

## **Terms and Conditions for Business Customers**

These terms and conditions are an integral part of all contracts between us and our commercial clients.

We only deliver based on our following terms and conditions in the actually valid version. The purchaser or buyer (hereinafter called "Buyer") confirms his acceptance of these terms and conditions at latest with his acceptance of our first partial or full delivery.

In subsequent transactions, we are not required to separately mention these conditions. In particular we are not obliged to re-send order confirmations with our Terms and Conditions together.

Purchasing- or Buying Terms of customers are not accepted. They also do not apply if we do not expressly contradict them.

### **§ 1 Technical information, technical advice**

Information, illustrations and data contained in our brochures, ads, websites etc. are not binding and are not warranted. Conflicting terms and conditions of the Buyer shall be deemed expressly excluded. All dimensions are subject to standard commercial tolerances.

Technical advice is always without our obligation.

### **§ 2 Delivery and risk of loss**

Deliveries will be made from our warehouse in Fuerth or from our forwarder's warehouse. Shipping is at the expense and risk of the Buyer with a transport medium we choose at our discretion unless otherwise agreed upon.

Reasonable partial deliveries and partial services are permitted by the Buyer. Each reasonable partial delivery and partial services in this case shall be deemed as a separate delivery and contractual fulfillment.

We accept no liability for damage or loss during transit. We are not obliged to insure the transport risk, however generally we cover the transportation risk for the Buyer through our transport insurance and debit the cost to the Buyer, unless objected by the Buyer in writing.

Delivery will be made on the agreed date. However, delays of up to 10 working days shall be accepted by the Buyer.

If we are in default of delivery and the Buyer has granted a reasonable grace period, he shall be entitled, under exclusion of further claims, to either cancel the contract or to demand his proven loss of non-fulfillment up to a maximum of 10% of the delayed merchandise' value.

### **§ 3 Reservation of delivery**

We shall not be liable for delay in delivery if goods from our supply sources have arrived late due to reasons for which we are not responsible or had no control.

### **§ 4 Prices**

The prices given in our catalogs and offers prices are net and exclude VAT.

### **§ 5 payment, late payment**

Unless otherwise agreed in writing, all domestic invoices to clients with approved credit facilities have to be paid within 30 days from the date of invoice. If paid by cash or payment by bank transfer within 8 days after the invoice date, we offer a discount of 2%.

All other clients should pay in advance subject to a 2% discount.

The payment by bill of exchange or check is only permitted subject to written agreement.

In case of late payment an interest rate of 8 percentage points added to the base rate of the European Central Bank shall apply for amounts overdue. The assertion of further damages is not excluded.

If any dues will be overdue wholly or partly, all open dues of the Buyer shall fall due for immediate payment.

Shall we receive information of circumstances that are likely to raise doubts about the creditworthiness of the Buyer, we are entitled to ask for payment of all our dues against the Buyer with immediate effect. In this case we are also entitled to withdraw from existing but not yet executed supply contracts under the exclusion of any claims of the Buyer against ourselves from such contracts. Alternatively we may demand payment prior to delivery.

Set-off and retention rights of the Buyer will only be accepted if such claims have been legally established undisputed or are recognized by us.

### **§ 6 Warranty, defects**

For new, unused products we grant warranty under exclusion of any further liabilities, based on whatever kind and on whatever legal reason as follows:

The buyer is obliged to inspect incoming goods for defects immediately, latest within 5 working days. Defects have to be reported immediately in writing upon discovery. A culpable violation of these obligations leads to liability for compensation of damage of the Buyer.

Lack of incoming inspection and testing by the Buyer as per above stipulations shall cause that the delivered products will be deemed as approved without any failure.

The Buyer is also obliged to inform us if he has any reasonable suspicion of defects even though further studies must be performed to confirm the suspicion.

If there is a warranty case based on the stipulations above, the Buyer shall have right for repair or replacement at our discretion. In case the Buyer returns goods for this purpose, he must ensure a proper packaging and safe transport. The risk of damage or loss during transport shall be borne by the Buyer.

Repair and replacement of defects will only be a gesture of goodwill, if we do not acknowledge the defect.

Shall repair and/ or replacement in the event of proven defective fail repeatedly, the Buyer is entitled to reduce the purchase price accordingly or withdraw from the contract. However, the withdrawal is excluded if there will be a low significance of the defect.

In case of returns because of warranty problems which proof to be in without any defect, we are entitled to charge the cost of shipping and packaging, as well as an appropriate cost for the examination of the goods. The remuneration shall be at least € 25.00 but must not exceed 20% of the goods' value.

In case of transport damages, the Buyer must ensure that compensation claims against the relevant transport provider can be secured by provision of appropriate documentation. The Buyer is obliged to inform the representative(s) of the transport company instantly for the assessment of the damage and to receive an acknowledgment of the damage accordingly. Any breach of this duty may result in loss of the right to claim for compensation for the Buyer.

The warranty period is one year from delivery unless otherwise agreed upon in writing. This also applies to all other claims based on defective goods.

Warranty claims expire upon damage of the goods delivered by us through actions by third parties, external influences, improper installation or use or overuse.

### **§ 7 Liability**

Claims for damages of any kind against us or our legal representatives and agents due to warranty problems are excluded. This includes claims due to other damages, especially for damages which do not arise in the delivery itself – e.g. for breach of contractual obligations, incorrect advice, from negligence in contract, or tort - unless in cases of intent or gross negligence or the breach of a major contractual obligation.

Under a material contractual obligation in this sense is meant any obligation whose fulfillment is essential to the proper execution of the contract, and on whose compliance the Buyer can expect.

The liability for gross negligence of our staffs, unless they are executives, is limited to typically foreseeable damage. This limitation of liability does not apply to breach of contract mentioned in the previous paragraph.

A liability for infringement of patents or other rights, and a liability for legal constraints is expressly excluded for products that are manufactured and supplied according to the documents or according to the Buyer's requirements. The Buyer holds us harmless from all claims of third parties in this respect.

The above limitations and exclusions of liability shall not apply to liabilities under the German Product Liability Act or in cases of injury to life, body or health.

#### **§ 8 Retention of title**

We retain title of the delivered goods until full payment on all claims from the business relationship with the Buyer.

The processing or handling of the delivered goods by the Buyer shall always be in our behalf but without any obligations for us. The ownership of the new items from processing our goods in their working or processing state remains with us. If our reserved goods are processed with other goods not belonging to us, if they will be processed, blended, mixed or combined, we shall have joint ownership of the new item in proportion of the invoice price of the retained goods to the price of the new goods. By accepting these Terms and Conditions the Buyer confirms the co-ownership to us in advance, up to the amount of our claims.

The Buyer may sell the reserved goods in sole or joint ownership in the ordinary course of business. A pledge, collateral assignment or security purpose is not allowed. The Buyer already now assigns to us in advance all claims accruing from the resale of the goods or caused by processing, manipulating, blending, mixing or combining goods. This applies even if the goods are resold together with other goods not belonging to us in a total value. The Buyer is authorized to collect the assigned receivables unless revoked by us.

We accept the assignment and subrogation already now.

#### **§ 9 Data processing**

The Buyer allows that his data will be used for the processing of transactions and will be stored in our computer system as part of the business relationship. A transfer of data to third parties will only be done where this is necessary for order processing. Otherwise, the data will be treated confidentially and not disclosed to third parties.

#### **§ 10 Others**

Court of jurisdiction will be Fuerth/ Bavaria/ Germany, unless otherwise stated in writing.

German law applies to the exclusion of the UN-Convention on Contracts for the International Sale of Goods.

In addition of other provisions the Incoterms in their latest version in use shall apply.

Should any of the above clauses turn out to be not effective or incomplete, the validity and enforceability of the remaining provisions shall remain unaffected. The invalid or incomplete provision shall be replaced or supplemented with a provision that can reach the intended economic goal as close as possible.