



GENERAL TERMS AND CONDITIONS

Conditions of sale

§ 1 General

1.

The conclusion of the contract takes place with the exclusive validity of our General Supply Terms (hereinafter referred to as GTCs); we do not recognise the purchaser's GTCs unless we have expressly agreed to their validity in writing. Our GTCs are also valid if we fulfil our contractual obligation without reservation with knowledge of the purchaser's GTCs.

2.

Our GTCs apply only to an entrepreneur (secs. 310 I, 14 of the German Civil Code), a legal person governed by public law or special funds under public law.

3.

All the agreements that are made between us and the purchaser on the change of the contract or for the purpose of the execution of this contract must be set out in writing for evidentiary purposes. This also applies to additions. This written form requirement may only be cancelled for individual cases in writing.

4.

Our GTCs also apply to all future transactions with the purchaser.

5.

Our registered office is the exclusive international and local jurisdiction for all disputes arising from the contractual relationship and its execution; however, we are entitled to sue the purchaser also at his place of jurisdiction.

6.

Unless otherwise indicated in the order confirmation, our registered office is the standardised place of fulfilment for all deliveries and services arising from this contractual relationship, including those from the warranty.

7.

The contract is subject to German law.

8.

The contractual language is German; if the GTCs become part of the contract in a translation into another language, the German version is decisive in case of discrepancies in the text.

§ 2 Severability clause

If a provision of this contract is or becomes invalid, the legal validity of the remaining provisions is unaffected. As long as a provision is invalid in the individual contractual part, the contractual parties undertake to replace the invalid provision with a valid one, the purpose of which is as close as possible to the omitted provision. The same applies if there is a regulatory gap in the contract.

§ 3 Offer

1.

Our offer is subject to change.

2.

The advertising brochures submitted prior to the offer are subordinate to the performance specification in our offer, as long as they are not expressly defined as binding and overriding. In case of discrepancies between the performance specification and the mentioned documents, the performance specification in the offer takes precedence. In case of specifically order-related plan drawings, other graphic representations and designs, sec. 13 para. 2 applies.

3.

We can accept the purchaser's offers within 4 weeks, unless a shorter or longer binding period is agreed in writing.

4.

An order is then regarded as accepted only if it is confirmed by us in writing or if we start the execution.

5.

We shall retain the right of property and copyright to cost estimates, drawings and other documents; they may not be made accessible to third parties. This applies especially to those written documents which are defined as "confidential"; before passing them on to third parties, the customer requires our express written consent. We undertake to make plans defined as confidential by the purchaser accessible to third parties only with his consent.

§ 4 Prices - Payment Conditions

1.

Our prices are quoted, unless agreed otherwise in writing, ex factory Staudt excluding the costs for possible packaging or transport; these must be paid separately. The legal VAT is not included in our prices; it is shown separately on the invoice on the day of the billing at the statutory rate.

2.

If there are no other agreements, the purchaser can deduct a 2% discount for payments which are credited to our account within 14 days of the invoice date; otherwise, the payment must be made without deductions within 30 days after receipt of the invoice. If the purchaser falls behind, sec. 288 of the German Civil Code applies; we reserve the right to charge for further damage.

3.

If the payment conditions are not adhered to or if we are aware of circumstances that could reduce the purchaser's credit rating, all our requirements fall due immediately. We are then also entitled to carry out outstanding deliveries or services only against pre-payment and to withdraw from the contract following a reasonable period of grace or to claim damages instead of service if the purchaser is at fault.

4.

The purchaser is only entitled to set-off rights if his counter-claims are found to be legally binding, undisputed or recognised by us. Excluded from this are warranty claims for damages from the existing contract. Otherwise, he is entitled to exercise a right of retention under the aforementioned conditions insofar as his counter-claim is based on the same contractual relationship.

5.

In addition, secs. 366 f. of the German Civil Code also apply.

§ 5 Delivery period and deliver date, partial deliveries

1.

Delivery dates and delivery periods are only binding if it was expressly agreed in the individual case. The delivery period begins on the day of our order acceptance, but not before a complete clarification of all implementation details. If subsequent contractual changes have been agreed, the delivery date or period must be adjusted if required.

2.

The delivery period and delivery date are regarded as adhered to with readiness for dispatch and timely notification if the shipment is not possible through no fault of our own.

3.

The agreed delivery period is extended - without prejudice to our rights resulting from the purchaser's delay - by the period of time equivalent to any delay in performing his obligations arising from this or any other order. This applies accordingly if the delivery period is agreed.

4.

If our delivery is delayed, the purchaser must set a reasonable period of grace for us, and can withdraw from the contract after the expiry of the period; it is not necessary to set a deadline if we firmly and finally refuse the delivery, or if grave circumstances exist which make the deadline unreasonable for the purchaser.

5.

Claims for damages due to the non-compliance of binding delivery periods or due to other delays are excluded, unless the damage has been caused by us intentionally or due to gross negligence; in the event of slight negligence, we are only liable for typical contractual foreseeable damage.

6.

Partial deliveries are permitted, unless something else is expressly agreed.

§ 6 Delivery disruption

Incidents of force majeure shall entitle us to postpone the delivery or service by the duration of the disruption and a suitable run-up time or to withdraw from the contract on account of the part not yet performed. Force majeure includes strike, lock-out and other circumstances beyond our control, which make it significantly more difficult or impossible to deliver or perform the service, such as fire, machine damage, lack of raw material, obstruction of transport routes, regardless of whether these circumstances occur at our end or at the suppliers' end. The purchaser can demand an explanation from us on whether we want to withdraw or deliver or carry out the service within a reasonable period of time. If we do not provide an explanation, the purchaser can withdraw.

§ 7 Damage compensation due to unjustified non-acceptance

1.

If the purchaser withdraws from the contract without justification or does not accept the goods within the agreed period or a suitable period set in the notification on the readiness for dispatch, we can withdraw from the contract on our end and claim damages. In this case, the risk of accidental loss or deterioration of the goods will pass to the customer at the moment in which he falls into default of acceptance.

2.

The purchaser owes 25% of the net invoice amount as damage compensation; if

we can prove the occurrence of higher damage, the compensation of this damage is owed. The purchaser is entitled to prove that we suffered no or little damage.

§ 8 Shipment - Transfer of risk - Transport pallets

1.

Except where otherwise agreed in writing, the shipment ex factory Staudt is made by us at the purchaser's expense and risk, whereby we select the means of transport subject to the purchaser's directive.

2.

Upon handover to the forwarding agent or carrier, and when the goods leave the factory at the latest, the risk will pass to the purchaser. Goods notified as ready for shipment must be collected immediately; we are otherwise entitled to store them at the purchaser's expense and risk at our discretion and to calculate the price of the goods ex works.

3.

If the shipment is delayed due to circumstances caused by the purchaser and which we are not responsible for, the risk will pass to the purchaser from the day the goods are ready for dispatch.

4.

In exchange for supplied Euro pallets, the purchaser must return undamaged Euro pallets; otherwise these will be additionally invoiced. If other pallet systems are used, the regulations to be observed in these systems and the prescribed procedure apply. If the purchaser does not observe this, the arising costs are at his expense.

§ 9 Retention of title

1.

We reserve the property of the delivered goods until the complete payment of all our existing or future claims arising from the delivery contract and a current business relationship (secured claims). If the customer is in breach of contract, particularly default of payment, we are entitled to take back the goods. Taking back the delivered goods does not imply a withdrawal from the contract, unless expressly stated in written form by us. Our attachment of the goods always constitutes a withdrawal from the contract. After taking back the goods, we are entitled to use them; the proceeds of sale are used to offset the purchaser's debts less reasonable utilisation costs.

2.

The purchaser is obliged to handle the goods with care; in particular, he is obliged to insure these sufficiently at their original value against fire, water and theft at

his own expense. If repair and inspection work is required, the purchaser must carry this out in due time at his own expense.

3.

In the event of attachment or other interventions by third parties, the purchaser must notify us immediately in writing so that we can file a suit according to sec. 771 of the German Code of Civil Procedure. If the third party is not able to reimburse us the judicial and extra-judicial costs of a suit according to sec. 771 of the German Code of Civil Procedure, the purchaser is liable for our loss resulting from this.

4.

The purchaser is entitled to resell the goods in the proper course of business; however, he already assigns to us all claims to the amount of the final invoiced amount agreed with us (including VAT) accruing to him from the resale to his customers or third parties, and regardless of whether the goods were resold without or after processing. The purchaser will be entitled to collect this claim also following the assignment, provided that he fulfils his payment obligations arising from the proceeds collected, is not in default of payment and no application for the opening of insolvency proceedings has been made, or payments are suspended. However, if this is the case, we can demand that the purchaser inform us of the assigned claims and their debtors, provide us with all the particulars required for collection, hand over to us any relevant documents and inform the debtors (third parties) of the assignment.

5.

If the goods purchased are processed or converted by the purchaser, this is always done on our behalf. The customer's contingent right to the goods shall continue with respect to the converted item. If the goods are processed with other objects not belonging to us, we shall acquire co-ownership of the new item in proportion to the objective value of our goods compared to the other processed objects at the time of processing. As for the rest, the provisions applicable to the goods delivered with a reservation shall also apply to the item resulting from the processing.

6.

If the goods are inseparably attached to other objects not belonging to us, we shall acquire co-ownership of the new item in proportion to the objective value of our goods compared to the other objects at the time of attachment. This does not apply if the new item can legitimately be regarded as the main item or as an essential component. If the attachment takes place in such a manner that the customer's item must be regarded as a main item, it is agreed that the customer transfers co-ownership to us proportionately. The customer shall retain the sole ownership or co-ownership thus arising on our behalf.

7.

At the request of the customer, we undertake to release the securities to which we are entitled insofar as the realisable value of our securities exceeds the claims to be secured by more than 20% or the nominal value by more than 50%; we shall be responsible for selecting which securities to release.

§ 10 Impossibility

Provided that our delivery, for reasons for which we are responsible, is impossible, the purchaser can, without prejudice to his right to withdraw from the contract, claim damages only in the amount of up to 20% of the net price of the delivery part which has become impossible, but which are at least the typical contractual damages; this limitation does not apply in case of intent, of gross negligence or of injury to life, body or health. This provision does not involve any reversal of the burden of proof to the detriment of the purchaser.

§ 11 Other claims for damages

1.

Claims for damages and reimbursement of expenses by the purchaser, irrespective of the legal reason, in particular for the breach of obligations resulting from the contractual relationship which do not represent warranty claims, shall not apply.

2.

This does not apply in cases where liability is subject to mandatory legal provisions, especially according to product liability law, in case of intent or gross negligence, in case of injury to life, body or health, or in breach of basic contractual obligations. Basic contractual obligations are those which are expressly agreed as such. Furthermore, the delivery and, if required, the installation of the contractual item free of major defects such as duties of consultation, protection and care, which should allow the purchaser the contractual use of the delivery item, are essential to the contract. In the event of breach of basic contractual obligations, the warranty claim for damages is limited to the foreseeable damage typical of the contract, unless intent, gross negligence or injury to life, body or health is present. This provision does not involve any reversal of the burden of proof to the detriment of the purchaser.

§ 12 Acceptance

If an acceptance was expressly agreed or if we carry out a repair on an object, this is regarded as accepted if - the delivery and, provided that we also owe the installation, the installation is concluded - we have notified the purchaser in reference to the assumed acceptance according to this sec. 12 and have requested his acceptance - 14 working days have gone by since the delivery or installation or the purchaser has started using the item and, in this case, seven working days

have gone by since the delivery or installation, - or the purchaser has refrained from the acceptance within this period for a reason other than a defect reported by us, which makes it impossible to use the item or restricts its use significantly.

§ 13 Quality - Excess or short delivery

1.

For the quality of the subject matter of the agreement, the technical description is relevant in each individual case.

2.

If drawings or plans of the manufacture or delivery are taken as a basis, the graphic representation (drawings, plans and similar) take precedence in case of discrepancies between the graphic and textual description of the subject matter of the agreement. Provided that, at the purchaser's request, we produce a design and this has been approved by the purchaser (a tacit approval with the release of production is sufficient), the design is relevant for the determination of the contractual quality. Otherwise, product samples that we present for illustrative purposes are not regarded as a binding determination of quality. In any remaining cases of doubt, the parties must jointly remove any ambiguities.

3.

The purchaser must notify us of subsequent changes of quality requirements as soon as possible; we will then submit an offer on any additional compensation. If the purchaser does not accept this and the parties do not agree on the price, we can withdraw from the contract and claim part of the compensation corresponding to the work performed.

4.

In case of deliveries of serial parts which were produced according to the purchaser's specifications or the drawing or not in our standard dimensions, excess or short deliveries of up to 10% do not constitute a defect.

§ 14 Warranty

1.

Only the description of the service included in the order confirmation or in the contract is relevant for the determination of the contractual quality of the goods. We only accept a guarantee if this is expressly agreed in writing and the confirmation is defined as a "guarantee".

2.

The purchaser's warranty rights require that he has fulfilled his obligations to inspect the goods and submit a notice of defect as stipulated under sec. 377 of the German Commercial Code. Obvious defects must be reported within one week of

receipt of the goods by the purchaser and non-obvious defects within one week of their discovery.

3.

Provided that the goods have a defect, we are entitled to a subsequent performance (at our discretion: removal of the defect or delivery of an item free of defects). The purchaser may not carry out rectification work himself or through third parties without our prior consent; we do not bear the costs of such work. In the event of rectification work carried out by us, we are obliged to bear all the expenses, especially transport, road, work and material costs required for the rectification, provided that these are not increased by the fact that the goods were brought to a location other than the place of delivery or which is designated as the point of destination in the contract. The costs for the dismantling of the faulty item and the assembly of the subsequently delivered item are not included in the claim for subsequent performance.

4.

If the rectification fails or is rejected by us or if the delivery of a defect-free item is rejected by us, the purchaser is entitled at his own discretion to withdraw from the contract or to demand a corresponding decrease of the purchase price (reduction).

5.

Unless otherwise indicated below (para. 6), further claims by the purchaser - irrespective of the legal reasons - are excluded. We are therefore not liable for damages which are not caused to the delivery item itself; in particular, we are not liable for the purchaser's lost profit or other financial losses.

6.

If the cause of damage is based on intent or gross negligence, or if the damage affects life, body or health, we shall be liable according to the legal provisions. If we violate an essential contractual obligation in a slightly negligent manner (sec. 11 para. 2), the liability is limited to the damage typical of the contract; otherwise, it is excluded according to para. (5). Claims according to product liability law are also excluded from limitations of liability.

7.

The warranty period is 1 year from the transfer of risk. This does not apply in the event of a delivery which was used for installation in a building in accordance with the terms of the contract and which caused its defectiveness.