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1. Conclusion of the Contract

- 1.1 Insofar as nothing else is agreed explicitly, the following "General Terms and Conditions of Sale" ("Terms and Conditions") apply to all contracts, deliveries and other services in the business transactions with non-consumers within the meaning of sect. 310 par. 1 BGB [German Civil Code]. In the context of ongoing business relationships between merchants, these Terms and Conditions become a part of the contract even if the vendor did not point this out explicitly.
- 1.2 Objection is hereby raised to conditions that deviate from these Terms and Conditions ("deviations"), especially terms and conditions of the orderer. Other conditions of the orderer have no validity unless they were negotiated individually. Deviations negotiated individually must be agreed in writing. Conflicting terms and conditions of the orderer do not apply even if they are contained in the buyer's written confirmation of our confirmation of contract and we do not object. Our silence signifies rejection. Our Terms and Conditions are presumed to be accepted, at the very latest, when the orderer accepts the goods, especially if the goods were ordered by telephone.
- 1.3 Delivery contracts are concluded by means of our order confirmation of a written order or by means of delivery. All oral side and supplementary agreements, especially those made by telephone and including those regarding execution of the order, are not valid until confirmed by us separately in writing. The minimum net order value is € 250.00.
- 1.4 The documents that belong to the offer, such as diagrams, drawings, weights and dimensions are only approximations unless they have been explicitly designated as binding on us. We retain ownership and copyrights of all cost estimates, drawings and all other documents. They may not be made accessible to any third party.

2. Delivery

- 2.1 The scope of delivery is determined by our written order confirmation.
- 2.2 We are allowed to make deliveries in closed packaging units by rounding the order quantity up or down by as much as 10%. We reserve the right to fill orders by means of partial deliveries.
- 2.3 We reserve the right to make changes in construction and/or form based on improvements of technology or requirements of legislation insofar as the articles to be delivered are not significantly changed, and the changes are not unreasonable for the orderer.
- 2.4 If, after an order is accepted, we have reason to fear that the orderer's payments will be irregular, or that a payments moratorium or insolvency proceedings have been applied for or commenced, or that there is other deterioration of the orderer's economic circumstances, then we are entitled to make delivery dependent on advance payment of the purchase price or to deliver COD (cash on delivery).
- 2.5 If a delivery (including COD deliveries) is refused, the shipping and postage costs as well as ancillary costs shall be borne by the orderer. In cases of default in taking delivery, the costs for storage and shipment of complete deliveries are charged at a rate of at least 5% of the value of the delivery for each month of default or part thereof. The orderer has the option of proving that the damages are less than this standard amount, and we have the option of proving that they are greater.
- 2.6 In addition to clause 2.1 above, the scope and subject of delivery are also implied by any additional descriptions of performance which have become a subject of the contractual agreement.

- 2.7 We reserve the right to render performance that is equivalent in respect to quality and price. We also reserve the right not to render the agreed performance in the event that it is not available.

3. Delivery Periods and Acceptance

- 3.1 We comply with delivery dates in accordance with feasibility, subject to correct and timely deliveries to us; however, they are not binding on us. If there are difficulties with deliveries to us in respect to availability of goods or timeliness of this availability, we are obligated to notify the orderer accordingly without delay. In the case of a delay of more than six weeks, both contracting parties are entitled to withdraw from the contract by declaring this in writing to the other party. Then, all performance that has already been rendered by either party is to be reversed. There are no claims, in particular no claims for compensation for damages, that go beyond this.
If the order contains a fixed delivery date but our order confirmation only specifies an approximate date or a particular calendar week, the specification in our confirmation is deemed to be agreed unless the orderer objects within one week of delivery of our order confirmation.
- 3.2 The delivery period begins when our order confirmation has been sent and any documents, permits or releases to be supplied by the orderer, as well as a down payment, if agreed, have been received.
- 3.3 The delivery period has been complied with if "ready for shipment" has been notified or the subject of delivery has left our premises.
- 3.4 The delivery period is extended in the event of labour dispute activities, in particular strikes and lockouts, and in the event of unforeseeable hindrances which lie outside our knowledge, such as, for example, disruption of operations and delays in the supply of essential materials insofar as hindrances are demonstrably of significant influence on the storage of the subject of delivery. This also applies if our suppliers are affected by such circumstances. The delivery period is extended by the duration of such activities and hindrances. We can also not be held responsible for the aforementioned circumstances if they occur during a period of delay that already exists. In significant cases, the beginning and end of such hindrances will be notified as soon as possible to the orderers affected.
- 3.5 Compliance with the delivery period also presupposes that the orderer fulfils its obligations under the contracts for other transactions with us.

4. Packaging and Shipment

- 4.1 All goods, including goods being returned, are shipped at the expense and risk of the orderer, insofar as nothing else is agreed. This also applies if we deliver the goods using our own motor vehicles. In all cases we are entitled to charge delivery costs up to the amount that would be incurred if the mode of shipment that is most customary for the goods in question had been selected.
- 4.2 The selection of shipment mode is at our discretion. We assume no responsibility for selecting the cheapest shipment mode.
- 4.3 We reserve the right to ship the goods from a location of our choice that need not be the place of fulfilment of the contract pursuant to clause 11.2.
- 4.4 We do not pay for insurance of the goods. We do not assume any liability for property of the orderer (e.g. materials delivered by the orderer); insurance will be taken out only if this is requested.

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5. Offers and Prices

Insofar as our prices and invoices contain items for tool costs, payment of these items by the orderer does not establish any rights whatsoever to the tools in question. These tools are merely tools constructed for the purpose of filling the order and the said items are orderer or product related overhead percentages which are allocated to the orderer and consequently charged to the orderer. When the orderer's name is affixed to any of these tools, this labelling serves only to assign the tool, which is a production aid, to production for the orderer and does not establish any rights whatsoever of the orderer to the tool, in particular no rights of ownership. Likewise, this labelling also does not give rise to an agreement whereby the orderer becomes the owner and allows us to use the tool.

6. Retention of Ownership

6.1 We retain ownership of all delivered goods for all claims arising from current and future business relationships with the orderer (current account retention). Retention of ownership is not terminated by any itemization of claims in a current account invoice or by any offset of accounts payable against accounts receivable and acknowledgement thereof.

6.2 We are entitled to remove our conditional goods during the orderer's normal business hours if the orderer has not fulfilled its obligations to us, especially in cases of payment default, and for this purpose to enter all the orderer's storage and business premises. Such removal does not constitute unlawful interference with possession.

6.3 If our goods are processed or combined with other products, then we acquire co-ownership in the objects resulting from such processing and/or combination. The possessor shall safeguard this co-ownership for us free of charge and with the care of a prudent businessman. Our co-ownership share of each such resulting object is determined by the ratio of the value of our goods to the value of the object. If the orderer acquires sole ownership through the processing or combination, then the orderer transfers co-ownership to us in accordance with the ratio of the value of the conditional goods in question to the value of the resulting object, and the orderer does so in advance, when the contract is concluded. The case of resale is governed by the following clause; the claim resulting from resale or other legal grounds is likewise assigned to us in the amount of the aforementioned ratio in advance, when the contract is concluded. We accept this assignment.

6.4 If the conditional goods are sold by the orderer, either by themselves or with goods that do not belong to us, then the orderer assigns to us the claim resulting from the resale in the amount of the value of the conditional goods together with all ancillary rights and rank before the remainder, whereby this assignment is made in advance, when the contract is concluded. We accept this assignment. The value of the conditional goods is the amount stated in our invoice.

6.5 The orderer is entitled to resell the conditional goods, use them and/or include them in other goods only in the normal, ordinary course of business. The orderer is not entitled to dispose of the conditional goods in any other way, say by pledging them or transferring ownership as collateral.

Payments by cheque / bills of exchange are not deemed to have been made until the cheque / bill of exchange has been submitted and the invoice amount credited to our account.

6.6 The orderer is not entitled to resell, use and/or include conditional goods in other goods under conditions of a third party that do not allow the orderer to assign to us its claims against third parties.

6.7 The orderer empowers us to collect the claims assigned to us, subject to revocation. We shall make no use of this power unless the orderer unless the orderer fails to comply with its payment obligations to us. At our request, the orderer shall give us all the information which we require about the goods which we own or co-own and the claims and rights assigned to us and the orderer shall inform its employees accordingly. We are entitled but not obligated to notify the orderer's customers of our ownership and/or co-ownership and to assert the claims assigned to us in our own name. When we enforce assigned claims, we do so at the expense and risk of the orderer without being obligated to do so and without it being possible for the orderer to hold us liable when we do so.

6.8 The orderer shall notify us without delay of any enforcement measures taken by third parties in respect to the claims assigned to us and forward us the documents which we need in order to object.

6.9 We agree that upon request by the orderer we shall release the collateral to which we are entitled insofar as the value of this collateral exceeds the value of the underlying claims which have not yet been settled by more than 20%.

6.10 Pledges and assignments by the orderer of conditional goods and the rights to which we are entitled as well as other dispositions which interfere with our rights are not permissible.

6.11 In the event that any third party proceeds against conditional goods, the claims assigned to us or the rights established in the foregoing clauses, the orderer shall point out the fact of our ownership, notify us without delay and send us all the documents which we need in order to intervene.

6.12 If we take back or attach conditional goods, this shall not be construed as withdrawal from the contract; rather, such measures are taken solely for the purpose of securing our rightful claims.

6.13 In the event of commencement of court settlement or insolvency proceedings, we are not in agreement with resale of conditional goods.

7. Payments

7.1 If nothing else is agreed, invoices are to be paid to us in the currency of the Federal Republic of Germany within 30 days of the invoice date. Our agents are not authorized to accept payments. We have the right to assign our claims against the orderer to third parties.

7.2 When payment is made within 8 days of the invoice date, a discount of 2% may be taken provided the buyer is not in payment default for any previous delivery. All other discounts and rebates must have been agreed in writing.

7.3 All payments are to be made to our headquarters without any transaction costs. If transaction costs of any type are charged to us by banks or clearing houses, they will be passed on to the orderer.

7.4 Payments by bills of exchange are barred unless this has been explicitly agreed in writing. If a bill of exchange is accepted on an exceptional basis, this constitutes an extension of the payment period only if the orderer's financial circumstances do not deteriorate. Payments by bills of exchange are not payments in cash. Discount and all other charges must be paid by the orderer immediately upon presenting the bill. We do not accept liability of any kind for timely presentation, protestation, or return.

Cheques are accepted not in lieu of performance but on account of performance (obligation is not discharged until cheque is cashed).

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- 7.5 We charge default interest of 8% per year above the applicable discount rate of the German Federal Bank. This rate is to be raised if we can prove that the damage to us was greater, and it is to be lowered if the orderer can prove that the damage to us was less.
- 7.6 Reimbursement of payment because of counter-claims of the orderer that are not recognized by us and have not been established by a final, enforceable court ruling is not possible; likewise, offsets by the orderer are not permissible in such a case.
- 7.7 If the orderer is in payment default with a claim, we may declare that all of our outstanding claims against the orderer are due. If the orderer does not comply with the payment terms or if facts become known to us which imply that our claims to the purchase price are threatened by the orderer's liquidity problems, then we are entitled to demand advance payment or provision of collateral for further deliveries.

8. Passage of Risks

- 8.1 All risks pass to the orderer at the latest when the shipment leaves our premises or shipment is postponed at the orderer's request after notification of readiness to ship. We do not cover damages to and loss of goods during shipment. Insofar as claims can be asserted against liable third parties and/or insurers (insurance only at the request and expense of the orderer), all claims of the orderer against us are exhausted when we assign our claims, if any, to the orderer.
- 8.2 The goods delivered have the qualities implied by the product description; otherwise, they have the commercially customary qualities. Declarations regarding these qualities do not constitute guarantees unless this is stated explicitly. In general, no guarantees that go beyond the warranty pursuant to these Terms and Conditions and the law are assumed.

When goods are received, the orderer must inspect them for defects and qualities without delay. Defects must be reported to us in writing within one week of delivery. Independently of this, the orderer's right to report defects to us expires immediately if the orderer changes or processes the goods obtained from us or combines them with other goods. Statutory provisions that go beyond this remain unaffected.

Concealed defects must be reported to us in writing within six months after the goods were received and within one week after they were detected. The orderer must make allegedly defective goods available to us for inspection within one week of when the written defect report was sent. All claims will cease to exist if the orderer refuses to do so and is at fault. The foregoing obligation to report defects to us also applies if any of the orderer's customers report to the orderer a defect in all or part of the goods delivered by us. If the orderer's complaint is justified, then the orderer has the right to demand rectification or a replacement delivery within the framework of supplementary performance. We are entitled to reject the selected type of supplementary performance if the costs would necessarily be disproportionately high or if the selected type of supplementary performance would be more expensive than the other type and entail substantial disadvantages for the orderer relative to the other type.

In the event of supplementary performance by means of rectification, our right to set aside defects by means of rectification is limited to three attempts for any given defect and six attempts for all the defects in a given article taken together. If the article is to be transported to a place other than the original place of delivery, the orderer shall bear the additional costs, if any. The same applies if the orderer returns the defective article to us from a place other than its headquarters / original place of delivery for the purpose of supplementary performance.

The orderer is not entitled to assert further warranty claims unless it has first set us a reasonable deadline for rectification / replacement

delivery and this deadline has expired without result. Minor defects do not entitle the orderer to withdraw from the contract; however, the orderer still has the right to reduce the purchase price accordingly.

- 8.3 There are no obligations under the warranty if:
- a) the defect was caused by improper use, operation or care, by faulty maintenance, faulty installation and initial operation, by use of force or by other external influences including circumstances related to storage and shipment, insofar as we cannot be held responsible;
 - b) the defect is based on an improper change of the article, especially by use of unsuitable or third-party spare parts, and otherwise the damage would not have occurred; or
 - c) the defect is based on qualities or defects of parts or components of our products (e.g. foils) which the orderer has defined and required that we use.

Natural wear and tear as well as damages attributable to negligent or improper use or handling are excluded from the warranty.

- 8.4 Goods that are allegedly defective are to be sent to us together with the original delivery note or photocopy thereof. By discussing complaints, we do not waive the possible objections of a non-existent, belated or improper defect report.
- 8.5 The orderer is entitled to retain payments based on defects only to the extent that this is, in good faith, proportionate in view of the defect in question; that is, retention of no more than the purchase price of the article alleged to be defective.
- 8.6 If the orderer or a third party carries out a repair improperly, then we assume no liability for the duration of the consequences. The same applies to all changes made without our prior written consent.
- 8.7 Claims to compensation for damages are also governed in section 9.
- 8.8 The warranty period for material defects is normally one year from date of delivery. However, if we are intentionally or even deceitfully silent about a defect known to us, then we are liable in accordance with the statutory provisions. The warranty period is shorter than one year if the defect pertains to a product with lifetime typically less than a year, in which case the warranty period is the normal lifetime.
- 8.9 The orderer may not market goods manufactured by us by using advertising which we have not approved. If the orderer's customers assert defect claims based on deviations of the products they purchase from the orderer's advertising, the orderer, or marketing partner, does not have the right to derive corresponding claims against us.
- 8.10 Minor deviations in colour are permissible. Products may be returned only with our permission; otherwise, they will be sent back at the sender's expense. Defects in goods that have already been processed cannot be reported any more unless the defects were concealed and we are demonstrably at fault. Our liability for damages resulting from delivery of defective goods or delivery of the wrong goods is limited to the purchase price of the quantity of the delivery that has been used.
- 8.11 Deliveries are subject to deviations from samples, colour, quality, weight, etc., insofar as such deviations are customary in commerce. Complaints of variations in shades of colour cannot be considered in cases of custom made articles manufactured in accordance with the buyer's specifications. Only the buyer is liable in all cases of copyright violations of custom-made articles. Insofar as we provide technical advice or assistance in regard to the use of our products, we do so on the basis of our latest technical experience. However, no warranty or replacement claims of any kind can be derived from this.

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9. Liability

- 9.1 In all cases of claims for compensation for damages sustained by the orderer, regardless of their legal grounds, such as, for example, violations of contractual obligations and torts, we are liable only for intention or gross negligence unless
- there is liability for death, bodily injury or damage to health, or
 - there is liability for breach of cardinal contractual obligations.
- 9.2 However, claims for compensation for damages due to breach of cardinal contractual obligations are limited to damages that are regularly foreseeable for the type of contract in question.
- 9.3 This also applies in cases of liability for defects.
- 9.4 The limitations of liability in sections 8 and 9 also apply to liability, if any, for erroneous advice, erroneous installation instructions, and all other violations of ancillary obligations.
- 9.5 All further claims to compensation for damages are barred.
- 9.6 Clause 8.8 also applies to the limitations period for the foregoing possible claims.

10. Offsets / Rights of Retention

The orderer may offset our claims with counter-claims only if the counter-claim is not in dispute or has been established by a final, enforceable ruling by a court. Insofar as nothing else is stated in these Terms and Conditions, this also applies to assertion of rights of retention.

11. Place of Fulfilment and Place of Jurisdiction

- 11.1 The place of fulfilment is Ebern, Germany. In individual cases, we are entitled to specify the place of some other factory that delivers.
- 11.2 In all cases of disputes arising from the contractual relationship, the orderer shall commence litigation at the court which is responsible for our headquarters if the orderer is a merchant, a legal entity under public law or a special fund under public law. We are also entitled to commence litigation at the headquarters of the orderer.

12. Applicable Law

The legal relations between the orderer and us are governed exclusively by the law of the Federal Republic of German to the exclusion of the UN Convention on the International Sale of Goods (CISG). This applies even if the orderer has its headquarters outside of Germany. In all cases of successful legal proceedings conducted against an orderer outside Germany, the orderer shall bear all fees, costs and expenses which we sustain, and shall reimburse us accordingly.

13. Agreements of Form

- 13.1 All changes, supplements and subsidiary agreements in respect to these Terms and Conditions or to an individual contract must be agreed in writing to take effect. This also applies to any agreement to waive written form.
- 13.2 No oral agreements between the parties have been made.

14. Other

- 14.1 All transfers of rights and obligations of the orderer that arise from the contract concluded with us require our written consent to take effect.

- 14.2 If any provisions of the foregoing Terms and Conditions are or become null, voidable, or ineffective in whole or in part, this shall not affect the effectiveness of the remaining provisions or of the remainder of the contract. Then the contracting parties shall fulfil the contract with an effective substitute arrangement which comes as close as possible to the economic purpose pursued by the provisions that have been replaced.