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I. Scope

The following conditions are applicable for business relations with our customers and also for information and advice. In addition, the Technical Information Sheets issued by us are applicable in their current version. The customer's conditions apply only when and in so far as we expressly recognise them in writing.

II. Information, advice

Information and advice concerning our products are given on the basis of our previous experience. The values, and especially also performance data, given therein are average values established in tests under normal laboratory conditions. We cannot assume any commitment for exact compliance with the values and possibilities of application.

III. Conclusion and content of the supply contract

1. Our quotations are without commitment. A supply contract does not come into existence until we acknowledge the customer's order in writing. Our order acknowledgement is decisive for the content of the supply contract.
2. All agreements, subsidiary arrangements and contract amendments must be in written form.
3. All data about our products, especially the illustrations, drawings, weight, dimension and performance data contained in our quotations and printed documents are average values which must be regarded as approximate. They are not guaranteed characteristics but descriptions or designations of the goods. Unless limits for permissible deviations are expressly established in the order acknowledgement and designated as such, deviations customary in the industry (manufacturing tolerances) are permissible.
4. Guaranteed characteristics must be expressly designated as such in the order acknowledgement. When patterns and samples are supplied, characteristics of the pattern and sample are not considered to be guaranteed unless otherwise expressly stipulated in the order acknowledgement.

IV. Delivery

1. Delivery dates and periods begin to run only when agreement has been reached on all details of the order and, if changes are desired by the customer, not before we have acknowledged the change in the order in writing.
2. In the case of delivery dates and periods which are not expressly stated to be firm in the order acknowledgement, the customer can set us a suitable period for delivery two weeks after expiry of these delivery dates and periods. Only on the expiration of this additional period do we fall into default.
3. In the event of a delay in delivery or impossibility of delivering – irrespective of the reason for this – we are liable for claims for damages of whatsoever kind only as specified in Section X of these conditions.
4. Cases of force majeure and other events beyond our control which appreciably impede delivery or make it impossible, such as operating breakdowns, transport delays, strikes, legal lock-outs, official measures and also non-delivery, wrong delivery or delayed delivery by our suppliers, irrespective of the reason therefore, release us from the obligations under the relevant supply contract. Hindrances of a temporary nature, however, apply only for the period of the hindrance plus a suitable start-up time. In so far as the delay is not attributable to the customer, he can, after having at first heard what we have to say, withdraw from the contract by an immediate statement in writing.
5. Delivery dates and periods are extended, without prejudice to our rights in respect of default by the customer, by the length of time during which the customer does not comply with his obligations to us.
6. We are entitled to make partial deliveries.
7. Our deliveries are packed in the commercially customary manner. Unless a specific type of shipment is specified in the order acknowledgement, the transport and the transport route are at our choice.
8. Our deliveries are basically ex supplying factory. Shipment costs are borne by the customer.

9. The goods are shipped at the customer's risk. The transfer of risk to the customer takes place, including for part deliveries, when the goods are despatched from the factory, unless Section VI, point 1, is operative.

V. Framework orders and orders for delivery when required

In the case of framework orders and orders for delivery when required, the customer must accept the total delivery not later than within 12 months of conclusion of the contract. If the time-limit is not met by the customer, we are entitled, even without a call from the customer, to deliver and charge for the full amount 4 weeks after notice has been given in writing, pointing out the consequences of the failure to call for the goods. Our rights in respect of default by the customer remain unaffected.

VI. Customer's acceptance obligation

1. If sending of the shipment is delayed for reasons attributable to the customer, the transfer of risks takes place upon notification of readiness for despatch to the customer. Storage costs after the transfer of risks are borne by the customer.
2. If the customer does not accept the delivery, we can set him a supplementary period of 8 days and, after the unsuccessful expiry of this period, withdraw from the contract or demand damages for nonfulfilment. We charge damages at a flat rate of 20 % of the delivery price or the damage which has actually occurred.

VII. Prices, payment

1. Our prices are understood to be plus statutory turnover tax as applicable. They are based on the material, energy and labour costs valid on the date of acknowledgement of the order. If rises in respect of these costs take place between the date of the order acknowledgement and that of delivery, including in the case of orders for delivery when required, and if these lead to a change in our purchase prices or cost prices, we are entitled to adjust the delivery price accordingly until 4 weeks before delivery.
2. Payments are to be made in EURO and should take place with postage and expenses paid (including cash on delivery expenses, customary bank charges in the case of bills). Bills and cheques count as payment only after they have been cashed and are accepted without obligation of production and protest within the prescribed time.
3. Payments must be made within 30 days net from date of invoice.
4. Retention of payments because of counterclaims or offsetting against such claims by the customer are permissible only if these counterclaims are undisputed or have been determined with legal effect.
5. Upon the exceeding of payment periods we charge interest at the rate of 1 % of the amount of the invoice for each month or part of a month.
6. In the event of default in payment, protesting of bills and suspension of payments by the purchaser we may demand immediate payment of our total claim – including any claims in respect of bills in circulation – irrespective of the agreed maturity. This applies also if we gain knowledge of circumstances which warrant well-founded and serious doubts about the solvency or creditworthiness of the customer, including if these circumstances already existed at the time of conclusion of the contract but were not or could not have been known to us. In all the above-mentioned cases we are also entitled to make deliveries still outstanding only against prepayment or the provision of security and, if the prepayment or security is not provided within two weeks, to withdraw from the contract without the setting of a further time-limit. This is without prejudice to further claims.

VIII. Reservation of title

1. We reserve title to all goods supplied by us (hereinafter referred to as reserved goods) until the customer has paid the contract price for the reserved goods and any other claims which may already exist or may subsequently come into being, in respect of the business relationship with us, irrespective of on what legal grounds.
2. The customer is entitled to resell the reserved goods and combine them with other things (hereinafter referred to as a whole briefly as resale) within the framework of a proper business operation. Any other disposal of the reserved goods is not permissible. Pledgings made by third parties

must be immediately notified to us. All intervention costs are payable by the customer. If the customer defers the purchase price for his buyer, he must reserve title to the reserved goods in relation to the latter on the same conditions under which we have reserved title on delivery of the reserved goods. Otherwise the customer is not authorised to resell.

3. Already hereby the customer assigns to us the claims against his buyer possessed by him as a result of the resale of the reserved goods. They serve as security to the same extent as the reserved goods. The customer is entitled and authorised to undertake a resale only if it is ensured that the claims possessed by him in respect thereof are transferred to us.
4. If the reserved goods are sold by the customer with other goods not supplied by us at an overall price, assignment of the claim in respect of the sale takes place to the extent of the invoice value of the reserved goods sold in each case.
5. If the claim assigned is included in a current account, the customer now already assigns to us a part of the balance of the current account, including the final balance, corresponding in amount to this claim.
6. If the reserved goods are combined by the customer with another movable item in such a way that it becomes an essential component of an unitary item, we acquire co-ownership of the unitary item even if the other item is to be regarded as the main item, in the ratio of the value of the reserved goods supplied by us to the value of the other item at the time of the combination. To this extent the customer must keep the new item in safe custody for us with commercial care. The provisions of this Section VIII applying to reserved goods are applicable.
7. If the value of the securities existing for us exceeds the total of the secured claims by more than 10 per cent, we are required, at the customer's request, to release securities at our choice to that extent.
8. Until the authorisation is cancelled by us, the customer is authorised to collect the claims assigned to us. We are entitled to cancel if the customer fails properly to fulfil his payment obligations in respect of the business relationship with us or if we gain knowledge of circumstances which are of a nature to reduce appreciably the customer's creditworthiness. If the conditions for the exercise of the right of cancellation exist, the customer must, at our request, immediately inform us of the assigned claims and the debtors in respect thereof, give all information necessary for the collection of the claims, surrender to us the associated documentation and inform the debtor of the assignment. We are also entitled to inform the debtor of the assignment ourselves.
9. In the event of delay in payment by the customer we are entitled, without exercise of the withdrawal right and without the fixing of an additional period, to demand the temporary return of the reserved goods at the customer's expense.

IX. Guarantee

1. We grant a 12 months' guarantee from the date of delivery.
2. Even if patterns or samples have been sent previously, the customer must carefully examine goods delivered immediately after they have reached him. The delivery is regarded as approved if no complaint is received by us in writing or by telefax within 10 days of arrival of the goods at the place of destination or, if the defect was not detectable on examination, within 5 days of detection of the defect.
3. In the event of the deficiency or absence of an assured characteristic of the goods supplied, we shall remedy the shortcoming at our choice by repair or replacement. If the replacement supplied or the repair made is faulty, the customer may demand reduction of the purchase price or cancellation of the contract.
4. In respect of all other claims for damages which may be possessed by the customer owing to or in connection with defects or the absence of assured characteristics of the goods supplied, irrespective of on what legal grounds, we are liable only if we are at fault. Section X is applicable.
5. Point 3 does not apply to claims for damages owing to consequential damage due to defects in the event of absence of an assured characteristic if the assurance of the characteristic is intended to protect the customer against the risk of such damage. Even in this case, however, we are liable only for the typical and predictable damage.
6. Deviations of the goods supplied from the order acknowledgement

which are customary in the industry do not constitute a defect (Section III, point 3).

X. Claims for damages

1. In the event of slight negligence we are liable for claims for damages in respect of culpable actions, irrespective of on what legal grounds, including delay, defective delivery (with the exception of Section IV, point 4), positive infringement of contract, neglect of duties in contract negotiations, prohibited action and product liability (except liability under the Product Liability Law) only where there is neglect of essential duties which jeopardises the purpose of the contract. Otherwise our liability for slight negligence is excluded.
2. The exclusion of liability in accordance with points 1 and 2 also applies in favour of our employees.

XI. Manufacture on the customer's instructions

1. In the event of manufacture in accordance with the customer's drawings, samples and other instructions we provide no guarantee and assume no liability for the suitability of the product for operation and for other defects, in so far as these matters are due to the customer's instructions.
2. The customer indemnifies us against any claims made by third parties, including due to product liability, against us in respect of damage caused by the goods, unless we have caused the damage deliberately or by gross negligence.
3. The customer guarantees to us that the manufacture and supply of the goods manufactured in accordance with his instructions does not infringe any industrial rights belonging to third parties. In the event of the bringing of claims against us by third parties in respect of industrial rights we are entitled, without any legal examination of such possible claims of third parties, and after hearing the customer, to withdraw from the contract, unless the third party withdraws the exercise of the industrial rights within 8 days by a written statement to us. The customer must compensate us for any damage suffered through the exercise of the industrial rights. In the event of withdrawal the work done by us up till then must be paid for.
4. The moulds, tools and design documents produced by us for the execution of the order are exclusively our property. The customer has no claims to them, even if he participates in meeting the cost of the production of moulds, tools and design documents.

XII. Law applicable

The relations between us and the customer are subject to the law of the Federal Republic of Germany. The Uniform Laws concerning the International Purchase of Movable Items and concerning the Conclusion of International Purchase Contracts of 17 June 1973 (EKG/EAG) and any international agreements taken over in future into the law of the Federal Republic of Germany, including also the UNCITRAL Agreement, are not applicable.

XIII. Place of performance, place of jurisdiction

The place of performance for all obligations resulting from the supply transaction is Eckernförde. The place of jurisdiction for all disputes in connection with the supply transaction is, at our choice, Eckernförde or the location of the customer's head office, and for the customer's complaints exclusively Eckernförde. This is without prejudice to legal arrangements concerning exclusive competences.

XIV. Acquisition of customer data

Our bookkeeping is carried out by means of an EDP system. In this connection we store the data obtained on account of the business relationship with the customer.