

General Terms and Conditions of Sale

1. All conclusions of purchase contracts and deliveries shall exclusively be on the basis of the following terms and conditions. Insofar as anything to the contrary is to apply in individual cases - in particular Customer's purchasing terms -, our express written confirmation shall be necessary. Delivery of commodities shall not imply recognition of Customer's terms and conditions of business on our part; on the other hand, Customer declares its agreement to our terms and conditions by acceptance of the commodities.
2. Our offers shall be subject to change without notice with a view to price, quantity, delivery period and possibility of delivery.
Contracts shall only originate as a result of our express confirmation. Orders shall also be deemed accepted in the event of tacit implementation.
Verbal side-agreements shall require written confirmation in order to take effect.
3. If we generally increase or decrease our prices in the period between order confirmation and delivery, the price valid on the date of delivery shall be charged. Price increases shall be admissible if they are based on changes of price-forming factors which occurred unforeseeably following conclusion of the contract; the amount of the price increase must be justified by the change in the price-forming factors and be notified to Customer within a suitable period. This regulation shall only apply in the case of non-merchants in the event of delivery with maturity later than four months after conclusion of the contract. In the event of a price increase, Customer shall be entitled to withdraw from the contract. No parties can derive any kinds of rights, in particular claims to damages, herefrom.
All and any changes to customs or other dues affecting the commodities and also of freights occurring after conclusion of the purchase shall be charged or credited to Customer, as the case may be.
4. Delivery periods agreed in individual cases shall only apply subject to correct and punctual delivery to us. We shall not be answerable for delays in delivery or failure to supply if they are caused by circumstances on which we have no influence, in particular in cases of force majeure, fire, floods, war, governmental measures, failure of machinery, accidents, strike, lack of workforce, difficulties in procurement of material, packaging or transport space. As a result of such circumstances having an effect on the handling of the purchase contract, we shall be entitled to postpone delivery by the corresponding time or, in the event of a longer duration, to withdraw from the contract.
The amount of Customer's claims to damages on account of arrears or impossibility of performance shall be limited to the purchase price of the delayed or undelivered part of the delivery in cases of slight negligence. This shall also apply in the event of gross negligence of Vendor's vicarious agents in dealings with merchants.
5. The commodities shall be transported at Customer's risk as a matter of principle, regardless of who bears the freight costs.
6. Payment periods shall only be deemed complied with if the invoice amount is at our disposal no later than on the last day of the period. Bills or cheques shall only be accepted on account of payment and following prior express agreement. Costs shall be charged to Customer.
If a payment period granted is exceeded, default interest to the amount of 3% above the discount rate of the German Federal Bank at the time shall be charged. If substantiated doubts about Customer's creditworthiness, in particular in the event of a considerable deterioration of Customer's economic situation only occurring after the conclusion of the purchase contract, exist, as a result of which

Vendor's claims are jeopardised, if protests about bills and cheques are made, if settlement proceedings are applied for against Customer's assets or if Customer falls into bankruptcy, we shall be entitled only to implement further deliveries against payment in advance or collaterals, notwithstanding all and any delivery periods granted. Over and above this, we shall be entitled, notwithstanding further rights, to terminate the contract following the expiry of a suitable period of grace set for payment or provision of collateral with a threat of rejection. All open invoices shall become due for payment immediately.

7. Offset against our claims with disputed counterclaims or ones which are not legally effective shall be ruled out. The same shall apply to the exercising of rights of rejection of payment or retention.
Customer's rights from the present contract may only be assigned to third parties if this has been agreed in writing.

8. All commodities supplied by us shall remain our property until complete payment of all claims originating from the business relationships, also in future, including balance of a current account.

Further processing shall be done on our behalf as manufacturer within the meaning of § 950, German Civil Code, without obligation for us. If, in the event of §§ 947, sub-section 2, 948, German Civil Code, an object of Customer is the main object, Customer here and now assigns its co-title to the object to us in the ratio of the value of the invoice of the preliminary commodities to the total value of the new main object. If processing is done together with other materials, we shall acquire co-title in the ratio of the invoice value of our commodities to that of the other materials. The co-title acquired in this way shall be deemed a conditional commodity kept on our behalf by Customer.

Resale of conditional commodities shall only be permitted in the normal course of business and can be forbidden by us in the event of Section 5. Access by third parties to commodities and claims belonging to us shall be notified to us by Customer without delay.

Claims from resale are hereby assigned to us to the amount of the outstanding balance until settlement of all our invoices. We hereby accept the assignment. If the value of the existing collaterals exceeds the claims by a total of more than 20%, we shall be obliged to release collaterals to this extent at our option upon request by Customer.

9. In the event of defects in the commodities and wrong delivery, warranty shall be fulfilled by subsequent delivery. If subsequent delivery fails, Customer can, at its own choice, demand reduction of the remuneration or cancellation of the purchase contract.

Any statutory or other liability exceeding this - regardless of the reason, also on the basis of §§ 823 et seq., German Civil Code - or guarantee with a view to the quality of the delivered commodities or their suitability for a specific purpose is hereby ruled out - with the exception of cases of gross negligence.

In the event of the commodities having been sold on the basis of a sample and Customer has found the sample to be good or if Customer has inspected the batch, the warranty rights with a view to the defects which the sample or the inspected batch has manifested shall be ruled out.

We shall only be liable for specific properties of the commodities if they have been expressly assured in writing in the order confirmation.

Specified notifications of defect on account of a non-hidden defect in quality, a wrong delivery or deviations in quantity as a result of an examination carried out without undue delay must reach us within 10 days of delivery.

They shall be completely ruled out following processing of the commodities. The decisive point in time for the contractual condition of the commodities shall be the

time at which the commodities leave the dispatch warehouse. Customer shall not be entitled to return commodities without our approval.

All claims from warranty for defects shall be forfeited if Customer fails to give us an opportunity of examining the identity of the commodities giving rise to complaint and the defects claimed on site and does not provide samples without undue delay upon request. Claims shall further be forfeited if machining or processing of the commodities is not ceased immediately after establishment of a defect or our commodities are blended or combined with commodities of other origin.

Warranty claims shall be barred by limitation no later than one month after written rejection of the notification of defects by us. Notifications of defects shall not entitle Customer to withhold payments.

10. Our verbal and written application technology consultancy shall be without obligation - also with regard to all and any protective rights of third parties - and shall not release Customer from its own examination of the products supplied by us for their suitability for the intended processes and purposes. Customer shall assume all and any claims aimed against us from any breach of third-party protective rights by the importation or the use of the commodities supplied by us. We shall be entitled to process the data concerning Customer obtained with a view to the business relationship or in connection with the latter within the meaning of the Federal Data Protection Act, regardless of whether said data come from Customer itself or from third parties.
For all claims and disputes resulting directly or indirectly from the transactions concluded by us, also in the event of obligations on the basis of bills and actions for cheques, Lichtenfels shall be the exclusive place of jurisdiction.
If one of the aforementioned provisions is ineffective, the validity of the remaining provisions shall not be affected. The ineffective provision shall be replaced by another one coming as close as possible to the commercial purpose of said provision.