

Terms of Sale and Delivery 2

1. Offers. All our offers are without engagement. All customers wishes, agreements and collateral agreements which differ from our general terms of sale and price-lists only have binding force after we have given our explicit confirmation in writing even if they have already been discussed with our collaborators of the outdoor service. These terms of sale and delivery apply to all orders booked by us. Terms and conditions named by the buyer have no binding force, even if they form the basis of the order and have not been contradicted. Our technical support is based on internal experience and knowledge. This information is without any engagement and does not release the customer from final tests and examinations. The credit-worthiness of the buyer is taken for granted at receipt of order. If, after acceptance of the order, doubts should arise concerning the credit-worthiness of the buyer, for which purpose the report of a credit agency is considered sufficient proof, we are entitled to demand immediate cash payment or withdraw from the contract. The buyer is not entitled to demand a copy of the report.

2. Delivery. The time of delivery is not guaranteed. An Act of God or any other circumstances which arise through no fault of ours, i.e. production or transportation holdups, lack of raw materials etc. release us from any contractual obligation. In this case we are entitled to withdraw either completely or in part from our delivery obligations.

3. Dispatch and Risk. With dispatch the risk for the goods to be delivered is transferred to the purchaser, even in cases where we have assumed the transportation costs or where dispatch is effected in our own vehicles. If no agreement has been made to the contrary, the mode of dispatch will be determined by us, whereby the purchaser has to pay the costs of the means of transport chosen by us.

4. Packaging. If packaging is necessary, this will be charged at cost price and cannot be returned.

5. Prices. As a general rule delivery is only made at the list prices valid on the delivery day (plus value-added tax).

6. Terms of Payment. Payment must be made in cash without any deductions within 30 days of the date of issue of invoice. Other conditions require a written agreement. Bills and cheques will be accepted only as an undertaking to pay. We reserve the right to accept bills, the terms and maturity of which may not exceed 3 months. If a settlement in bills has been agreed upon, discounting must be possible. The deduction of a cash discount will not be granted. For the first 30 days after the date of invoice the discount and bill charges are to be debited to our account and after that to the buyer's account.

Non-payment at maturity date will be considered default without a reminder. In case of default all rebates, discounts and any concessions regarding turnover, freight and other things which may have been approved will be forfeited. In addition, in the case of default as well as in the case of protested bills or cheques or in any other circumstances which cast doubt on the credit-worthiness of the buyer, all our accounts receivable, notwithstanding any agreed extensions of credit, will fall due immediately and will be enforceable at law. This will include the charging of interest on arrears at 4 % above the currently valid interest rate of the "Deutsche Bundesbank (German Central Bank)".

If delivery is effected in partial consignments, the purchasing price of each partial consignment falls due without regard to the further deliveries. The buyer waives any right to postponed payment.

7. Reservation of Property. Our deliveries are subject to reservation of title. The title of property is only transferred to the purchaser after all payment obligations have been met. This regulation also applies after the purchasing price for particular goods deliveries, specified by the buyer, has been paid. The buyer is entitled to make use of the goods delivered subject to reservation of title in the regular course of business. The processing and finishing of goods delivered by us and being our property always occurs by our order and without any obligations on our part. As soon as goods delivered by us are processed or blended or combined with other items, the buyer transfers his legal ownership or part ownership of the new item to us.

It is regarded as agreed that the buyer has the custody of the goods subject to reservation of property and the items manufactured from them, of which he has relinquished his legal ownership or co-ownership. The buyer may not assign by bill of sale as security for a debt nor allow a lien on the goods subject to reservation on property or the items manufactured from them.

If the buyer sells the goods delivered by us – in any condition whatever – he thereby from that point relinquishes the accounts receivable from his customer which arise from the sale with all additional rights until the complete settlement of all our accounts receivable arising from the goods deliveries. At our demand, the buyer is obliged to make assignments known to his customer and to hand over to us all documents necessary for us to enforce our rights against this buyer.

If the value of the securities given to us exceeds the accounts receivable on our delivery by more than a total of 20 %, we are obliged at the demand of the buyer to retransfer to that amount. The buyer must inform us immediately of any infringement upon our rights by a third party.

8. Warranty of Quality. Notification of defects must be made within 7 days of the arrival of the goods at their destination. This must be done in writing before the goods are processed with exact particulars of the alleged individual defects by presentation of packing slips. This in no way influences the fulfilment of agreed terms of payment. The buyer is obliged to examine the whole consignment. A replacement delivery for goods delivered in a condition which are proven to be defective will be granted as soon as possible. In spite of the complaint the buyer must, in the first instance, accept, unload and store the goods appropriately. Other claims, in particular in respect of rescission, diminution of the price or compensation, or on the grounds of non-fulfilment of the contract are inadmissible. Failure to comply with the terms of payment exempts us from seller's warranties. We are not responsible for damages afterwards. In case of wrongly delivered goods or the absence of parts or accessories, the buyer may only claim subsequent delivery of wrong and missing parts.

9. Export Deliveries. . In case of deliveries outside German Federal territory, the buyer bears the total risk which may incur as a result of the laws in operation in the state of residence of the buyer. The supplier assumes no liability whatsoever. Any disputes arising hereunder will be settled before a competent court of law in the place of the head office of the supplier. The company is, however, entitled to apply to the courts of law in the place of the head office or residence of the buyer. In legal disputes before German courts of law only German law applies.

10. Place of Performance for delivery and payment is Schweinfurt.

11. Jurisdiction. It is agreed that the courts of law which are competent for Schweinfurt have sole jurisdiction also for the rights and obligations that may arise from bills and cheques. Arrangements which differ from the preceding terms and conditions are only valid if they are made in writing.

12. Attention: Deliveries with tolerances in quantity of +/-10 % are acceptable.

Stand 04.11.1998