

These General Terms and Conditions are effective as of July 1, 2007.

01 Scope

1. These General Terms and Conditions shall apply to all deliveries, services and offers made or performed by the Supplier. In particular, they shall apply to all future business relationships even if they are not explicitly agreed once again. These General Terms and Conditions shall be deemed accepted by the Customer upon acceptance of the deliverables. The Supplier hereby expressly objects to any counter-confirmation of the Customer whereby reference is made to the Customer's own general terms and conditions.
2. Deviations from material conditions and modifications and amendments of this contract are only valid if made in writing. The simple electronic record (§ 127 III BGB), i.e. normal email, shall not be deemed to fulfill this written form obligation. The qualified electronic record (§ 126 a BGB), i.e. an accredited certificate, is required.

02 Offers and Conclusion of Contracts

1. All offers made by the Supplier are subject to change and not binding. All letters of acceptance and orders are only valid if acknowledged by the Supplier in writing or by telex or fax. The same shall apply to all modifications, amendments or side agreements thereto.
2. Drawings, illustrations, measurements, weights and/or other work performance data shall only be binding if they are expressly jointly agreed in writing.

03 Prices

All prices quoted in offers and/or price lists are in EURO (EUR) exclusive of VAT and are ex works Tuttlingen exclusive of packing and shipment. The prices valid on the date of delivery shall be charged.

04 Time of Delivery and Period of Performance

1. All delivery dates and deadlines quoted by the Supplier are not binding unless otherwise expressly jointly agreed in writing.
2. A performance is considered duly rendered provided it takes place within 3 months of the deadline.
3. The Supplier shall not be responsible for delays in delivery and failure to meet performance schedules due to force majeure or reasons beyond the responsibility of the Supplier or due to events that make it substantially difficult or impossible for the Supplier to deliver or perform in a timely manner - including but not limited to subsequently arising difficulties in procurement of materials, breakdowns, strikes, lock-outs, lack of personnel, lack of means of transport, official orders, etc. - even if firm and binding deadlines and schedules have been jointly agreed. The Supplier shall be entitled to a suitable extension of the deadline or schedule for the duration of the hindrance plus a reasonable start-up period, or the Supplier may terminate the contract wholly or in part due to the unperformed part thereof.
4. In the event that the hindrance exceeds three (3) months and after a reasonable extension, the Customer is entitled to terminate the contract due to the unperformed part thereof.
5. If, due to reasons the Supplier is responsible for, the Supplier fails to meet firm and binding deadlines or performance schedules, the Customer may claim the following damages: half (0.5) percent of the price for that part of the deliverables or services in delay per complete week with the damages to be claimed limited in total to five (5) percent of the price for that part of the deliverables or services in delay. Any further claims are barred, without prejudice to any compulsory liability for acts of malice or gross negligence on the part of the Supplier.
6. The Supplier is entitled to make part-deliveries or to render partial performance, unless part-deliveries or partial performance are not of interest to the Customer.
7. The Supplier's compliance to these delivery and performance obligations assumes the punctual and proper fulfillment of obligations on the part of the Customer.

05 Goods Manufactured to Specification

1. The prices for goods manufactured to customer's specifications are based on cost price. Goods manufactured to specification are non-returnable. Orders for goods manufactured to specification may only be cancelled with the explicit prior written consent of the Supplier.
2. The Supplier is not responsible for claims resulting from infringement of patents or copyrights for models, drawings or other documents which he has received from the Customer for the manufacture of goods made to specification. The sole liability for such infringement lies with the Customer.
3. Should the Supplier become liable for claims due to infringement upon third party rights as a result of the Customer's order for goods manufactured to specification, he shall be entitled to claim compensation for such damage in the amount of the claim from the Customer.

06 Transport and Transfer of Risk

1. Risk is transferred from the Supplier to the Customer upon hand-over of the goods to the designated carrier or when the goods are removed from the Supplier's warehouse or stockroom for delivery to the Customer.
2. In the event that transport becomes impossible for reasons beyond the responsibility of the Supplier, risk is transferred to the Customer as soon as the Supplier has advised him that the goods are ready for shipment.
3. The Supplier is entitled to insure the goods for damage or loss during transport until arrival at the Customer's premises on account of the Customer unless the Customer explicitly refuses such insurance.

07 Warranty

1. The Supplier warrants that the contracted products are free of fabrication and material defects. The warranty period shall be the twelve (12) months.
2. The warranty period begins with the transfer of risk.
3. The Customer is obliged to inspect the goods on receipt of delivery and to advise the Supplier in writing of any faults or defects within one week of receipt of the goods. The Customer shall advise the Supplier in writing without delay of any defects or faults that, in spite of careful inspection of the goods, are detected subsequently.
4. In the event that the Customer advises the Supplier of any warranty claims for defective or faulty goods, the Supplier may choose from the following remedies:
 - a) repair of the defective or faulty item at Supplier's premises and return to Customer;
 - b) repair of the defective or faulty item by a service technician at Customer's premises.
5. If correction or repair of the faulty or defective item fails, the Customer is entitled to reduction of the contract price or rescission of the contract.
6. Any warranty is excluded for normal wear.
7. Warranty for goods delivered by the Supplier is not assignable: the Supplier is not liable for warranty claims from others than the Customer to whom the goods were directly supplied.
8. The Supplier will not assume the warranty for used goods.

08 Property Rights

1. All deliverables and services shall remain the property of the Supplier until the purchase price has been paid in full and until all Supplier claims against the Customer have been satisfied.
2. Such privileged property may not be pledged, placed in escrow or title thereto transferred to any third party. The Customer may sell privileged property or integrate it into other movables only within the framework of his usual scope of business. The Customer shall ensure that the right of property is reserved for the Supplier and cedes the proceeds of his sales to own customers in the full amount of the purchase price to the Supplier upon acceptance of these General Terms and Conditions. The Supplier hereby accepts such assignment. On request of the Supplier, the Customer is required to state the names of those of his customers receiving privileged property.
3. On request of the Customer, the Supplier shall replevy his security interest, insofar as the value as security exceeds the debt to be secured by more than twenty (20) percent and if such security interest is divisible.

09 Payment

1. Unless otherwise agreed, all invoices are due without any reduction within thirty (30) days after receipt of invoice.
All invoices for repairs are due at once and are to be settled without any reduction.
2. Despite Customer's provisions to the contrary, the Supplier is entitled to offset claims for outstanding invoices with payment from current invoices. If charges or interest have already accumulated, payment shall be offset with, first, charges and, second, interest and, finally, with the balance due.
3. Payment shall be deemed credited when the amount is at the Supplier's disposal. Payment by check shall be deemed credited when the check has been honored.
4. On default of payment by the Customer, the Supplier may charge interest at the current bank rate for open accounts plus the currently applicable VAT; in any event the Supplier is entitled to interest at a rate of eight (8) percent in excess of the current base lending rate pursuant to § 288 II BGB. The interest rate will be reduced commensurately upon the Customer providing proof of a lower charge.

10 Down-Payments and Security

Should it become apparent after the conclusion of a contract of sales that the financial situation of the Customer has substantially worsened or if the Supplier should have reasonable doubt as to the Customer's willingness to pay, then the Supplier may require the Customer to make a down-payment on or provide collateral for the deliverables.

11 Liability

The Supplier as well as any person engaged by the Supplier in the performance of his contractual obligations under the contract shall not be liable for claims beyond the limitations set out in § 4.4 of these General Terms and Conditions; the above limitations of liability do not apply where compulsory liability of the Supplier exists by applicable law such as for acts of malice or gross negligence or as stated in the product liability law.

12 Delay in Taking Delivery

1. If the Customer is in default of acceptance, then the Supplier is entitled to demand compensation for any damages incurred; upon default of acceptance, the risk of chance deterioration and random loss passes to the Customer.
2. Should the Customer fail to take delivery of the contracted goods within one (1) month of Supplier's advice that the goods are ready for shipment, then the Supplier is entitled to charge for warehousing of the goods to the amount of one (1) percent of the invoice value per month or part of a month.

13 Return of Goods

Goods may only be returned with the explicit prior written consent of the Supplier. The calculated counter-value minus processing expenses of at least 40 (forty) percent plus accruing revision costs will be credited to the Customer. All costs for return of goods shall be borne by the Customer. Goods manufactured to specification, modified products, discontinued product lines as well as articles which are not listed in the sales documents of the Supplier shall be deemed non-returnable and are expressly excluded from the right of return.

14 Data Protection

The Customer agrees that the Supplier may process the data of the Customer to the extent necessary for the execution of the contract.

15 Governing Law, Place of Jurisdiction, Severability

1. Governing law as applicable to these General Terms and Conditions and to the entire legal relations between the Supplier and the Customer shall be the law of the Federal Republic of Germany.
2. Place of jurisdiction for all claims arising directly or indirectly from the contractual relationship shall be the registered office of the Supplier in Tuttlingen to such an extent as legally permissible.
3. The provisions of the UN sales law do not apply.
4. Should any provision of these General Terms and Conditions or of an individual agreement be or become legally void, the remainder of these General Terms and Conditions or of the agreement shall survive.