

Preamble

Our deliveries and services will be carried out – also in future – according to the following conditions, even if we do not make special reference to them in individual cases. Their applicability can only become fully or partially ineffective if explicitly agreed in writing in the event of an individual business transaction. General terms and Conditions, in particular Conditions of Purchase of the customer do not apply to our deliveries and services. They do not bind us even if we do not contradict them in particular in a given instance; we contradict them herewith. Our General Terms of Sale and Delivery are regarded as accepted, at the latest on receipt of the goods or service.

I. EXTENT OF OBLIGATION TO DELIVER

1. Our offers are without obligation even if they are issued at the request of the customer. A legally binding contractual relationship with the customer does not exist, until we have confirmed the order in writing. This may take place either by telefax or be computer-generated without a signature or by e-mail; the same applies to contractual amendments or supplements.

Our written order confirmation is decisive for the extent, type and date of the delivery.

2. We retain the right to modify the design and make production changes. Our catalogues, advertising materials and our website are subject to continuous revision. Illustrations and drawings contained in these catalogues are not binding and are not part of the agreed structure. Neither do they constitute a durability guarantee nor a structural guarantee.

3. Documents pertaining to the offer, e.g. drawings, data sheets, illustrations, diagrams etc. are only approximately decisive if not otherwise marked as binding. The documents remain our property; we retain all rights to them. They shall not be made accessible to third party without our written consent and shall be returned to us on demand at all times.

4. Make-and-hold-orders shall be called off in due time in the agreed partial quantities. In the event of make-and-hold-orders without agreed terms, production batch size and acceptance dates, we can only demand a binding stipulation of same at the latest 3 months after confirmation of the order. Should

the customer not comply with this request within 3 weeks, we are entitled to allow a final deadline of a further two weeks and on the futile expiry of this period, we are entitled to rescind the contract or to reject delivery and demand compensation.

If the contractual quantity is exceeded by the individual call-offs, we are entitled to delivery of the excess quantity but not committed to do so. We can charge prices for the excess quantity that are valid at the time of call-off or delivery.

II. PRICE

1. Prices always refer to EURO prices. VAT will be charged extra at the valid rate.

2. Prices apply to domestic deliveries ex works, without insurance and excluding packing and for deliveries abroad free German border or fob German airport or seaport, including packing appropriate for export and transport insurance.

3. Surcharges and subsequent charges in addition to the agreed charges are permissible, if circumstances, e.g. material costs or increases in wage or energy costs, increases in financial burdens etc. compel same and the delivery or service shall be executed later than 4 months after conclusion of contract. Concerning other price increases, the customer has a right to rescission, if the list price has risen considerably higher than the general living costs. Deliveries from follow-up orders that are executed after the date of a price change, will be calculated at the new prices without the customer being entitled to rescission.

III. DELIVERY

1. The term of delivery commences when the order confirmation is dispatched, however not before all details of the order execution have been clarified and not prior to receipt of an agreed prepayment or material supply. The term of delivery is regarded as adhered to, when the delivery object has been dispatched or collected before expiry or readiness to deliver has been announced, should dispatch not take place without us being to blame.

2. Force majeure and other events for which we are not to blame, that could jeopardize the smooth

processing of the order, in particular delays in delivery or impossibility of delivery on the part of the supplier, traffic disruptions, interruption of operations, labour disputes, material or energy stops, entitle us to rescind fully or partially the contract or to delay the delivery without the customer being entitled to compensation claims. The customer can demand us to declare whether we wish to rescind the contract or whether we wish to fulfil the contract within an appropriate period of time. Should we not issue a declaration, the customer may rescind the contract.

We are not liable for the above-mentioned events or circumstances, even if they occur during a currently existing delay of delivery.

3. In the event of a delay in delivery caused by us, we must be granted an adequate period of grace. On expiry of this period of grace, the customer can demand compensation and / or rescind the contract should readiness to dispatch the goods not be announced or the goods be delivered before expiry of the period of grace. A right to rescission does not exist, if we are not liable for the delayed delivery, i.e. violation of term of delivery.

4. If the customer incurs damage due to our delay in delivery, he is entitled to demand compensation. Compensation amounts to 0.5 % for every full week of delay, however in all maximum 5 % of the value of that part of the entire delivery that cannot be used in due time or cannot be used in accordance with the contract as a result of the delay.

The customer is only entitled to compensation claims instead of performance, if the cause of the damage is due to intent or gross negligence on our part. This does not apply if it refers to sale at a fixed point in time.

5. Obligations to deliver and terms of delivery are suspended as long as the customer is in default with the acceptance of the goods or other obligations, without our rights arising from the default of the customer being affected or without him having exceeded the credit limit that we allowed him. In this case, the risk of accidental loss or accidental deterioration is transferred to the customer at that time when he defaults.

6. The originally agreed term of delivery becomes void, if a change

GENERAL TERMS OF SALE AND DELIVERY

is made to the order with our consent.

- Adequate part deliveries as well as deviations (max. +/- 10 %) from the order quantity are permissible as long as they can be regarded as reasonable to the customer when taking into account his interests.
- The weight and number of the delivered goods as determined by us are decisive for calculation purposes.

IV. DISPATCH

- Dispatch is always executed at the cost and risk of the customer from a location that we shall determine.
- We select the packing, mode of dispatch and forwarding route at our own discretion if we receive no special requests from the customer. Surcharges for special requests made by the customer shall be borne by him. We accept no responsibility for the cheapest form of dispatch.
- If dispatch or delivery is delayed at the request of the customer, we are entitled to set the customer a reasonable term of acceptance and on futile expiry of this term, we are entitled to demand immediate acceptance as well as the replacement of our damage caused by delay.

V. TERMS OF PAYMENT

- The conditions stipulated in our order confirmation apply to payment. Payment for deliveries abroad shall be always be made by an irrevocable, confirmed Letter of Credit.
- Cheques will only be accepted under usual provisions, bills of exchange only if specifically agreed. For all types of payment, the day of payment is regarded as the day on which we command the sum in question.
- Should payments be deferred or made at a later date than agreed, interest at 8 percent above the relevant basic interest rate per annum will be charged for the interim period without having to issue a reminder.
We reserve the right to claim further damage caused by delay. The customer has the right to prove that the extent of damage caused by delay is less.

- The customer is not entitled to set off with counter claims, unless his claims are acknowledged by us, are undisputed or have been determined as legal. The customer is also not entitled to retainer due to disputed counter claims.
- All our receivables are due immediately, if the terms of payment are not adhered to or we become aware of circumstances that qualify for reducing the creditworthiness of the customer. We are also entitled to execute deliveries only against prepayment or provision of security or to rescind the contract after reasonable period of grace and/or to demand compensation for damage instead of performance. We can also forbid the resale and the processing of delivered goods and their return or demand the transfer of the indirect ownership of the delivered goods at the expense of the customer and recall the authorisation to collect according to Paragraph IX, Point 7. The customer authorises us here and now in the stated cases to enter his plant and to remove the delivered goods.
- Payments will always be used to settle the oldest due invoice. As long an old invoice remains unpaid, the customer is not entitled to claim discount on payment of subsequent invoices.

VI. COMPLAINTS AND NOTICE OF DEFECTS

- We shall be informed immediately in writing of complaints due to incomplete or incorrect delivery or notice of identifiable defects at the latest however, within 2 weeks after receipt of the goods. We shall be informed immediately in writing of other defects, at the latest however, within 2 weeks after their detection.

If we are not informed in due time of complaints or defects compensation claims are inadmissible. If we are informed in due time, we are committed to warranty according to Paragraph VII.
- In the event of damage due to transport, the customer shall procure an assessment of damage issued by the railways, post office or forwarding agent.
- Defects of a part of the delivered goods do not entitle the customer to remit a complaint for the entire delivery, unless the part delivery is not of interest to the customer.

VII. WARRANTY

- In the event of defects of the delivery objects, we are entitled to eliminate the defects at our own option within a warranty period of 12 months or to make a replacement delivery. This does not apply if the law strictly stipulates longer periods. In the event of elimination of defects, we are obliged to bear the expenses required to eliminate the defects, in particular costs involving transport, work and materials, as long as these are not increased by bringing the delivery objects to a location other than that of fulfilment.
- The customer shall grant us the required time and opportunity as we reasonably feel fit to eliminate defects. Replaced parts become our property.
- Should re-fulfilment fail and we allow a reasonable period of grace that has been granted to us to elapse without making a new delivery or eliminating the defect, or if re-fulfilment is impossible or if we refuse it, the customer has the right to rescind the contract or to redhibition just as is the case in the event of our disability to re-fulfil.
- The warranty does not refer to defects and/or damage due to natural wear, neither to defects/or damage that occur due to faulty or negligent handling, excessive stress, unsuitable use, incorrect handling etc. or such effects that are not assumed according to the contract, as long as we are not to blame for the damage.
- The claim to warranty cannot be transferred to third party without our consent.
- We are not responsible for defects resulting from incorrect modifications and repair work performed on the delivery objects by the customer or third party.
- Our liability is limited to the assignment of warranty claims for substantial purchase-complete products that we are entitled to against the supplier of the purchase-complete product, unless satisfaction arising from the assigned right fails or the assigned claim cannot be asserted due to other reasons.
- Further claims of the customer irrespective of the legal reasons against us are excluded if not otherwise regulated below, in particular a claim to compensation

for damage that does not occur to the delivered goods themselves and / or exists on the delivered goods (e.g. lost profit, consequential damages, other financial losses); This exemption from liability does not apply as long as we are compulsively liable due to intent, gross negligence or for reasons of a guarantee undertaking or a substantial contractual obligation has been violated as well as injury to life and limb, body and health.

In the event of negligence but not gross negligence, our liability is limited to the replacement of typical, foreseeable damage.

9. The above-mentioned provisions apply accordingly to delivery of goods other than those mentioned in the contract.

VIII. LIABILITY, LIMITATION OF A CLAIM

1. The exclusion and limitation of our liability for damages, as regulated in Paragraph VII. Point 8, apply accordingly to all cases of our liability for damages due to violation of obligations arising from legal contractual obligations or those similar to legal contractual obligations and those arising from unauthorised action. This does not apply to claims according to §§ 1, 4 Product Liability Law as well as for reasons of frustration on conclusion of contract or justifiable impossibility. This exemption from liability does not apply unless we are compulsively liable due to intent, gross negligence or due to guarantee undertaking or if a significant contractual obligation is violated as well as in the event of injury to life and limb, body and health.
2. If our liability for damages is excluded or restricted, this also applies to the personal liability of our managing bodies, employees as well as vicarious agents or vicarious officers.
3. The claims of the customer mentioned in Paragraph 1, always expire by limitation in 12 months, calculated from the end of the year of transfer of risk. If the legal period of limitation is shorter than 12 months, this period applies to the relevant claims of the customer. The reduction of the period of limitation does not apply to claims arising from tortious act or product liability.
4. The legal provisions pertaining to onus of proof remain unaffected.

IX. RETENTION OF TITLE

1. All delivered goods remain our property (conditional commodities) until all claims have been fulfilled, in particular also the respective demands of balance against the customer that we are entitled to due to the business connection. This also applies if payments are made for specific claims.
2. In the event of connection and mixing of the conditional commodities with other goods by the customer, we are entitled to co-ownership of the new object in the relationship of the invoice value of the conditional commodities to the invoice value of the other used goods. Should our ownership cease due to connection, the customer shall transfer the ownership rights here and now to the new object to which he is entitled to the extent of the invoice value of the conditional commodities and shall hold same in safe custody for us free of charge. The co-ownership rights that then arise are regarded as conditional commodities in the intendment of Paragraph 1. We accept the transfer.
3. The customer is entitled to sell the conditional commodities only in the ordinary course of business according to his business conditions, if they contain an extensive retention of title in accordance with these provisions and as long as he is not in default, on the condition that the claims arising from the reselling are transferred to us according to Paragraphs 4 and 6. He is not entitled to other disposals of the conditional commodities, in particular the entitlement to disposal of the conditional commodities is regarded as revoked if insolvency proceedings are being instituted against the property of the customer or winding up is being initiated.
4. The claims of the customer arising from the resale of the conditional commodities shall be transferred here and now to us. They serve as security to the same extent as the conditional commodities. We herewith accept the assignment.
5. Should the conditional commodities of the customer be sold together with other goods not sold by us, assignment of the claim arising from the resale applies only to the amount of our invoice value of the sold conditional commodities. With regard to the sale of goods to which we are co-owners in part according

to Paragraph 2, the assignment of the claim is equivalent to the amount of these portions of co-ownership.

6. Should the conditional commodities be employed by the customer to fulfil a contract to manufacture or deliver, Paragraphs 4 and 5 shall apply accordingly to the claim arising from this contract.
7. The customer is entitled, to collect debts arising from sales in accordance with Paragraphs 3, 5 and 6 until our revocation that is permissible at all times. We will only make use of the right to revocation in the cases mentioned in Paragraph 3 as well as Paragraph V. 5. The customer is on no account entitled to assignment of debts elsewhere. He is obliged to inform his buyers immediately of the assignment to us at our request unless we do so ourselves and to hand over to us information and documents that we require for collection purposes. The customer is not entitled to a pledge or assignment as security of the conditional commodities.
8. Our retention of title is on the condition that ownership of the conditional commodities is transferred to the customer and he is entitled unrestrictedly to the assigned debts when payment of all debts has been made. Should the value of the existing securities exceed in total more than 20%, we are obliged to release the securities at our option at the request of the customer. The realisable value of the securities is decisive for their evaluation.
9. The customer shall inform us immediately of a pledge or every other hazard or infringement of our ownership and legal claims by third party and surrender the reports on assets seized or other documents and shall do all in his power to defend our rights.
10. We are entitled at all times to enter the warehouse and the business premises of the customer to remove the conditional commodities, to sort or label them. The customer shall provide us with useful information pertaining to the conditional commodities on request and shall issue the necessary receipts. The customer is obliged to insure extensively the conditional commodities at his own expense on our behalf and to provide us with evidence of the insurance at our request. He assigns here and now

all relevant insurance claims to us;
we accept the assignment.

11. The enforcement of our retention of title is not regarded as a rescission of contract. The right of the customer to ownership of the conditional commodities expires if he does not fulfil his obligations arising from this contract or another contract. We are then entitled to take possession of the conditional commodities ourselves and to turn them to account in the best possible manner irrespective of the obligation to pay and other obligations of the customer to us by voluntary sale or in the form of an auction. The surplus proceeds on sale will be credited to the payables of the customer after deduction of costs. A possible surplus shall be paid to him.

12. If the retention of title or the assignment is not effective according to the law pertaining to the goods, the security applicable to the retention of title or the assignment is regarded as agreed. If the cooperation of the customer is required for this purpose, he shall take all measures that are necessary to justify and maintain such rights.

X. TOOLS

1. Tools, moulds, devices and the like – hereinafter named “Tools” – are in principle our property, even if the customer has paid the costs for same fully or partially. This is applicable regardless of whether we have manufactured the tools ourselves or a third party was commissioned by us to do so.
2. We undertake not to produce parts for third party with tools for which the customer has borne the costs as long as the customer places follow-up orders with us. This obligation shall cease without a claim for reimbursement of any type against us arising for the customer if we do not receive further orders within two years after the last order.
3. We will store the tools free of charge. The costs for the maintenance and repair shall be borne by the customer. Our obligation to store expires on expiry of the 2-year period mentioned in Paragraph 2.
4. The afore-mentioned provisions (Paragraphs 1-3) do not apply to tools for common and generally usable items.

XI. INDUSTRIAL PROPERTY RIGHTS OF THIRD PARTY

If we have to manufacture products according to the drawings, models or samples of the customer, the customer shall assume the warranty vis-à-vis ourselves that the industrial property rights of third party are not violated. However, should this happen, the customer shall exempt us from any such claims of third party to the full extent and compensate us for the damage in full. If a third party claims its property rights, we are entitled to stop the manufacturing or delivery of the products immediately without checking the legal situation.

XII. OTHER CONDITIONS

1. Place of fulfilment and venue for both contractual parties in so far as the customer is a merchant is 78112 St. Georgen. We are also entitled to institute proceedings against the customer at his general venue.
2. The law of the Federal Republic of Germany is applicable exclusively for all legal relations between us and the customer.
3. Should individual conditions of the contractual provisions be ineffective or become ineffective, this shall not affect the validity of the remaining provisions. The ineffective provisions shall be reinterpreted so that the intended legal and economical purpose is achieved. The same applies if a loophole in a contract that requires supplementing becomes obvious. The contractual parties are obliged to replace the ineffective provisions immediately by legally effective agreements or to close the loophole.
4. Customer data will be stored by us in the course of the purpose of the contractual relationship.

St. Georgen, August 2013