

The following general terms and conditions apply to all existing and future offers made by us and to all contracts concluded with us. The customer's general terms and conditions shall be entirely disregarded.

1. Conclusion of Contracts

1.1 Our Terms of Sale and Payment to which the customer declared his agreement at the time of placement of the order shall apply exclusively, including to future business transactions where they have not been referred to specifically but where they have been sent to the ordering party in the event of a previous order confirmed by us. Even where the order is placed in deviation from our Terms of Delivery and Payment, our Terms of Delivery and Payment shall apply, even when we do not state our disagreement. Deviations shall therefore be valid only when they have been expressly accepted by us in writing. We are entitled to transfer the claims from our business relationships.

1.2 We reserve the right to make alterations to the illustrations, specifications, drawings, weights and measurements shown in our brochures, price lists, catalogues and in our offer provided this does not substantially change the subject matter of the contract or improve its quality and the alterations are reasonable from the customer's point of view.

1.3 Designs, plans, illustrations, calculations, samples, technical data and know-how, which we have provided, may only be passed on or disclosed to third parties by the customer, with our prior written consent. We expressly reserve all copyrights. In the case of deliveries made in accordance with drawings, models or details provided by the customer, the latter shall indemnify us against all claims based on third party intellectual property rights. Where the customer is in breach of contract, his intellectual property rights shall not prevent us from utilising the products.

2. Prices and Payment Conditions

2.1 Our prices shall be ex works not including the cost of packaging, freight, insurance, customs duty and other ancillary costs. The prices are net of statutory value added tax.

2.2 Payment shall be due immediately on delivery of the invoice, or, at the latest, on hand-over of the goods, and must be paid within 30 days of the invoice date

2.3 Should the purchaser be in arrears with any payment obligations to us, all existing claims shall become immediately due.

2.4 The customer shall only be entitled to set off our claims against undisputed counterclaims or those which have been recognised by a declaratory judgement. A right of retention arising from previous transactions in the ongoing business relationship is hereby excluded. This shall not include the right of retention in respect of claims which are undisputed or recognised by declaratory judgement.

2.5 All payments with debt-discharging effect are to be made exclusively to VR FACTOREM GmbH, Ludwig-Erhard-Straße 30 - 34, 65760 Eschborn, to whom we have transferred our current and future claims arising from our business relationship. We have also transferred our reserved property to VR FACTOREM GmbH.

3. Delivery Dates

3.1 Delivery dates shall be determined according to the agreements reached in the individual case. Delivery periods shall not commence until all documents, approvals and any advance payments, required from the customer, have been submitted. A delivery date shall have been met when the subject matter of the delivery is given over for transport or readiness for dispatch is achieved and has been notified.

3.2 If we are unable to comply with the agreed delivery date due to circumstances for which we are not responsible (operational breakdown, strike, lock-out, power supply problems, delays in the supply of essential raw and base materials etc.), the agreed delivery periods shall be extended accordingly. We shall inform the customer of this immediately. In such cases the customer shall not be entitled to rescind the contract.

If, in such a case, it seems unlikely that we will be able to effect performance within a reasonable

period, and in any case not within four months, we and the customer may rescind the contract. The same applies if the circumstances preventing performance continue to exist after four months have expired since our notification. If the circumstances preventing performance were already apparent to us when the contract was concluded, we shall not be entitled to rescind.

4. Delivery, Packaging

4.1 All deliveries shall be ex works or distribution warehouse. The risk of the accidental destruction of or damage to the subject matter of performance shall pass to the customer as soon as the goods are given over for transport. This shall apply irrespective of whether dispatch takes place from the place of performance and of who is to bear the transport costs. If the customer defaults on acceptance, the risk shall pass on notification of readiness for dispatch.

4.2 We shall be entitled to make partial deliveries provided this is reasonable from the customer's point of view.

4.3 Our delivery shall be subject to deliveries from our suppliers being executed on time and in accordance with the contract.

5. Reservation of Title

5.1 We shall retain title to goods supplied by us until complete performance of all the Customer's obligations as part of the overall business relationship with the customer.

5.2 The customer shall insure the goods subject to the reservation of title, at his own expense, against fire, water damage, burglary and theft. The insurance policy must be shown to us upon request. The customer hereby assigns any future claims under the insurance policy to us.

5.3 The customer must inform us immediately if the goods subject to the reservation of title are seized by a third party. The customer shall bear all costs incurred in order to discharge the seizure and reacquire the goods which were supplied by us.

5.4 The customer shall be entitled to sell the goods, subject to the reservation of title in the course of ordinary business dealings provided he is not in default. The customer is not permitted to pledge the goods or transfer ownership by way of security. By way of security, the customer hereby assigns to us, in full, all claims arising from the resale of the goods subject to the reservation of title, or based on any other legal grounds (insurance, tort). Subject to revocation, we hereby authorise the customer to collect the claims assigned to us, in his own name, on our behalf. At our request, the customer shall disclose the assignment and provide us with the information and documents necessary for collection of the claims.

5.5 If the goods subject to the reservation of title are combined with other items, title shall continue to be reserved with respect to the newly created product. We shall acquire a co-ownership share which shall be in the same ratio as that of the value of the goods subject to the reservation of title (invoice value) to the value of the other components. If one of the components is regarded as the main component, the customer shall transfer to us co-ownership which shall be in the same ratio as that of the value of the goods subject to the reservation of title (invoice value) to the value of the other components. The customer shall store the newly created item free of charge as regards our co-ownership share. If the goods subject to the reservation of title are resold as a component of the newly created item, the assignment agreed under clause 5.4 shall only apply up to the invoice value of the goods subject to the reservation of title.

5.6 Where the realisable value of the securities, to which we are entitled under the foregoing provisions, exceeds our claims by more than 10%, we shall be under a duty to effect release in respect of the excess value.

5.7 In the event that the law of the country in which the goods are supplied does not recognise a reservation of title, or only in a limited form, we shall be entitled to reserve other rights in the goods. The customer shall be obliged to assist with all the measures (e.g. registration) necessary to implement the reservation of title, or the other

rights which apply in place of the reservation of title, and to assist in protecting such rights.

5.8 For the assertion of the rights arising from the reserved property, no withdrawal from the contract is necessary, unless the debtor is a consumer.

6. Warranty Claims

6.1 In the event that products or services which we have provided prove to be defective, the customer's rights to claim shall be based on the statutory provisions with the proviso that the customer may initially only claim rectification. We shall either repair or replace the defective parts as we think fit.

6.2 Where rectification is unsuccessful, the customer may reduce the price or rescind the contract without setting a deadline in advance. In addition the customer may claim damages in lieu of performance in accordance with clause 7.

6.3 In the case of justified complaints, we are obliged to bear the costs of rectification. If, in the course of rectification work, we replace the customer's materials which were supplied by us, we shall acquire title to the exchanged parts.

6.4 The guarantee period with respect to material defects in goods supplied by us shall be 12 months from the date on which the risk passes under clause 4.1. Rights to claim damages in accordance with clause 7 shall remain unaffected.

7. Liability

7.1 In the case of a breach of our essential contractual duties, we shall be liable in accordance with the statutory provisions. Provided we have not acted with gross negligence or intent, we shall only be liable for typical, foreseeable damage.

7.2 In all other cases, we shall be liable where damage is caused, intentionally or due to gross negligence, by one of our statutory representatives or by one of our officers, directors, employees or agents, entrusted with the performance of our contractual obligations.

7.3 With respect to damages in respect of death, personal injury or damage to health, we shall be liable in accordance with the statutory provisions. Liability under the Product Liability Act shall remain unaffected.

7.4 Otherwise, claims against us for damages for breach of duty are excluded.

8. Concluding Provisions

8.1 The contractual relationship is subject exclusively to German law, in particular the Bürgerliche Gesetzbuch (German Civil Code) and the Handelsgesetzbuch (German Commercial Code).

The United Nations Convention on the International Sales of Goods (CISG) shall not apply.

8.2 The place of performance for all obligations on the part of both contracting parties is St. Georgen/Schwarzwald.

8.3 The place of jurisdiction for all legal disputes arising in connection with this contract shall be determined according to the location of our registered office or Frankfurt/Main. Court proceedings may also be brought against the customer in the location of his registered office, as we think fit.

8.4 The invalidity of individual provisions of this contract shall not affect the validity of the other provisions or the continued existence of the contract. Provided non-mandatory statutory provisions do not apply, the invalid provision shall be replaced by a provision which comes closest to the commercial meaning and purpose of the invalid provision. The same applies mutatis mutandis in the case of an omission.

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