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## **I. General Terms**

1. Our deliveries of goods and services are exclusively made on the basis of these General Terms and Conditions. These terms and conditions shall also apply to all future contracts. Upon acceptance of the goods or services at the latest, these terms and conditions are deemed accepted. We herewith reject all purchaser acknowledgments referring to his own terms and conditions.
2. All agreements made between us and the purchaser concerning the execution of a contract must be set forth in this contract in writing.

## **II. Offer and Contract Conclusion, Transfer of Rights and Obligations**

1. The purchaser is bound to the order for a period of six weeks. The contract of sale is deemed concluded when the seller confirms the acceptance of the order of the designated object of purchase within this period of time in writing or the delivery has been made. The seller shall, however, be obliged to immediately inform the ordering party if he refuses to accept the order.
2. Drawings, images, dimensions and weights, consumption of operating supplies and operating costs do not constitute any legal warranties and comply with our current state of knowledge.
3. The transfer of rights and obligations of the purchaser from the contract of sale requires the written approval of the seller.

## **III. Prices**

The price of the object of purchase is without discount and other sales allowances plus the legally applicable turnover tax. The performance of additional services (e.g. transport costs or inspection by the Technical Control Board TÜV) shall be subject to extra charges.

## **IV. Terms of Delivery**

1. We shall be liable for compliance with the agreed terms of delivery only to the extent to which due delivery can be reasonably expected of us. In cases of strike, lockout, interruption of operation, force majeure or other obstructions for which we cannot be held responsible on our premises or at a sub-supplier, we shall be entitled to completely or partially refuse delivery without giving the purchaser the right to assert claims for damages or demand subsequent delivery. If we decide to effect delivery despite the obstruction and if delivery is delayed thereby, the following shall apply: If the obstruction progresses for more than three months, the purchaser shall be entitled, after determination of a reasonable grace period, to withdraw from the contract parts that have not yet been fulfilled.

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2. If we are in default, the purchaser is entitled to compensation for delay amounting to 0.5 percent of the goods to be delivered for every complete week of delay, however, a maximum of 5% of the invoice value of the goods and services affected by the delay. Any claims exceeding the above-mentioned shall be excluded unless the delay is caused by intent or gross negligence or an infringement of substantial contractual obligations.

### **V. Acceptance and Passing of Risk**

1. The purchaser shall be entitled to inspect the object of purchase within 8 days upon receipt of the notice of completion at the agreed acceptance site and shall accept the object of purchase within this period of time.
2. Test runs prior to acceptance shall be limited to a maximum of 20 km as is customary for test runs. If the object of purchase is driven by the purchaser or a person authorized by the purchaser prior to its acceptance, the purchaser shall be liable for all damage caused to the vehicle by the driver.
3. If the purchaser fails to accept the object of purchase within 14 days upon receipt of the notice of completion, we may set a period of grace of 14 days for the purchaser in writing and additionally state that we refuse acceptance after expiry of this period. After this period of grace has unsuccessfully expired, we shall be entitled to withdraw from the contract by submitting a written statement and claim damages for non-performance. Issue of a reminder stating a grace period is not required if the purchaser seriously and definitely refuses acceptance or is obviously not able to pay the purchasing price within this period of time.
4. If, together with contractual withdrawal, we claim damages for non-performance, such damages shall amount to 15 % of the agreed purchasing price. The amount of damages shall be raised or lowered if we prove higher or the purchaser provides evidence of a lower damage.
5. The risk of accidental destruction or accidental impairment of the delivery item shall be passed to the purchaser as soon as the shipment is delivered to the person executing the transport. If the delivery is delayed due to reasons which lie in the area of responsibility of the purchaser, the risk shall pass to the purchaser at the time he gets the notice of completion.

### **VI. Terms of Payment**

1. The purchasing price as well as the prices for additional services shall be due and payable upon delivery of the object of purchase, at the latest however, 8 days after receipt of the written notice of completion and the invoice.

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2. We shall not be obliged to accept bills of exchange. In case the solvency of the acceptor of a bill is diminished, we shall be entitled to demand cash payment. If the purchaser does not satisfy his payment obligations in due time or if any of his bills of exchange or checks are protested or if the property of the purchaser is seized or if his financial situation considerably worsens, we shall be entitled to withdraw from the contract for delivery to the extent to which it has not been fulfilled and demand cash payment for any further deliveries. We shall furthermore be entitled to immediately withdraw all existing bills of exchange and cheques from circulation. All costs arising thereof shall be borne by the purchaser.
3. If the purchaser is in default of the payment of our claims, we will charge a 8 % interest for default above the applicable base rate in accordance with section 247 BGB (German civil code). Section 288, clause 3 BGB shall remain unaffected. Assertion of any further damage shall not be excluded.
4. We reserve the right for price changes resulting from increased salaries or material prices, provided at least 4 months elapse between contract conclusion and delivery.
5. If the price of the ordered goods exceeds 5,000 €, we shall be entitled to demand advance payment which has to be agreed for each individual case.

### **VII. Reservation of Title**

1. Until settlement of all outstanding claims (including all accounts receivable from current account) which we are entitled to against the purchaser either now or in future, we shall be granted the following securities:
2. The title of goods remains with us. Processing or modification are always carried out for us as the manufacturer, however, without any obligations on our part. The purchaser shall store the goods which are subject to retention of title for us free of charge.
3. The purchaser shall be entitled to process and sell the reserved goods within the scope of proper business transactions as long as he is not in default. Pledges and the assignment of securities shall be impermissible. Any claims arising from resale or other legal rights are herewith fully assigned to us by way of security. We revocably authorize the purchaser to collect the claims assigned to us for our account, however, on his behalf. The collection authorisation can be revoked if the purchaser does not properly meet his payment obligations. In such case, the purchaser shall state all information required for the collection of the claims and forward the respective documents to us.
4. If any third parties take enforcement measures against the reserved goods, particularly in case of seizure, the purchaser shall inform such third party on our reservation of title and immediately notify us to ensure that we can execute our property rights.

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5. If the provision of a comprehensive insurance has been agreed, the purchaser has to take out such insurance with a suitable deductible average for the duration of the retention of title, providing that we shall be entitled to the rights arising from the insurance contract. The purchaser shall authorize us to apply for a certificate of insurance referring to the comprehensive cover for vehicles and obtain information on the aforementioned insurance relationship. If the purchaser does not fulfil this obligation despite a written reminder, we shall take out the comprehensive insurance at the expense of the purchaser, advance the insurance premium and collect such premiums as parts of the claims arising from the contract of sale.
6. The purchaser shall keep the object of purchase in a proper condition during the period of the retention of title and immediately commission us or any workshop authorized by us for the servicing of the object of purchase with the execution of all maintenance and repair works specified by us.
7. If the purchaser acts contrary to the terms of the contract (particularly in case of late payment) we shall be entitled to collect the reserved goods or, where applicable, demand assignment of the claims for return against third parties. Collection as well as seizure of the reserved goods on our part does not constitute a withdrawal from the contract.
8. Upon request of the purchaser, we, at our own discretion, will release all securities to which we are entitled to insofar as their value sustainably exceeds the claims by more than 20%.
9. If the law which applies to the delivery item does not allow for a retention of title, we shall be entitled to exercise all rights we may reserve to the delivery item. The purchaser shall engage in all measures we plan to take for the protection of our property right or instead of any other security interest pertaining to the delivery item.

#### **VIII. Claims for Defects**

1. As far as the delivery item shows a material defect or defect of title during the limitation period and the cause of such defect was already present when the risk has passed to the purchaser, the purchaser shall, at our discretion, have the right to subsequent performance by rectification of defects or subsequent delivery. All expenses resulting thereof, such as wages, material, transport and traffic costs, shall be borne by us insofar as the expenses are not increased by a subsequent transportation of the object of purchase to a location other than the domicile of the purchaser unless the relocation complies with the intended use of the object of purchase. Rejected goods shall be returned to us at our costs by the purchaser.
2. Claims for defect become time-barred 12 months upon passing of risk unless an extended limitation period is legally required by section 479 I BGB.

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3. The purchaser shall inspect the items immediately after delivery. Written notice of defects shall be given within 8 days upon delivery or, if the defect could not be recognized within the scope of the proper inspection, 8 days upon recognition (section 377 German commercial code HGB).
4. Used objects of purchase shall be excluded from the liability for defects.
5. If the subsequent performance is not successful, the purchaser may withdraw from the contract or reduce remuneration irrespective of further claims for damages. Withdrawal from the contract is excluded in case of immaterial deviations from the agreed quality or immaterial impairment of the usability of the object of purchase.
6. Claims for defects shall not be accepted if the occurred defect is causally associated with the following situations:
  - the purchaser does not give immediate notice of a defect or
  - the object of purchase has been improperly treated or overloaded or
  - the object of purchase has been repaired, maintained or serviced by third parties which have not been authorized by us
  - parts whose employment has not been permitted by us have been installed in the object of purchase or the object of purchase has been modified in a way which has not been approved by us or
  - the purchaser has not complied with the regulations concerning treatment, maintenance and servicing of the object of purchase (e.g. operating instructions).
7. The purchaser may exercise rights of recourse against us only insofar as the purchaser has not made any agreements with his sub-purchaser exceeding the statutory claims for defects.

### **IX. Claims for Damages and Reimbursement of Expenses**

1. We shall be liable in accordance with the legal regulations if the ordering party asserts claims for damages or reimbursement of expenses (hereinafter referred to as "claims for damages") which are based on intent or gross negligence, including intent or gross negligence on the part of our representatives or agents. We furthermore assume liability in accordance with the legal regulations if we culpably infringed an essential contractual obligation as well as in cases of injuries to the life, body or health or to the extent to which we have accepted warranties.
2. Damages attributable to the infringement of an essential contractual obligation shall be limited to the predictable, typically occurring damage unless intent or gross negligence is applicable and as far as we are not liable for any injury to the life, body and health or on the basis of any accepted warranties. These claims for damages become statute-barred after 12 months.

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3. Apart from the above-mentioned, liability for damages shall be excluded - irrespectively of the legal nature of the asserted claim. We consequently cannot be held liable for damage which has not occurred at the delivery item itself, e.g. loss of profit, loss of production or other financial loss suffered by the purchaser.
4. The mandatory regulations of the German Product Liability Act shall remain unaffected.
5. Claims for reimbursement of expenses asserted by the ordering party are limited to the amount of the interest this party has in the execution of the contract.
6. As far as our liability is excluded or limited, this shall also apply to the personal liability of our employees, workers, staff members, representatives and agents.

### **X. Miscellaneous**

1. This contract shall be subject to German law, excluding conflict of laws. Application of the CISG shall be excluded.
2. The place of performance shall be Oppenau. As far as the purchaser is a dealer in accordance with the German commercial code (HGB), a legal entity of public law or a special legal entity under public law, the place of jurisdiction for all claims arising from the business relationship shall be Oppenau.