

Standard Terms and Conditions of Delivery and Payment

1. General

The following terms and conditions only shall apply to our deliveries and services in so far as the buyer is a merchant, a legal entity under public law or special assets under public law. The buyer's contrary or deviating terms and conditions shall not apply unless we agreed to them explicitly and in writing in an individual case.

2. Offers, prices, delivery times

Our offers are subject to change without notice with regard to prices, quantity, supply price and delivery prospects. Our acknowledgement of an order in written or text form shall govern exclusively the acceptance of the order, the scope of delivery and the time of delivery.

Our prices apply ex works (EXW – Incoterms 2000) plus packing and VAT.

If the delivery date is more than four months after the conclusion of the contract, a price adjustment to changes in the pricing basis (e.g. raw materials, labour) shall be permitted. We shall then invoice the prices that are valid on the day of delivery. This shall also apply to orders without a price agreement.

The start of, and compliance with, the delivery time we indicate presupposes the clarification of all technical questions and the on schedule and due fulfilment of all the buyer's obligations. If an agreed delivery date is not complied with for reasons for which we are responsible the buyer shall set us a suitable period of grace for delivery in writing. This period of grace shall not be less than three weeks. If the delivery does not take place after expiry of the period of grace and if the buyer wishes for this reason to withdraw from the contract or to demand damages instead of the performance, he undertakes to notify us of this beforehand in writing with an express demand for delivery combined with a suitable further period of grace.

Our duties to deliver shall be suspended in the event of force majeure; if a material change occurs to the relationships that existed at the conclusion of the contract we shall be entitled to withdraw from the contract. This shall also apply to energy or raw material shortages, labour disputes, decrees, transport or operational disturbances, or if subcontractors do not deliver to us on time or correctly because of the above reasons.

3. Delivery conditions, place of performance

We reserve the right to select the transport route and the type of transport. Extra costs caused by the buyer's special shipping wishes shall be for the account of the buyer. This shall also apply to increases in freight charges that occur after the contract is concluded, any additional costs for reconsignment, warehouse charges, etc., unless carriage paid delivery is agreed.

Part deliveries and corresponding invoices shall be permitted unless this is unacceptable for the buyer.

Delivery shall be ex works (EXW – Incoterms 2000). The risk of destruction, loss of or damage to the goods shall be transferred to the buyer when they are sent or, in the event that the buyer collects them, when they are made available. If the delivery is delayed for reasons for which the buyer is responsible the risk shall be transferred on the day on which the availability is notified.

The buyer shall note any detectable transport damage in the freight papers, have the facts established by the competent agencies without delay and inform us.

4. Reservation of ownership

Goods sold shall remain our property until payment in full of all claims under the business relationship. The buyer may resell goods subject to reservation of ownership in the framework of due business activities. If the buyer sells these goods without receiving the full purchase price in advance or contemporaneously with the handover of the item purchased, he shall agree reservation of ownership with his customers in accordance with these conditions. The buyer hereby assigns to us his claims under this resale and the rights under the reservation of ownership that he agreed. He agrees at our request to notify the assignment to purchasers and to provide us with the information required to claim our rights against the purchasers and to hand over documents. In spite of the assignment the buyer shall only be authorised to collect payments under the resale as long as he complies duly with his obligations to us.

If the buyer works or processes the goods our reservation of ownership shall be extended to cover the whole of the new article. In the case of processing, combining or mixing with external goods by the buyer we shall acquire title in the fraction that corresponds to the invoice value of our goods to that of the other objects used by the buyer at the time the processing, combining or mixing took place. If the goods subject to reservation of ownership are combined or mixed with a principle thing belonging to the buyer, the latter hereby assigns in addition his rights in the new thing to us. If the buyer combines or mixes the goods subject to reservation of ownership with a principle thing belonging to a third party against payment, he hereby assigns his claims for payment against the third party to us.

If the value of the securities provided to us exceeds our claims by more than 20 percent, we undertake to release securities of our choice on demand by the buyer. If we claim reservation of ownership this shall only be deemed to be a withdrawal from the contract as well if we declared this expressly in writing beforehand.

5. Terms of payment

Unless otherwise agreed the buyer shall pay us the purchase price 30 days after issue of the invoice. On expiry of the period for payment the buyer shall be in default pursuant to Section 286(2) No. 2 of the German Civil Code ("BGB").

Cheques and bills of exchange shall only be accepted as conditional payment, bills of exchange by special agreement only. Bill charges and other costs of payment shall on principle be for the account of the buyer and are due immediately.

The buyer may only set off with undisputed or unappealable counter-claims. The buyer shall only be entitled to rights to withhold in so far as these are based on the same legal transaction.

6. Quality of the goods, guarantee

The quality of the goods that is described in our product descriptions, specifications and markings shall on principle be deemed to be the sole quality. Public statements, praise or advertising shall not represent indications of the quality of the goods sold. The buyer shall be obliged independently of this to examine our products and services himself for their suitability for the planned use.

The relevant DIN/EN standards shall apply for the compliance with dimensions and technical data. Dimensions and data that we indicate in offers and acknowledgements of orders shall be deemed to be approximate only.

We do not accept any liability for our product or services data beyond the respective individual contract. Our product descriptions and data describe the quality of our products and services only and do not represent a guarantee within the meaning of Section 443 of the German Civil Code ("BGB"). Guarantees must be agreed in writing. A declaration of guarantee shall only be valid if it describes the contents of the guarantee and the term and geographical scope of the guarantee protection with sufficient definiteness.

We reserve the right to make technical changes in the course of product development.

7. Buyer's rights in the case of defects

The buyer may not submit any claims because of defects of our delivery and service in so far as the value or the suitability of our delivery and service is reduced to an inconsiderable extent only.

In so far as our delivery and service are defective and the buyer submitted a written complaint in accordance with Section 377 of the German Commercial Code ("HGB") in good time, we shall at our option provide a replacement or remedy the defect (subsequent fulfilment). We shall be granted an opportunity to do this within a suitable period of not less than eight days.

The buyer may demand compensation for the expenses necessary for the purpose of the subsequent fulfilment in so far as the expenses are not increased because the object of the delivery was transferred subsequently to a location other than the original place of delivery, unless the transfer corresponds to use for the intended purpose.

If the subsequent fulfilment is unsuccessful the buyer may reduce the payment or withdraw from the contract. However, withdrawal shall only be permitted if the buyer expressly threatens this beforehand with a suitable additional period of grace.

The buyer's claims under rights of recourse pursuant to Section 478 of the German Civil Code ("BGB") shall not be affected, but these shall only exist against us in so far as the buyer did not conclude any agreements with his own customers that go beyond the statutory claims arising from defects.

8. Damages

We shall only be liable for damages or compensation (referred to below as liability for damages) for whatever legal reason, in particular for a breach of duties under the contractual obligation and for tort, in so far as we, our legal representatives or our vicarious agents acted deliberately or with gross negligence or if the duty that was breached is of essential importance for achieving the purpose of the contract (cardinal duties).

In the event of negligent breaches of cardinal duties our liability for damages shall be limited to the foreseeable damage typical for the contract. This shall amount to not more than twice the invoice value of the goods affected.

The exclusion or the limitation of liability shall not apply if we are mandatorily liable under the Product Liability Act or for other reasons in the case of injuries to life and limb or for damage to privately used objects. This is not combined with a change to the burden of proof to the disadvantage of the buyer.

9. Statute of limitations

The period of limitation for claims based on defects to our deliveries and services and for claims based on our liability for damages shall be one year. This shall not apply in so far as longer periods are prescribed pursuant to Sections 438(1) No. 2 (constructions and things for constructions), 479(1) (claim under a right of recourse) and 634a(1) No. 2 (construction defects) of the German Civil Code ("BGB") and in cases of injury to life and limb or health, in the event of an intentional or grossly negligent breach of duty on our part and for claims for damages in accordance with the Product Liability Act.

10. Venue, choice of law, severability clause

The venue for both parties shall be Dillenburg; if we sue, the buyer's general venue shall also apply.

The laws of the Federal Republic of Germany shall govern all the legal relationships between the buyer and us.

In the event that individual provisions of these Standard Terms and Conditions are invalid in whole or in part, this shall not affect the validity of the remaining provisions. The parties shall replace an invalid

provision by a valid provision that most closely approaches the commercial purpose of the invalid provision.

As of: January 2003