

General Sales Terms and Conditions

Effective date: April 1, 2002

I. General

These terms and conditions are the basis of all - also future - business agreements on deliveries and services, made between us and companies, public law legal entities and special funds. Customers' deviating terms and conditions which we have not explicitly agreed to in writing, are not binding for us even if we do not explicitly object to them.

II. Offers, contract acceptance and prices

1. Our offers are still non-binding. Right to prior sale is reserved. Verbal agreements, assurances and guarantees made with or given by our employees only become effective upon our written confirmation.
2. Offers, cost-estimates, drawings and prospectuses or any their documents may not be made available to third parties. We retain the copyright to these, and if we are not assigned the contract, they remain our property.
- 3.1 Quality, measurements and weight are determined according to the DIN-/EN-standards valid at contract conclusion, in the absence of such they are determined according to trade practices, in particular the Incoterms in their most current version and do not constitute assurances or warranties, neither do test-certificates, manufacturer's declarations or related markings such as CE or GS.
- 3.2 Measurement- and weight information are moreover subject to the usual deviations. "Ca (Approx.)" before the amount information entitles us to deliver, 10 % more or less.
4. Our offer or our acceptance declaration is decisive for the scope of services. We are to be informed about objections to these declarations immediately, within a week of receipt at the latest, but in all cases before performance of the contract.
5. All prices are net cash from the factory plus shipment and costs of collection and disposal of packaging plus VAT. Unforeseen additional expenditures resulting from the performance of the delivery, which no surcharges have been agreed on, are born by the customer unless we are responsible for their creation.
6. If there is a period of more than four weeks between contract conclusion and delivery, we have the legal right to price adjustment in the case of an increase in our costs, e.g. changes in purchasing prices, wages, shipment, customs duties, taxes and other charges.

III. Delivery- and performance of services

- 1.1 The delivery takes place at the risk of the customer from the factory or warehouse according to our choice of shipment route and -type as well as forwarding agent or carrier. Unloading must be done promptly and properly by the customer. Waiting periods will be charged to the customer.
- 1.2 If for reasons out of our control transport to the intended location in the intended period becomes impossible or significantly more difficult, we are entitled to deliver via another route or to a different location at the cost of the customer.
2. Insurance against transport damage and -losses is only taken out on the express request of the customer and at their cost. Damage claims are to be reported in writing with regards to the type and extent of the damage immediately after receipt of the goods.
3. Goods reported as ready for dispatch must be promptly called in. If this does not take place, we thus have the right to send the goods to the customer at their own risk and cost or to store the goods at our discretion and invoice immediately.
- 4.1 Partial deliveries are to be accepted unless the customer can prove that the acceptance cannot be reasonably expected from them. We are entitled to industry standard over- or under performance.
- 4.2 With contracts of continuous deliveries we are to be provided with processing requests with more or less equal monthly amounts.
- 4.3 If the contract amounts are exceeded by the individual customer requests we have the right but are not bound to delivery of the extra amount. We can invoice the extra amount to the prices valid at the time of the request or delivery.

5. The fulfilment of the contract as the well as the meeting of delivery- and service deadlines presupposes:

- the timely and correct delivery by our own suppliers, unless the failed delivery or delay is caused by ourselves,
- the correct and timely performance of all cooperation duties by the customer, in particular the provision or all information, documents and authorisation required for fulfilment of the services.
- the correct and timely performance by the customer or third parties of the services required prior to the performance of our services, in particular the provision of appropriate unloading aids.

6. The delivery- and service periods are extended according to the period by which the customer has not fulfilled their obligations toward us and in the case of labour conflicts, for the duration of the resulting disruption. The same applies to delivery- and service deadlines.

IV. Payment

1. Payments are immediately due in Euro, without deductions, unless another currency and/or payment terms have been agreed. If agreed, discounts will be granted if all previous invoices have been settled, excluding such accounts which concern legitimate complaints by the customer. The net invoice amount after deduction of trade discounts, shipment etc. is applicable for the discount calculation.
2. The customer may not assert any claims to reservation of proprietary rights from other transactions, even from the running business relationship. Off-setting on the side of the customer is excluded, unless the counter-claim is undisputed.
- 3.1 The customer comes into default after 7 days at the latest or after expiry of a longer payment deadline. In these cases we charge interest at a rate of 8 % above base rate. We reserve the right to a possible claim for further damages.
- 3.2 If a customer should go into payment default by a significant amount or should they not honour a bill of exchange when due or the commencement of insolvency proceedings has been requested, we have the right to immediately call in all unexpired claims from the running business relationship.
4. If after contract conclusion it is apparent that our payment claim is endangered by capabilities of the customer, we will be entitled to the rights listed in § 321 BGB, as well as for all other outstanding services related to the running business relationship with the customer. We are then also entitled to make due all unexpired claims from the running business relationship.
5. In the cases listed in No. 3 and 4, we can take back the reserved goods (V 3), recall the collection authorization (V 5) and require advance payment for deliveries which are still outstanding.
6. The customer can avoid the results listed in No. 3 to 5 through sureties to the amount of the endangered payment claim.
7. Apart from that the legal provisions on the payment default remain unaffected.

V. Reservation of proprietary rights

- 1.1 All delivered goods remain our property (reserved goods) until the fulfilment of all claims, especially the respective account claims due to us with regards to the business relationship. This also applies to future- and conditional claims e.g. from acceptor's bills, or in the case of the check/bill of exchange-procedure up to encashment of the bill/cheque by the customer and also when payments are made on specific claims.
- 1.2 Value of the reserved goods is the net invoice amount of the goods delivered by us plus a surety advance of 50 % (25 % value reduction, 4 % according to § 171 I InsO, 5 % according to § 171 II InsO and 16 % VAT), which will however not come into account if conflicting with the rights of third parties.

- 1.3 This balance reservation will finally expire upon the settling of all claims which are included in this balance reservation and are still open at the time of the payment.
2. For us as manufacturer the handling and processing of the reserved goods takes place in the sense of § 950 BGB, without being binding to ourselves. The handled and processed goods apply as reserved goods in the sense of No. 1. Upon the customer processing, combining or mixing the reserved goods with other goods we have the right to co-ownership of the new product in relationship to the calculated value of the reserved goods to the calculated value of the other products used. If our property expires through combination or mixing, the customer hereby transfers his ownership rights of the new stock or product to us to the extent of the value of the reserved goods and stores it for us free of charge. Our co-ownership rights apply as reserved goods in the sense of No. 1.
- 3.1 The customer may only sell the reserved goods in the normal course of business and on their normal terms and conditions and only if none of the cases mentioned in section IV 3 and 4 have occurred, and only on condition that the proceeds from the resale pass to us according to No. 4 to 6. They shall not be entitled to dispose of the reserved goods in any other way.
- 3.2 The reserved goods are to be stored separately and/or marked as our property. We are entitled to insure the goods at the expense of the customer and to access the customer's property or areas for this purpose. The taking back of goods does not constitute withdrawal from the contract. Provisions of the Insolvency Act shall remain unaffected.
- 4.1 The customer's proceeds from the reselling of the reserved goods, also with regards to incorporation as an integral part of a property, are hereby assigned to us along with all sureties. It serves as surety to the same extent as the reserved goods. If the reserved goods are sold in connection with other goods which are not sold by us, the proceeds to the amount of the value of the reserved goods are thus assigned to us.
- 4.2 With the sale of goods of which we are co-owners according to No. 2, we are assigned a portion corresponding to our co-ownership share.
- 5.1 The customer is entitled to the collection of the resale proceeds, unless we recall the collection authorisation in cases of payment default named in section IV 5, the non-honouring of a bill of exchange or the request for the commencement of insolvency proceedings.
We will only make use of our right to revoke if after conclusion of the contract it becomes evident that our payment claim from this or other contracts with the customer are endangered because of their capabilities.
- 5.2 Upon our request they are obligated to immediately inform their customers of the assignment to us - if we do not do it ourselves - and to provide us with the information and documents required for the collection. Under no circumstances is the customer entitled to further assignment of the proceeds. This also applies to factoring transactions, unless it is an assignment in the context of true factoring, which is indicated to us and where the factoring proceeds exceed the value of our assured claim. With the crediting of the factoring proceeds our claim becomes due immediately. If the customer has agreed to an assignment ban, they hereby authorise us to collect the proceeds.
6. The customer must immediately inform us in case of a seizure or other interference by third parties. The customer carries all costs involved in the recovery of the reserved goods insofar as they are not replaced by third parties.
7. If the total value of the existing securities, including the reserved goods in the meaning of section 4, exceeds assured claims by more than 50 %, we are obliged to release securities of our choice to this extent at the request of the customer.

VI. Liability for material defects

- 1.1 Material defects are immediately to be reported in writing, within 7 days after delivery at the latest. Entrepreneurs, public law legal entities and - special funds also have to report hidden defects in writing immediately after discovery, insofar as these can be detected through a reasonable inspection, or at least before expiry of the agreed or legal expiry date; moreover, § 377 HGB remains unaffected.
- 1.2 If an agreed or legally prescribed acceptance does not occur for reasons not attributable to ourselves, material defect claims cannot be asserted to that extent.

- 1.3 If material defects are only identifiable during processing, such claims can only be considered if the processing of these defective products is ceased immediately.
- 1.4 If the customer does not immediately give us the opportunity to inspect the defect, does not immediately make available the suspected goods or samples thereof, especially upon request, the material defect claims will be invalidated.
2. In case of the sale of substandard products and products of second choice, the customer has no warranty rights with regards to the specified defects or such defects which he would normally have to deal with. There is no guarantee with the sale of goods "as is" or "telquel".
3. In case of legitimate, timely material defect claims we first have the choice of eliminating the defects or of delivering a defect-free product (repair).
- 4.1 In case of failure or refusal of the repair, the customer has the choice of either reducing the purchase price or after the setting of and unsuccessful expiry of a reasonable grace period, withdrawing from the contract, as long as the defect is not insignificant, or the goods have already been sold, processed or modified.
- 4.2 The customer has the right to damage compensation according to the regulations of section VII.
- 5.1 We only assume repair expenses if they are appropriate in the individual case, especially in relation to the payment for the service.
- 5.2 We do not cover expenses which are due to the movement of the goods to a location other than the performance location, unless this forms part of their intended use according to the contract.
- 6.1 Customer defect claims expire one year after delivery to the customer, even if the goods are used in a construction, unless this manner of use has been agreed in writing.
- 6.2 In cases of repair, the expiry period does not start anew.
7. Customer claims due to intentional or grossly negligent breach of duty on our part remain unaffected by the previous provisions, as well as claims due to fraudulent concealment of defects or the provision of a guarantee by us and so does the right of recourse of the customer according to § 478 BGB, unless these go beyond the legal warranty claims.
8. The customer is obliged to take damage minimizing measures as prescribed by law.

VII. Other liability

1. We, our leading employees and other performance agents are only liable for violation of contractual and non-contractual obligations in cases of intent and gross negligence, limited to the contract-typical damages at the time of contract conclusion.
2. With regards to expiry, the provisions of section VI 6 apply respectively.
3. These restrictions do not apply to culpable violation of essential contractual obligations, insofar as the fulfilment of the contract is at risk, nor in cases of obligatory liability under the Product Liability Act, cases of damage to life, body or health or when and where we have fraudulently concealed defects or have given a guarantee.
4. The regulations on the burden of proof remain unaffected.

VIII. Applicable law, jurisdiction

1. German law applies to all transactions, also to foreign transactions. The application of the UN Convention on Sale of Goods contracts (CISG) is excluded.
2. If there are provisions for a jurisdiction agreement according to § 38 of the Civil procedure code, the jurisdiction for all claims by contractual parties is Aachen.

General Purchase Terms and Conditions

Effective date: April 1, 2002

I. General

1. These terms and conditions are the basis of all - also future - business agreements on deliveries and services with companies, public law legal entities and -special funds. Deviating terms and conditions of suppliers, which we do not explicitly agree to in writing, are not binding for us, even if we do not explicitly object to them or if we accept the service without special objection.
2. Verbal agreements, assurances and guarantees made with or given by our employees only become effective upon our written confirmation.

II. Orders

Our orders are only binding if we have received a written acceptance declaration within 14 days from the date of the order.

III. Prices, conditions

The prices mentioned in the order are fixed prices; they apply for the specified shipment address free of shipment-, packaging- or other fees. We reserve the right to return packaging materials. We have the right to reduce the invoice by the hereby resulting costs.

IV. Delivery

1. Deliveries always take place at the risk of the suppliers.
2. Agreed delivery- or service deadlines and -periods are still binding. Entry of the goods or acceptance of the service at the location specified by us is essential.
3. Partial deliveries or -services require our prior approval.

V. Payments

1. Payments take place after completed delivery or performance of service or after acceptance and receipt of the invoice within 30 days net if so agreed or legally required.
2. Interest cannot be charged after expiry of the due date. The default interest rate is 5%-points above the base rate. We always have the right to prove lower default damages than those claimed by the supplier.
3. We have the right to offsetting- and retention of proprietary rights within the extent of the law.

VI. Defect-, warranty- and damage claims

1. Defect complaints and inspections with regards to delivered goods only need to take place after removal from our warehouse.
2. In case of defects, it is at our discretion to call upon our rights according to legal provisions. A repair is regarded as failed after the first unsuccessful attempt. We have the right to withdraw from the contract even if the breach of service by the supplier is insignificant.
3. The expenditures required for remedying the defects are born by the supplier.

4. Claims for defects expire after two years after acceptance of the goods in the meaning of section VI.1 or acceptance of a service if the acceptance is prescribed by law or agreed upon and five years with services which are used for a construction, but at the latest 10 years after delivery of the goods or acceptance of the service.
5. The legal regulations additionally apply for damage compensation claims.

VII. Reservation of proprietary rights

1. We recognise the reservation of proprietary rights of the suppliers in the standard form, it being understood that upon payment of these the ownership passes to us.
2. We are not bound to uphold supplier's proprietary rights of any kind with regards to third parties.
3. In the case of payment by means of the check-payment-procedure we are in agreement that the supplier's reservation of proprietary rights remains intact until encashment of the check.

VIII. Assignment ban

Assignments to third parties of supplier's claims from transactions made by us are excluded, unless it regards assignments in the framework of extended reservation of proprietary rights, the agreement of which on the part of the supplier we have to take into account.

IX. Advertising ban

This order may not be made known to third parties or used for marketing purposes.

X. Applicable law/jurisdiction

1. German law applies to all transactions, also to foreign transactions.
2. If there are provisions for a jurisdiction agreement according to § 38 of the civil procedure code, the jurisdiction for all claims is Aachen.
3. Without regards to the disputed amount, we can appeal to the district court in all cases.