

General Terms of Delivery and Payment

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Griessbach GmbH

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1.0 Conclusion of contract

1.1 These terms of sale apply exclusively and only towards companies, legal entities under public law or public/legal special assets as per § 310 paragraph 1 BGB - German Civil Code. Conditions of the ordering party that are contrary to or deviate from our conditions shall only be acknowledged where we provide express written agreement to their validity.

1.2 These terms of sale also apply for all future business transactions with the ordering party, to the extent that these are legal transactions of a similar nature.

1.3 The invalidity of individual contractual components shall not affect the legal validity of the contract.

1.4 Rights and obligations arising from the contractual relationship may only be assigned to others with our written authorisation.

2.0 Price

2.1 Prices apply for deliveries ex works without packaging, postage, freight costs, customs and other expenses, unless otherwise agreed.

2.2 All payments from the contract are payable in euro, plus value-added tax.

2.3 The supplier is entitled, within an order, to undertake a reasonable price increase after 12 months at the earliest, if, following closure of contract, price increases that are not merely insignificant occur for raw materials, sub-contracted parts or auxiliary materials, wages and salaries, freight or increases in public fees, so long as these do not exceed the amount of 20% of the agreed remuneration. If, in the viewpoint of the supplier, a price increase of more than 20% is necessary, then the parties shall be required to negotiate this on an individual basis.

3.0 Delivery and transfer of risk

3.1 Place of performance is the headquarters of the supplier.

3.2 All risk is transferred to the ordering party when the goods leave the supplier factory or are made available to the ordering party.

3.3 If goods are returned for reasons for which the supplier is not responsible, then the ordering party shall bear the risk until arrival at the supplier.

3.4 Delivery shall be made at the agreed time, partial deliveries are permissible where reasonable.

3.5 The delivery period is extended appropriately where the fulfilment of the obligation to provide performance is hindered by an unavoidable occurrence and by other occurrences for which we are not responsible, together with industrial disputes where these affect the completion and shipment of the delivery item, unless the performance is then of no interest to the ordering party. The aforementioned circumstances also entitle us to withdraw wholly or partially from the contract.

3.6 Goods reported as ready for shipping are to be collected promptly.

4.0 Terms of payment

4.1 Payments are to be made within 30 days of invoice date, to the point of payment named by us.

4.2 Default interest is charged at a rate 8% above the respective basic rate p.a. The right to pursue higher compensation for default is reserved.

4.3 The purchaser is only entitled to offset in the event of legally acknowledged claims or claims not disputed by us.

4.4 A 2 % cash discount is granted for payments received within 14 days of invoice date.

5.0 Guarantee, notification of defect and recourse / manufacturer's regress

5.1 Guarantee rights of the ordering party have the prerequisite that the ordering party has performed the inspection and reapproval obligations to which he is obliged under § 377 HGB (German Commercial Code) in an orderly fashion.

5.2 Claims for defects shall lapse 12 months after completion of delivery of the goods by us to the ordering party. The above conditions shall not apply where the law pursuant to § 438 para. 1 no. 2 BGB (structures and objects for structures), § 479 para. 1 BGB (right of recourse) and § 634a para. 1 BGB (construction defects) prescribes longer periods. Our agreement is to be obtained prior to any return of the goods.

5.3 Should, in spite of all due care being taken, the delivered goods manifest a defect that already existed at the time of transfer of risk, then we shall rectify the defect or supply a replacement at our discretion, subject to timely notification of defect. We are

to be provided with the opportunity to supplementary performance in all cases, within a reasonable time period. Rights of recourse are not affected by the above term, without limitation.

5.4 Should the supplementary performance fail, then the ordering party – irrespective of any compensatory claims - may withdraw from the contract or reduce the remuneration.

5.5 Claims for defects do not exist in the case of insignificant deviations from the agreed specifications, in the case of negligible limitation of usability, in the case of natural wear and tear and damage caused following the transfer of risk as a result of incorrect or negligent treatment, overuse, unsuitable equipment or due to particular external influences not foreseen by the contract. If inexpert maintenance work or alterations are undertaken by the ordering party or third parties, then no claims for defects shall exist for these or consequential damage.

5.6 Claims of the ordering party arising from expenses incurred for the purpose of supplementary performance, in particular transport expenses, costs of labour and material, are excluded, where expenses are increased because the goods supplied by us have subsequently been transported to a location other than the premises of the ordering party, unless the transfer corresponds to the intended purpose.

5.7 Rights of recourse of the ordering party against us shall only exist to the extent that the ordering party has not entered into agreements with his customer beyond the statutory claims for defects. Paragraph 6 shall also apply for the scope of the right of recourse of the ordering party against the supplier.

5.8 In the case of fraudulent failure to declare a defect or in the case of assumption of guarantee for the quality of the goods at the time of transfer of risk pursuant to § 444 BGB (German Civil Code) (declaration of the vendor that the object of purchase has a specific quality at the time of transfer of risk and that the vendor shall be responsible for any lack of this, regardless of culpability) the rights of the ordering party shall be exclusively in accordance with statutory regulations.

6.0 Liability and compensation

Our liability is limited to intent and gross negligence, unless damage to life, limb and health is involved, together with primary contractual obligations. We also have unlimited liability for claims under product liability law.

7.0 Retention of title

7.1 We retain title of the delivered goods until the complete settlement of all outstanding claims arising from the contract for delivery. This also applies for all future deliveries, even where we do not expressly refer to this. We are entitled to take back the purchased object where the ordering party behaves contrary to the terms of the contract.

7.2 The ordering party is obliged, where title has not yet transferred to him, to treat the object of purchase with care. In particular, he is obliged to insure these adequately to replacement value against theft, fire and water damage, where the goods concerned are of a high value, this at his own expense. If there is a need to perform maintenance and inspection work, then the ordering party shall perform these in good time. Where title has not yet been transferred, the ordering party is to inform us without delay, in written form, if the delivered object has been pledged or subject to any other third party intervention. Where the third party is not capable of compensating us for the court and out of court costs of a case pursuant to § 771 ZPO (Code of Civil Procedure), the ordering party shall be liable for the loss incurred.

7.3 The ordering party is entitled to dispose of the privileged goods in normal commercial transactions. The ordering party assigns at this point the claims for payment arising from the disposal of the privileged goods to us to the amount of the commercial invoice agreed with us (including value-added tax). This agreement shall apply irrespective of whether the object of sale has been disposed of following further processing or not. The ordering party remains entitled to pursue settlement of the claim for payment even after assignment. Our authority to pursue payment of the claim ourselves is not affected by this. However, we shall not pursue settlement of the claim so long as the ordering party meets his payment obligations from the revenue collected, is not in default of payment and, in particular, no application for the opening of insolvency proceedings has been made or suspension of payment has occurred.

7.4 The processing, working or alteration of the object of sale by the ordering party is always in our name and on our behalf. In this case the expectant right of the ordering party to the object of sale continues in the altered object. Where the object of sale is combined with other objects that do not belong to us, we shall acquire joint ownership of the new object to the proportion of the objective value of our object of sale to the other processed objects at the time of processing. The same shall apply in the event of amalgamation. Where the amalgamation takes a form in which the object of the ordering party is the principle object, then it shall be deemed to be agreed that the ordering party shall assign us pro rata joint ownership and maintain the ownership or joint ownership thus acquired on our behalf. As security for our claims against the ordering party, the ordering party also assigns to us such claims that he acquires from the amalgamation of the privileged goods with a third-party property; we hereby accept this assignment.

7.5 We commit ourselves to release the security at the request of the ordering party where its value exceeds that of the claims that it secures by more than 20 %.

8.0 Place of jurisdiction

Jurisdiction is the headquarters of the company, to the extent that the contractual partner is a registered merchant. Otherwise, the statutory regulations shall apply in general.