the supplier's knowledge, no other rights exist which may restrict or exclude usage. The supplier guarantees that the supply and use of the delivered items does not affect the patents, licenses or other patent rights of any third parties.
2. The supplier exempts us and our customer from any patent right damages claimed by third parties, directly upon request of the supplier, and also bears all costs and expenditures, which may subsequently develop for the client.
3. We are entitled to obtain authorisation to use approvals on the relevant goods or services at the cost of the supplier.
4. Should a third party make a claim against us relating to damages to the patent rights for any goods delivered by the supplier which impairs or forbids use of the goods and in the case of a relevant claim, the supplier should either immediately amend the contract respectively in co-ordination with the client in such a way that the patent right is no longer valid but still corresponds to the contractual regulations, or should obtain confirmation that the goods can be used without the legal and financial domicile for both parties is Lübeck. The

reservation and without additional costs for the client as stipulated.
5. Our right to cancel the contract remains unaffected.

XI. Acts of God

War, civil war, export or commercial restrictions due to political changes or strikes, lockout, breakdown, production restrictions and similar situations which make contract completion impossible or unreasonable, count as acts of god and free us of from the obligation to accept punctual transfer of the contract for the entire length of the act. The effected parties are obliged to take notice of the situation changes and to adapt their commitments according to their best knowledge and belief. Particularly during long-term situations such as lockouts, production breakdown and restrictions etc., which could have a considerable effect on the reduction in consumption, we are entitled to partially or completely cancel the contracts for whichever reason, without being required to compensate the supplier, for whatever reason. In cases of this type, we are equally entitled to set a date on which we will accept the goods/service, without resulting in any supplier demands for an earlier settlement date.

XII. Property claims, safe-keeping

1. Any materials supplied remain our property. Our material should be stored separately and can only be used for our orders. The sale of our material by the supplier is strictly forbidden. The supplier is responsible for any reduction in value or loss irrespective of who is to blame. Any parts supplied alongside the materials remain our property at all stages of production.
2. The supplier is the safe-keeper of our materials and parts: the storage costs for the safe-keeping of our of materials and parts are included in the purchase price.
3. The supplier forsakes any irrevocable property claims against us regarding any materials supplied, as soon as these are finished or inserted. We accept the denouncement.

XIII. Commercial confidentiality

The supplier is obliged to treat all orders, sales and technical details with the utmost discretion. All illustrations, drawings, calculations and other any documents supplied are to be kept strictly secret. They are only to be made public to third parties with our written permission. The compulsory confidentiality remains valid after contract completion and even after the end of a business relationship. This duty is no longer required only if and when all illustrations, drawings, calculations and any other documents received are made public knowledge. Suppliers must inform their own suppliers of our confidentiality agreement.

XIV. Application of law, place of business and court of jurisdiction

1. German Law and the UN Purchasing Law are valid for legal relationships between the parties

2. As long as no other information is contained in the contract, area of jurisdiction responsible for any disputes resulting from the contractual relationships including any exchange or cheque proceedings, is the court responsible for the registered place of our business. However we also reserve the right to sue the supplier in the court of his own jurisdiction.

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