

General Business Conditions

§1. General

- (1) Our conditions of sale are exclusive. We will not recognize any conditions requested by the customer that depart from or stand in opposition to them, unless we express our agreement to those conditions in writing. Our conditions of sale are also valid, if we carry out delivery without reservation in full awareness of conditions of the customer that depart from our conditions of sale.
- (2) All conditions existing between ourselves and the customer and obtaining for the purpose of fulfilling this contract will be put down in writing in this contract.
- (3) Our conditions of sale are valid only toward businesses as defined in the sense of §310 Paragraph 1 BGB (German Civil Code).

§2. Offer and Documentation of Offer

- (1) If the order qualifies as an offer in the sense of §145 BGB (German Civil Code), we may accept it within two weeks.
- (2) We retain ownership rights and copyrights to all images, drawings, calculations and any other kinds of documents. This applies also to any documents that are labelled "confidential." Prior to sharing them with any third parties, the customer must obtain our expressed written permission.

§3. Prices and Terms of Payment

- (1) Insofar as no other conditions arise from our confirmation of the offer, our payment terms are valid from the point the product leaves the factory.
- (2) The legally mandated value-added-tax is not included in our prices; it will be calculated at the legally required level on the day that the invoice is drafted and will be indicated as a line item on the invoice.
- (3) Automatic withdrawal from a customer's account requires special written arrangements.
- (4) Insofar as nothing else is stipulated in our confirmation of the offer, payment of the purchase price (without deductions) is due in full within 30 of the issuance of the invoice. All lawful regulations pertaining to the consequences of delays or late payments are applicable.
- (5) The client only has rights to credit if his counterclaims have been legally established in court, are undisputed or have been recognized by us. Additionally, he may only exercise the right of retention in the event that his counterclaim rests on the same legal basis.

§4. Delivery Time

- (1) The time frame for delivery only begins after any technical issues with the order have been resolved.
- (2) Our fulfillment of our delivery obligations has as a prerequisite the customer's timely and proper fulfillment of all obligations on the part of the customer. The introduction of the unfulfilled contract remains reserved.
- (3) Should the customer delay pick-up or acceptance of the goods or in another culpable fashion fail to meet his obligation to cooperate, we are legally entitled to recover damages that are so incurred, including any expenses that are incurred repeatedly. We reserve the right to make further claims.
- (4) To the extent that the delivery conditions described in Paragraph 3 (above) are met, the transfer of the risk of incidental loss of or damage to the goods to the client occurs at the time that acceptance of the goods or payment is delayed.
- (5) We are responsible for fulfilling the legal stipulations on the transaction insofar as it qualifies as binding transaction in the sense of §286 Paragraph 2 Nr. 4 BGB (German Civil Code) and §376 HGB (German Mercantile Code). We are also responsible under these legal stipulations, to the extent that a delay in delivery can rightly be attributed to us by the customer, such that his interest in a further fulfillment of the contract has passed.
- (6) We are also responsible under these legal stipulations, if a violation of the contract can be attributed to use in the case of intentional or gross negligence; culpability on the part of our representatives or fulfillment agents is attributed to us. Insofar as a delay in delivery cannot be rightly attributed to an intentional violation of the contract on our part, our responsibility for compensation is limited to that required for predictable, typically occurring damages.
- (7) We are also responsible under these legal stipulations if a delay in delivery can be attributed to a culpable violation of an essential point of the contractual obligation on our part; in such case, our responsibility to compensate is limited to predictable, typically occurring damages.
- (8) Other legal claims and rights of the customer are reserved.

§5. Transfer of Risk, Packing Costs

- (1) Insofar as the confirmation of offer does not state otherwise, delivery is specified as "ex works".
- (2) Special arrangements exist for the return of packaging materials.
- (3) If the customer so desires, we will arrange for insurance coverage for the transportation of the goods, so long as the customer agrees to pay the costs incurred.

§6. Defective Goods

- (1) Claims of defective goods made by the customer assume that the customer has fulfilled his obligations to examine and file a complaint report as stipulated in §377 HGB (German Mercantile Code).
- (2) All statements concerning the suitability, function and use of our products, technical advice and other statements proceed according to our best knowledge but in no way free the customer from the obligation of his own proper tests and trials (c.f. Paragraph 1). A guarantee of absolute durability, adhesiveness, light resistance and chemical resistance of our products, and

especially of their colour, is not assumed. This is also valid if the products are described as durable, adhesive, light resistant or chemically resistant. Such statements are not to be construed as assurances of these characteristics in view of the concrete use of the product intended by the customer. The customer has the responsibility so far as practical to examine the good immediately at the time of delivery, by test operation, for any defects with respect to its construction or intended purpose, otherwise the good is considered to have been accepted.

- (3) Insofar as a real defect exists, the customer has the choice of accepting as fulfillment either a refund for defective goods or the delivery of another, defect-free good of the same kind. In the case of a refund for defective goods, we are responsible for all expenses incurred in the processing of the refund, especially transportation, labor and material costs, as long as these do not lead to the good being sent to another location than the original fulfillment location.
- (4) If the replacement order cannot be fulfilled, the customer has the right to choose either to withdraw the order completely or reduce it.
- (5) We are legally responsible, to the extent stipulated in legal regulations, if the customer raises a valid claim for damages that are based on willful or gross negligence, even willful or gross negligence on the part of our representatives or fulfillment agents. To the extent that we cannot be held accountable for intentional violations of the contract, our liability is limited to typically occurring, predictable sorts of damage.
- (6) We are legally responsible to the extent stipulated in legal regulations if we violate essential duties of the contract in a culpable manner; in such cases, our legal responsibility for damages is limited to typically occurring, predictable sorts of damage.
- (7) Legal liability for culpable harm to life, body or health remains unaffected. This includes the legally required liability under the product liability law.
- (8) To the extent that no other arrangement is made beforehand, legal liability is excluded.
- (9) The time limit on damage claims is set at 12 months from the transfer of risk.
- (10) The time limit in the case of return delivery is set according to §478 and §479 of the German Mercantile Code at five years, remaining unchanged; the period is calculated beginning from the delivery of the defective good.

§7. Whole Liability

- (1) Further liability in damage claims as defined in §6 is excluded, regardless of the legal nature of the claim being advanced. This is especially true of claims arising from default at the conclusion of the contract, from violations of contractual duties, or criminal claims of compensation for damages to goods as defined in §823 German Civil Code.
- (2) The limitation defined in paragraph 1 is also valid, if the customer demands compensation for futile expenses instead of compensation for damage to material goods.
- (3) To the extent that our liability for compensation for damages of any kind is excluded or limited, this applies also with respect to the personal liability for compensation of our employees, officers, co-workers, representatives and vicarious agents.

§8. Reservation of Ownership

- (1) Until full payment has been rendered for our services deriving from the business relationship with the customer, the goods sold remain our property. The customer has the legal right to dispose of the good according to customary business practices.
- (2) The reservation of ownership extends also to those things produced by processing [them], mixing or combining them with our products, up to the full value of those products, in which case we are considered the manufacturer. If in the case of processing, mixing or combining our goods with those of third parties, the rights of those parties remain in effect, we obtain co-ownership with respect to the full calculated value of the goods so processed.
- (3) The customer surrenders to us at this time any claims on third parties arising from the re-sale up to the full value of the product or our percentage of the value in a co-ownership relationship [described in §8.2 above] as a security. He has the legal right to collect these for our account, up to the point of complete retraction or cessation of his payments. The customer has no authority to surrender this right, not even in collecting claims in the course of factoring, unless he first establishes that the factor has an obligation to remit to us directly a payment equal to our portion of the ownership rights, so long as a claim for such exists on our part with respect to the customer.
- (4) The customer must inform us in writing of access of third parties to goods or services belonging to us without delay.
- (5) Exercise of the right to reserve ownership does not constitute withdrawal from the contract.
- (6) Before payment in full has been rendered, neither the goods nor any claims taking their place may be sold, transferred as securities or surrendered to third parties.
- (7) If the value of securities given exceeds the value of our claims by more than 20%, we will, at the customer's request, release securities of our choice.

§9. Court of Jurisdiction, Place Where Contract is Fulfilled

- (1) Insofar as the customer is a businessman, our central office is considered the court of jurisdiction; we have however the legal right to sue the customer in the court district where he is resident.
- (2) The laws of the Federal Republic of Germany apply; UN-Commercial and Mercantile Law is excluded.
- (3) To the extent that the confirmation of the offer does not otherwise specify, our central office shall be the place where the contract is legally fulfilled.