

General Terms and Conditions of Delivery

I. Introduction

1. These terms and conditions apply only to businessmen according to § 14 BGB (German Civil Code), legal persons under public law, and public special assets.
2. Unless other terms or conditions have been agreed upon in writing, all present and future deliveries and services (subsequently referred to as "Deliveries") to one of the customers referred to as Customer of the type defined in Section I, Subsection 1 (subsequently referred to as "Customer") are subject to these terms and conditions. Even if we do not expressly object to them, the Customer's terms and conditions of business are not part of the contract.
3. Unless another period of commitment is given, we adhere to our quotations with regard to the technical subject matter and the prices for three months. We are not otherwise bound by our offer. Unless there is a special agreement, a contract only becomes effective through delivery or our written confirmation of the order. **In particular, our employees are required to confirm in writing oral collateral agreements and commitments** going beyond the contents of the written contract or changing these General Terms and Conditions of Delivery and Payment to our disadvantage.
4. In addition to other information, we retain sole title and all copyrights of prototypes, cost estimates, drawings, etc., also those in a computerized format. This information may not be disclosed to third parties without our prior written consent. Unless the illustrations, drawings, and details concerning colour, weight, and dimensions are expressly referred to as binding, they are only approximations.

II. Prices and Payment

1. Unless agreed otherwise, our prices are CPT place of destination (Incoterms® 2010). Packaging, transportation costs, and applicable sales tax are charged separately.
2. Should the period of delivery exceed 2 months, we may increase or decrease the agreed prices appropriately to the extent that significant changes in wages, salaries, material, or raw-materials expenses have occurred and we cannot be held liable for these changes. Should the price increase exceed 5%, the Customer may withdraw from the contract in writing within 2 weeks after they have been notified of the increase.
3. Unless agreed otherwise, payments are due to our bank account within 30 days of the billing date without deductions.
Payments are valid only to the extent that we can freely dispose of them at our bank. We accept checks and bills of exchange only as means of payment. The Customer bears the bank charges. They are due immediately.
4. Should payment be delayed, we will charge interests of 8 percentage points above the base interest rate, or of 10%, whichever is higher.
5. The Customer may withhold payment or offset claims only insofar as the counterclaims are undisputed or legally binding.

III. Delivery, Delivery Period, Delay in Delivery

1. Delivery is CPT place of destination (Incoterms® 2010).
2. The given deadlines are only approximate.
3. Unless agreed otherwise, the delivery period begins with receipt of order acknowledgement, however not before clarification of all commercial and technical details concerning the execution of the order and fulfillment of all duties incumbent upon the Customer. Examples of such duties include but are not limited to providing necessary administrative certificates or approvals, as well as providing any advance payment or agreed letter of credit. Should a precise delivery deadline have been agreed upon, the delivery period is extended accordingly. The above condition does not apply insofar as we are responsible for the delay.
4. Unless we can be held liable for the delay, adherence to the delivery deadline is subject to the reservation that we are punctually and correctly supplied (especially with primary materials) by our own suppliers. We will inform the Customer of any emerging delays immediately.
5. The delivery deadline is considered as met once the article has been turned over to the carrier at our plant in Müllheim before the deadline expires. Should acceptance be necessary and unless acceptance of the article has been justifiably refused, the acceptance date or, alternatively, the notification of readiness for acceptance is authoritative.
6. The Customer's change requests extend the delivery period until we have evaluated their feasibility and for the length of time necessary to implement the new specifications in the production process. Should the change request result in the interruption of current production, we may process other orders first and complete these orders. We are not required to reserve production capacity during the delay.
7. Should delivery or acceptance of the article be delayed for reasons for which the Customer is responsible, there will be a monthly charge

of at least 0.5% of the invoiced value of the stored Delivery for storage at our plant.

8. Should we be in default of delivery and should the Customer incur damage therefrom, in cases of ordinary negligence our liability is limited to 0.5% of the net invoice value of the delayed portion of the Delivery for every full week of delay and to a maximum total amount of 5% of this value. Claims for damages instead of performance according to Section VII are not affected by this limit. The Customer must inform us about contractual penalties in regard to their customers at conclusion of the contract at the latest.

IV. Transfer of Risk, Acceptance, Force majeure

1. The Customer assumes risk when the goods are turned over to the carrier at our plant in Müllheim (= place of delivery), even if there are partial deliveries or we perform by way of exception other services, e.g., assuming shipping costs or delivery. Insofar as there must be an acceptance, acceptance is authoritative for transfer of risk. Acceptance must occur promptly on the acceptance date or, alternatively, upon notification of readiness for acceptance. The Customer may not refuse acceptance should there be a minor defect.
2. To the extent that partial deliveries can be reasonably accepted by the Customer, they are allowed.
3. Events that are neither foreseeable, avoidable, nor within our control (e.g., force majeure; strikes or lockouts; stoppages; difficulties in obtaining material or energy; transportation delays; shortages of labour, energy, or raw materials; actions by administrative bodies; as well as difficulties in obtaining authorizations, in particular import or export licenses) extend the delivery period for the length of the disturbance and of its effects. This extension of the delivery period also applies when the difficulties affect our suppliers or occur during an existing delay.

Should the hindrance not only be temporary, both parties to the contract have the right to withdraw from the contract. Claims for damages are excluded in the cases mentioned in Section IV, Subsection 3.

V. Retention of Title

1. We retain title to the delivered goods until all payments have been received and all checks and bills of exchange accepted as part of the business relationship with the Customer have been irrevocably credited to our account. Should an open account relationship exist, retention of title applies to the acknowledged balance.
2. The Customer must maintain the conditional goods and treat them with care. In particular, they must insure them adequately for their market value against loss and damage at their own expense. They must show us the insurance policy as well as proof of payment of the insurance premiums on request. He cedes to us in advance any claims arising from the insurance policies subject to a condition subsequent of the transfer of title. We accept the cession of claims.
3. Treatment and processing of the conditional goods by the Customer are always carried out on our behalf without creating any liability on our part. Should our goods be mixed or combined with other goods, we acquire title to the new goods in the proportion of the net invoiced value of the conditional goods to that of the other materials.
4. Should the Customer sell the conditional goods, alone or together with goods not from us, they will cede in advance the resulting claims amounting to the value of the conditional goods with all ancillary rights and priority before the remaining claimants. We accept the cession of claims.
5. The Customer may and is authorized to sell, to use, or to include the incorporate the conditional goods only in the course of normal business and only and authorized to do so with provided that the claims really devolve to us. With the reservation that we may revoke the authorization, we authorize the Customer to collect the assigned claims. We will not use our own authorization to collect the assigned claims as long as the Customer meets their payment obligations, including those to third parties. Should there be a delay in payment or should an application for the opening of insolvency proceedings be made or payments be suspended, the Customer must, upon request, name the debtors for the assigned claims and inform them of the assignment. We are also authorized to inform the debtors about the assignment ourselves.
6. The Customer must notify us without delay of third-party foreclosure actions against the conditional goods or the assigned claims and surrender the documents necessary to file an objection. Unless the Customer can recover expenses resulting from the defense against such an action from the third party, they must bear the expenses themselves.

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7. With the cessation of payment, the application for or the opening of insolvency proceedings or settlement proceedings in or out of court, the rights to further process, resell, use or include the conditional goods, and the authorization to collect the assigned claims ends. The authorization to collect also ends upon a check or bill or exchange protest.
8. Should the value of the collateral given exceed our claims by more than 10%, and should the Customer so request, we will release collateral of our choice to this extent. With payment of all claims from the business relationship, title to the conditional goods and the assigned claims pass on to the Customer.
9. The Customer may neither pledge the article nor assign it by way of collateral. The Customer must notify us without delay upon attachment of the article as well as seizure or other actions by third parties,
10. Repossession of the conditional goods does not constitute withdrawal from the contract. Should we withdraw from the contract, we have the right to sell the goods on the open market. The application for the opening of insolvency proceedings gives us the right to withdraw from the contract and to demand the immediate return of the article.

VI. Claims for Damages

Material Defects

1. Obvious material defects must be reported to us in writing without delay, in any case no later than 8 days after receipt of the goods; hidden material defects within 8 days after discovery. Should these deadlines be exceeded, all claims and rights arising from liability for these defects expire.
2. Should there be legitimate complaints, we have the choice between delivering replacement items or repairing the goods. Should the supplementary performance fail, the Customer may, after a reasonable additional extension period has expired, demand a reduction in price or, should there be major defects, withdraw from the contract. Should the supplementary performance fail, the Customer may demand damages instead of performance in accordance with Section VII.
3. We cover no supplementary performance expenses arising because the purchased item has been moved to a location other than the Customer's place of business after delivery.
4. Replaced parts become our property.
5. In particular, unless the Customer can prove that the defect was present on transfer of risk and is not due to these circumstances, we assume no liability for defects in the following cases: inappropriate or improper use, incorrect assembly or commissioning by the Customer or a third party, normal wear, incorrect or careless handling, incorrect maintenance, unsuitable operating material, defective construction, building ground, chemical. Electrochemical, or electrical influences,
6. Should the Customer or a third party incorrectly repair the article, we are not liable for the consequences resulting therefrom. The same condition applies to changes in the delivered article without our prior written consent.

Defect of Title

7. Should the use of the article result in violation of industrial property rights or copyrights in Germany, we will obtain as a basic principle at our expense the right for the Customer to further use the article or will modify the article in a way that is reasonable for the Customer so that it no longer violates the industrial property right. Can this not be done to economically acceptable conditions or within an acceptable period of time, the Customer may withdraw from the contract and can demand damages instead of performance according to Section VII. Under the requirements in Section VI, Subsection 7, also we have a right to withdraw from the contract.
8. Violation of third party industrial property rights is a defect only when these rights are valid in the Federal Republic of Germany.
9. In addition, no defect of title exists when this is based on an instruction from the Customer or the violation was caused by the Customer changing the article without authorization or has used article contrarily to the contract.
10. The obligations in Section VI, Subsection 7 for cases of violation of industrial property rights or copyrights are exclusive. The obligations exist only when the Customer informs us without delay about claims concerning industrial property rights or copyrights that have been asserted. In addition, they only exist when the Customer supports us to the appropriate degree in the defense against the asserted claims, makes it possible for us to carry out the modification activities in Section VI, Subsection 7, and we retain the use of all possible defenses, including an out-of-court settlement.

VII. General Liability

Claims for damages of any sort against us are excluded when we, our lawful representatives, or our vicarious agents have caused the damage by ordinary negligence.

This exclusion of liability does not apply to bodily injury, the assumption of a contractual guarantee, or the violation of important contractual obligations. Important contractual obligations are those obligations, the fulfillment of which make the proper execution of the contract possible in the first place, in the adherence to which the Customer constantly trusts and may trust, and the breach of which endangers the achievement of the purpose of the contract.

However, should we give a guarantee, our liability is limited to the extent of the guarantee, or, by ordinarily negligent violation of important contractual obligations, to customary and foreseeable damages.

Claims arising from the Product Liability Law are not affected.

VIII. Packaging

We take back our packaging that accumulates in Germany, but not at private end-consumers, at our place of business and during our usual business hours. The Customer bears the expenses of return shipment. The packaging must be returned clean, free of foreign substances, and sorted according to type.

IX. Use of Software

1. To the extent that software is included in the Delivery, the Customer is given a non-exclusive right to use the delivered software, including its documentation. The software is provided for use on the article delivered for this purpose. Use on more than one system is prohibited.
2. The Customer may copy, revise, translate, or convert from object code into source code only to the statutory extent (§§ 69 a ff. UrhG [German copyright law]). The Customer obligates themselves not to remove or, without our prior express permission, to change manufacturer's data, in particular copyright notices.
3. All other rights to the software and documentation, including copies, remain with us or with the software supplier. Granting of sub-licenses is not allowed.

X. Applicable Law, Place of Jurisdiction

1. German law applies to all contractual relationships between us and the Customer. The United Nations Convention on Contracts for the International Sale of Goods (CISG) dated 11 April 1980 does not apply.
2. **The place of jurisdiction is our head office in Müllheim (Baden), Germany.** However, we also have the right to sue at the Customer's head office.