

# GENERAL SALES CONDITIONS

## 1. Preamble

The conditions stated in the following are valid for each order; they exclude the conditions of the Purchaser even if not contradicted expressly. Other Agreements and later modifications are in any case only valid by written confirmation.

## 2. Offer

All documents belonging to the offer like drawings, indications of weights and measures constitute an approximate guide. The data shall not be binding save to the extent that they are by reference expressly included in the offer. Any drawings or technical documents as well as preliminary quotations and other documents remain the exclusive property of the Vendor. These confidential documents may not, without the Vendors consent, be utilized by the Purchaser or copied, reproduced, transmitted or communicated to a third party. Orders and agreements of all kind need the written confirmation by the Vendor.

## 3. Prices

The prices are quoted ex works, packing excluded, without engagement. The prices stated in the order-confirmation are fixed, except there are agreed free prices due to long delivery times.

Invoiced will be the prices which are valid on the date of delivery.

## 4. Delivery

The agreed delivery time starts with the date of order-confirmation, however only if all details regarding the execution of the order will be clarified. Acts of God and other circumstances which are beyond the control of us and of our suppliers like transport disturbances or operating breakdown, lack of material or of parts from suppliers authorize us to claim an adequate extended term.

Purchaser's claims for damages due to failure to perform or delay are excluded if we are not willfully responsible for the damage.

The term of delivery is kept when the product has left the works or it is advised ready for dispatch within the agreed time.

Should delay in delivery be caused by the Purchaser, he will be charged for each month with at least 1/2% of the total invoice amount beginning one month after dispatch date thus covering the costs which arise by storage in the Vendor's works.

The fulfilment of contract by the Purchaser is a precondition for the keeping of delivery times by the Vendor.

## 5. Packing, Transport, Risk

The kind of packing, way of despatch and shipping route is determined by the Vendor except if there is a special previous agreement.

The costs and risks for the transport of the goods are to be borne by the Purchaser. Provided that no other instructions are given by the Purchaser, we organize the transport by the way that seems best to us without taking responsibility for having chosen the utmost favourable and shortest way.

The Purchaser bears every risk as soon as the merchandise is handed over to the transport agent or carrier.

An insurance against transport damages will only be effected if it is expressly desired by the Purchaser and the costs will be invoiced to him.

In case of transport through the Federal Railway Company or a forwarding agent the Purchaser has to take care of the settlement of his claim by himself.

The maturity for our request of payment is not affected.

## 6. Subject of Contract

The statements regarding measurements, weights, material and services are carefully stated by the Vendor however not binding, except they are expressly determined to be binding. This is also concerning all statements on construction and suggestions for construction. The Vendor reserves the right for modifications due to technical progress. Any drawings, samples or documents of the Vendor remain the exclusive property of the Vendor. They may not without the Vendor's consent be passed on to a third party. This is to point out the Vendor's copyright. The contractual characteristics of the goods are only relating to our product-description and to the written agreements.

Unilateral expectations of the Purchaser as well as advertisements or other comments of the Vendor or his assistants are not taken into consideration.

Demonstration-products, tools and other equipment needed for the execution of an order, remain the Vendor's property, even if the Vendor partially invoices the costs.

## 7. Guarantee

Provided that it is not about insignificant fault, the Vendor performs under exclusion of other claims for faults of the delivery to which belongs also the absence of strictly guaranteed or guaranteed qualities, guarantee as follows: for all brand new parts produced by us we take over the guarantee for 1 year in the normal use, 1/2 year in the shift work so far material defects or production mistakes or the absence of guaranteed qualities are proved. For used parts the warranty is reduced by half in each case. The warranty period is 6 months commencing with delivery (Wearing parts are excluded). If the dispatch, the installation or the introduction is delayed without fault of the Vendor, the liability expires not later than 18 months after transmission of risk. Rubber bars used as gripping elements are wear articles and are not subject to the guarantee. Faults by incorrect assembly or initial start-up, unsuitable or inappropriate use or changes or repairs by the Purchaser or third persons, natural wear, incorrect or careless treatment, excessive strain, unsuitable methods of operation, exchange materials, chemical, electro-chemical or electric influences expels every guarantee, provided that they are not to be led back on a fault of the Vendor. Further rights, particularly claims to substitute of the losses which have not appeared in the subject of delivery themselves, are expelled.

Notices of defect within the above stated frame are only recognized if they are asserted within two weeks after reception of the goods, with first not recognizable fault immediately after knowledge by written statement. Objections on the amount are only considered if they are brought forward immediately on receipt of the consignment in written form. The examination and reprimand obligation also encloses operating instructions and assembly instructions.

Also damages which are subject to the guarantee have to be indicated immediately in writing. A claim to transformation or decrease does not exist, unless we are not able the lack to repair. To the realization of all repairs inevitably appearing to the Vendor and substitute deliveries the customer after communication with the Vendor has to give the required time and opportunity, otherwise the Vendor is freed from the liability for defects.

Only in pressing cases of the endangering of the operational safety and to avoid disproportionately big losses, whereby the Vendor is to be informed immediately, or if the Vendor is in delay with the removal of the lack, the customer has the right to allow to remove the lack by third persons and has a claim for reimbursement of wasted expenditure towards the Vendor. Further claims, e.g., substitute of wage or spoiled equipment, etc., are expelled.

Repair or substitute is our choice. If the parts are returned not free of charge so they will be sent back also not free, i.e. a freight way is carried by us with the cheapest way of dispatch.

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The guarantee expires if the subject of delivery is treated by foreign party, also with pressure of time an other treatment needs our consent in particular. We are not responsible for failures as a result of bad assembly by the customer or third persons, of bad maintenance or carelessness, of unsuitable or inappropriate use or of excessive use.

Precondition for the guarantee is the fulfillment of the contractual obligations by the Purchaser. Because of the notices of defect about which no doubt exists, payments may be held back only in the appropriate relation to the appeared lack. Particularly no compensations may take place against earlier or later deliveries. Returns need the previous agreement of the Vendor.

## 8. Right to rescind of the Purchaser and other liability of the Vendor

The Purchaser can withdraw from the contract if the whole performance is definitively impossible before risk transfer or the delivery within an appropriate term which may not remain under a month, did not take place, unless, the performance hindrance is to be represented from the Vendor at least mainly or it is about a case of point 6. paragraph 4. As far as partial performances are possible and for the Purchaser useful also after ending of the contract, the right to rescind limits itself to the parts not yet performed.

If the impossibility enters during the acceptance delay or by fault of the Purchaser, he remains obliged to do the settlement. If partial performances have already taken place for the purposes of the paragraph 1, a compensation claim also exists in this respect. The Purchaser has furthermore a right to rescind if the Vendor has passed inactively an adequate extension placed to him for the repairing or reworking due to a failure to be represented by the Vendor in the sence of these terms of delivery. If the Vendor decides on an extended elimination of the lack, the Purchaser only has a right to rescind if the elimination of the lack has failed two times. The appropriate extension does not begin earlier, than the lack and the representation obligation of the Vendor are determined and proved. The Purchaser can also assert reduction instead of his right to rescind. If the Purchaser or a third person makes inappropriate changes or repairs without previous approval of the Vendor, there is no liability of the Vendor for the consequences appearing from it.

The liability of the Vendor is determined exclusively according to the preceding points of this agreement. All not strictly admitted rights there, e.g., on delivery of a faultless product, resignation of the contract or decrease as well as on substitute of losses of every kind, namely also from such losses which have not appeared in the subject of delivery and regardless of any legal argument, are excluded. This exclusion of liability applies not with intention and gross negligence of legal representatives or fulfillment assistants and by culpable violation of main liability. The exclusion of liability finds no further application if qualities which are strictly guaranteed are missing, if the warranty has just aimed to safeguard the buyer against the losses which have not appeared in the subject of delivery themselves, as well as if the damage is based on a circumstance, for which the Vendor has taken over a guarantee. The same applies if a procurement risk realizes which the Vendor has explicitly taken over. Finally, the exclusion of liability applies not in that cases in which according to the country right valid in each case a damages obligation exists which can not be expelled by contract, particularly for product liability. Except for losses for life, body and health and for intention and coarse negligence of legal representatives and fulfillment assistants, the extent of the damage to be replaced is limited however, on foreseeable losses.

## 9. Payment

The settling place for payment and the currency are agreed especially. A delay in payment or a setting off is only acceptable in case of undisputed or legally binding counter-claims.

If the financial situation of the Purchaser gets worse after agreement to the contract essentially and is thereby endangering the payment entitled to the Vendor, the Vendor is entitled to refuse the performance, until the settlement is effected or is performed safety for him.

## 10. Delay in Payment

If the Purchaser does not keep to the arranged term of payment, we charge from maturity for interests by the legal height according to German law. Before payment of payable amounts the Vendor is not obliged to do any other delivery, as far as the Purchaser does not perform safety for this. In case of outstanding overdue payment, indebted by the Purchaser, all unpaid invoices of the Vendor become immediately payable.

## 11. Retention of title of ownership

Up to entire satisfaction of all claims from the business connection remain the supplied goods property of the Vendor. The Purchaser has to keep the goods duly and to insure them. If the Purchaser is late with payable payments in more than 10 workdays the Purchaser is obliged on demand of the Vendor to return the supplied goods, without the Vendor must explain before the withdrawal of the contract.

## 12. Acceptance, call, right to rescind of the Vendor

On call bought goods are to be accepted within a month after demand to takeover. If the Purchaser is in acceptance delay, the Vendor can store the goods at the expenses and risk of the Purchaser and can invoice him all expenses appearing from it. The same applies if due to circumstances attributed to the Purchaser, goods ready for dispatch can not be dispatched. If the Purchaser continues to delay acceptance of the goods in spite of passed time-limit, is a payable payment more than 30 days in the delay or commits the Purchaser another weighty breach of the contract, the Vendor is entitled to the withdrawal of the contract and to claim for damages.

## 13. Arbitration board, place of delivery, other rights

The rights of the Purchaser are not transferable. The legal ineffectiveness or change of single regulations do not touch the validity of the rest regulations.

To the place of an ineffective regulation that permissible regulation should step which comes to the economic thought of the ineffective regulation in the next. Place of delivery for all deliveries is the manufacturing work of the Vendor, in Erdmannhausen, as far as no divergent agreement has been met. The preceding conditions apply to every order. Other conditions are for the Vendor only bindingly if he has recognized them in writing.

On the contract the right of the Federal Republic of Germany is applicable under exclusion of the agreement of the United Nations from the 11/04/1980 about contracts about the international goods purchase.

All disputes which arise in connection with the contract or about its validity, are decided according to the arbitration board order of the German Institution for Arbitration Board Ability Inc (DIS) under exclusion of the neat course of law finally. The arbitration board also can make a binding decision about the validity of this arbitration agreement.