

General Terms and Conditions of Business

• 1. General Provisions

We supply exclusively on the basis of our General Terms and Conditions of Sale and Delivery set out below, as amended from time to time. In the case of an ongoing business relationship, our General Terms and Conditions of Sale shall apply to all transactions to be performed without any need for separate reference to these terms in each individual case. In particular, we are not obliged to resend the terms of delivery for subsequent transactions.

Any deviating purchasing terms and conditions of the Customer are rejected. Ancillary agreements shall be effective only if expressly confirmed by us in writing.

The place of performance and exclusive place of jurisdiction shall be Lüdenscheid. To the extent permitted by law, this jurisdiction agreement expressly also applies to judicial order-for-payment proceedings.

Should any provision of these Terms and Conditions be or become invalid, the validity of the remaining provisions shall remain unaffected. The Customer shall be obliged to agree with us on a replacement provision that achieves, as closely as possible, the same economic and legal result as the invalid provision.

• 2. Payment

All payments shall be made in cash within 30 days of the invoice date.

Cash payments, postal cheque transfers and bank transfers are accepted as cash payment. Clearing cheques and cash cheques shall be deemed cash payment only after they have been honoured by the bank.

We are not obliged to accept any other means of payment, in particular bills of exchange, assignments of receivables or similar instruments.

If payment is not made within the aforementioned payment periods, we shall be entitled to charge the statutory interest rate from the due date and, from the date of the first reminder, default interest at a rate of 1% above the bank lending rate applicable at the time the payment period was exceeded.

The Customer may assert a right of retention only where it is based on the same contractual relationship. The Customer may set off counterclaims only where such claims are undisputed or have been finally adjudicated.

If, after conclusion of the contract, we become aware of circumstances indicating that our claims are at risk, we may make delivery conditional upon advance payment or the provision of security in the amount of all outstanding claims. This shall apply in particular where the Customer is in default with other payments owed to us. If the Customer fails to comply with a request for advance payment or security, we may claim damages for non-performance or withdraw from the contract. In such event, the Customer shall have no claims whatsoever against us, in particular no claim to delivery.

Cash discounts from our invoices must in all cases be agreed separately in writing. Any other deductions from our invoices must be itemised and adequately substantiated by appropriate supporting documents.

• 3. Delivery and Delivery Periods

The written declarations of both parties shall be decisive for delivery periods. Compliance with a delivery period is conditional upon the timely receipt of all documents to be supplied by the Customer, all required approvals and releases, the timely clarification and approval of drawings, and compliance with the agreed payment terms and other obligations. If these requirements are not met in due time, the delivery period shall be extended accordingly.

The delivery period shall be deemed met once the goods have been dispatched or collected.

If failure to meet the delivery or performance deadline is demonstrably attributable to mobilisation, war, civil unrest, strikes, lockouts or unforeseen impediments beyond our control, the deadline shall be extended by an appropriate period.

Claims for damages of any kind arising from delayed delivery or impossibility of delivery are expressly excluded in such cases, unless attributable to our gross negligence or wilful misconduct. The Customer's right to withdraw from the contract following the unsuccessful expiry of an additional period granted to the Supplier shall remain unaffected.

All shipments are made for the account and at the risk of the Customer. In the absence of a specific agreement, dispatch shall be effected at our reasonable discretion. Transport insurance shall be taken out only if requested when the order is placed. The resulting costs shall be borne by the Customer.

We are entitled to deliver quantities varying by up to 10% in weight or number of units, both with regard to the total contract or order quantity and to individual partial deliveries.

Cancellation of orders placed by the Customer and the return of goods, which must in principle be carriage paid, shall be permitted only by prior written agreement with us. We reserve the right to charge a proportionate handling fee of at least 10% of the value of the goods.

Custom-made products and products deviating from the standard catalogue specification cannot be returned or credited.

4. Customer Claims and Rights in Respect of Defects

Our liability for defects and shortfalls in quantity, to the exclusion of all other claims against us, shall be limited as follows:

- a) In the event of a demonstrably defective delivery, we shall, subject to a reasonable delivery period and return of the rejected goods to us, be obliged to provide subsequent performance free of charge.
- b) If subsequent performance fails or is impossible, the Customer may claim a reduction in the payment in accordance with statutory provisions or, at its option, withdraw from the contract.
- c) Defects in partial deliveries shall not give rise to any claims or rights in respect of other partial deliveries.
- d) All claims exceeding the claim to subsequent performance are excluded. This applies in particular to consequential damage

suffered by the Customer or third parties. This exclusion shall not apply to the extent that we are liable under a guarantee.

- e) All claims and rights of the Customer shall become time-barred after two years for new parts and after 12 months for used parts.
- f) The risk of accidental loss or accidental deterioration shall pass to the Customer when the goods leave our delivery plant or are made available to the Customer. If goods are returned for reasons for which we are not responsible, the Customer shall bear the shipping risk.
- g) No liability is accepted for transport damage unless covered by an existing breakage insurance policy.

• 5. Retention of Title

The goods shall be supplied subject to retention of title pursuant to Section 455 of the German Civil Code (BGB), with the following extensions:

- a) The goods shall remain the property of the Seller until all claims of the Seller against the Buyer arising from the business relationship, including future claims, have been paid in full.
- b) The Buyer's claims arising from the resale, permitted only in the ordinary course of business, of goods subject to retention of title are hereby assigned to the Seller up to the amount of the Seller's credit balance. The assigned claim shall secure the Seller retaining title only up to the value of the goods subject to retention of title that have been sold in each case.
- c) The Buyer shall keep records of the assigned claims and submit them to the Seller upon request.
- d) Until otherwise instructed by the Seller, the Buyer shall be authorised to collect the claim arising from the resale. However, the Buyer shall keep the monies received in this respect separately and maintain corresponding records. At the Seller's request, the Buyer shall render an account of the records of the assigned claims and the separate safekeeping of the monies collected. **The Seller may make such a request at least once per month.**
- e) If the Customer includes the claim arising from the resale or further processing of our goods in a current-account relationship with its customers, the current-account claim shall be assigned in full. After balancing, it shall be replaced by the acknowledged balance, which shall be deemed assigned up to the amount of the original current-account claim. In the case of a current account, the retention of title and assignment by way of security shall serve as security for our balance claim. Where goods subject to retention of title are processed or sold together with other goods not belonging to us, the resulting claims shall be assigned to us in the proportion corresponding to our share in the value of all items sold.
- f) The Seller's retention of title is conditional upon ownership of the goods subject to retention of title passing automatically to the Buyer, and the assigned claims reverting to the Buyer, once all claims of the Seller arising from the business relationship have been paid in full.
- g) The Seller undertakes, at its discretion, to release the security interests to which it is entitled under the foregoing provisions insofar as their value exceeds the claims to be secured by 20%; however, except in the case of deliveries under a genuine current-account relationship, release shall be required only in respect of deliveries that have themselves been paid for in full and their replacement values.
- h) The Buyer shall resist any interference by third parties (attachments, etc.) with the Seller's ownership and shall notify the Seller of such interference without delay.

• 6. Duty to Provide Information and Notification under the German Federal Data Protection Act

Please note that your personal data are processed electronically to ensure the proper conduct of business. Pursuant to Sections 26(1) and 43(3) of the German Federal Data Protection Act (BDSG), we are required to inform you of the initial storage or transfer of such data. We hereby fulfil this obligation. No further notifications will be issued by us.