

1. Validity of these Terms and Conditions

The following terms and conditions shall govern the business relationships with the Buyer to the exclusion of all other terms and conditions of business. Agreements amending or supplementing these terms and conditions, side agreements as well as the Buyers terms and conditions shall only be valid if they have been confirmed by us in writing. Commercial agents and sales representatives may not make or accept binding statements on our behalf.

2. Prices and payment

- a) All prices shall apply ex Works Rosenfeld excluding packing, postage, carriage and insurance.
- b) We shall reserve the right to adjust prices in accordance with § 313 of the German Civil Code [BGB] for continuous obligations if individual cost factors change before we render our performances. In this case the price shall be amended to take the amended cost factors into account. If the price changes by more than 5%, the Buyer may withdraw from the contract. Once 4 months have expired the price for all contracts may be amended.
- c) Payment is to be made to our account for consignments of goods within 30 days from the date of invoice. The amount actually credited to our account shall be regarded as the sum paid.
- d) The Buyer is not entitled to retain payments on account of counter-claims not based upon the same contractual relationship, nor is he allowed to offset accounts contested by us or accounts not yet declared final and absolute in a court of law.
- e) Non-compliance with the terms and conditions of payment or circumstances which are capable of having a detrimental impact upon creditworthiness of the Buyer will result in all our accounts being made payable immediately regardless of drafts discounted. In such circumstances we shall also be entitled to only supply against payment in advance or the furnishing of a security. We shall also be entitled to withdraw from the contract after having set a reasonable subsequent period and demand compensation for damages.
- f) The place of fulfilment for payments is the registered office of the bank stated in our invoices.

3. Reservation of title

- a) We shall reserve the title to the supplied goods until the purchase price has been paid. However in a commercial transaction our reservation of title shall only expire if all claims against the Buyer under the business relationship have been settled.

- b) Any processing shall be carried out by the Buyer for us. If our goods are further processed or combined with other goods we shall acquire a co-ownership share equal to the value of our goods.
- c) If the Buyer is a dealer, he may sell the goods subject to reservation of title by means of a sales transaction. He is not allowed to dispose of the goods otherwise.
- d) The Buyer shall assign the accounts to which he is entitled from a resale to us in advance up to the amount of our invoice for the goods subject to reservation of title.
- e) The Buyer shall be authorised to collect the assigned accounts. At our request he shall have to notify his debtors of the assignment.
- f) The Buyer's authorisation to dispose of the goods subject to reservation of title and to collect the assigned accounts shall expire in the event of non-compliance with the terms and conditions of payment, of the Buyer stops making his payments as well as in cases in which drafts and cheques are protested. In such cases we shall be entitled to take possession of the goods subject to reservation of title. The costs incurred as a result of this shall be for the Buyer's account.
- g) The Buyer has to notify us straight away of impending and completed third party seizures of the goods subject to reservation of title or on the assigned accounts.
- h) If the value of the securities given to us exceeds our accounts by a total of more than 20% we shall, given this, be obliged at the Buyer's request to release the above-named securities.

4. Delivery dates, Default

- a) If we are prevented from rendering our services on time by unforeseeable events or by events for which we are not to blame, and such events are unavoidable if reasonable care is taken, the period allowed for performance shall be extended as appropriate. In such cases new deadlines are to be agreed by mutual consent.
- b) The delivery period shall begin when our written order confirmation is sent out, but not, however, before all the documents required to carry out the order have been furnished and all technical details have been clarified.
- c) The Buyer shall be obliged to fulfil all preconditions incumbent upon him for the transactions to be carried out on time.
- d) The agreed order periods and delivery dates shall be regarded as having been complied with if on our side we have stated that we are willing to render the service.

- e) Discrepancies in quantity, weight and quality are allowed in accordance with DIN or prevailing practice.
- f) Partial deliveries are allowed.
- g) If an arrangement has been made to supply orders as they are called off, and they are not called off or scheduled, we shall be entitled, having set a period for the call-off order to be placed with us, to schedule it ourselves and to supply the goods or to withdraw from part of the contract still in arrears and to demand compensation for damages.

5. Dispatch, Passing of risk

- a) All risk shall pass over at the latest to the Buyer once the item leaves our premises. This shall also apply if the goods are transported with our own means of transport.
- b) If despatch is delayed by circumstances for which we are not responsible, risk shall consequently pass over to the Buyer from the day on which we are prepared to supply.
- c) If the Buyer does not take delivery immediately of the items to be supplied once he has been notified that they are ready for despatch, we shall, if possible, put them into storage for him at his risk. Storage of the goods shall not exempt the Buyer from his payment obligation, which shall materialise at the point in time at which the goods are ready for collection.

6. Import, Export

Contracts shall only apply subject to the reservation that a licence is granted. The Buyer shall have to procure all the necessary documents and information to obtain licences. He must personally ensure that he has the licences required by him for the contract to be fulfilled.

7. The Buyer's duty to inspect the goods and to notify defects

- a) The Buyer has to inspect our performances straight away and to notify us in writing of defects within 14 days or receipt of goods or rendering of a service at the place of destination.
- b) If complaints or defects are not notified on time goods and services shall be regarded as having been approved.
- c) Concealed defects are to be notified within 14 days from discovery at the latest.

8. Warranty, Liability for defects

- a) The period covered by warranty is 24 months.
- b) If the goods / services are defective, the Buyer shall consequently be entitled to a repair or to the supply of a replacement. We shall be entitled to refuse to carry out a repair or to supply a replacement if this would entail disproportionately high costs. If it has not been possible to rectify the defect at a second attempt, the Buyer may cancel the purchase or reduce the purchase price and demand compensation for damages in accordance with Number 9.
- c) The Buyer's claims based on our liability for defects shall lapse if he does not allow us the necessary time and opportunity to rectify the defect within normal business hours.
- d) The warranty shall lapse if defects occur as a result of tampering by non-authorised parties.
- e) The warranty a) to d) stated above shall only cover the scale and costs which would arise if the purchased thing had been taken to the Buyer's place of residence or business premises. If our expenses are increased as a result of the purchased thing having been taken to another location, the Buyer shall have to bear these additional costs.

9. Other compensation claims for damages

The Buyer shall not be entitled to any other compensation claims for damages against us and against our assistants, in particular he shall not be entitled to a claim for the compensation of damages not actually incurred by the supplied item itself. This shall not apply in the event of intent, gross negligence or the lack of warranted qualities as well as in cases in which we are liable in accordance with the German Product Liability Act if the supplied item has defects, for personal injury and property damage to items in private use. In the event of a breach of an important contractual obligation, death, personal injury or physical harm, we shall also be liable in the event that we are guilty of negligence.

10. Validity clause

If individual provisions of these terms and conditions are or become invalid, the remaining agreements shall not be affected as a result.

11. Place of jurisdiction, Applicable law

- a) The place of jurisdiction is Balingen.

b) These terms and conditions shall be governed by the law of the Federal Republic of Germany. The United Nations agreement on the international sale of goods shall not apply.

GÜNTER APELT GMBH, Robert-Bosch-Straße 13, 72348 Rosenfeld

Tel (0 74 28) 93 88-0, Fax (0 74 28) 93 88-50

mail@apelt-gmbh.de

www.apelt-gmbh.de