

1. Scope of Application

(1) These General Terms and Conditions of Purchase shall apply exclusively. We do not accept any conflicting standard terms or any other standard terms submitted by the Supplier which deviate from the terms below except where we have expressly consented to the same. Our General Terms and Conditions of Purchase shall further apply where we accept or remit payment for goods and services supplied by the Supplier and we are aware that the standard terms and conditions of the Supplier conflict with or deviate from the General Terms and Conditions of Purchase set out below.

(2) Our General Terms and Conditions of Purchase shall apply in relation to all future supplies of goods and services by the Supplier.

2. Conclusion of Contract

All agreements, orders and quantities called off must be in writing together with any alternation or supplements thereto. An order shall be deemed accepted where the Supplier fails to reject the same within 10 working days of the order date.

3. Prices

Except where otherwise agreed the prices are fixed and are DDP delivery address (INCOTERMS 2000) including packing, excluding VAT.

4. Payment

(1) Except where otherwise agreed payment of invoices within 90 days of the due date subject to receipt of the invoice and receipt of the goods and/or performance of the services. Payments remitted within 21 days of the due date shall be subject to a 3% discount. All payments remitted are remitted subject to an internal audit.

(2) We shall be deemed in default of payment where we have failed to remit payment by the due date and a reminder has been received to such effect. The rate of interest payable on late payments shall be determined on the basis of statutory rate of interest set out in the German Commercial Code (HGB) for commercial transactions.

(3) We reserve the right to exercise rights of set off and/or retention in accordance with statutory provisions.

5. Place of Delivery, Deliveries, Packing

(1) Except where otherwise agreed the agreed delivery term is DDP delivery address (INCOTERMS 2000). The Supply shall bear the risk of loss and destruction until the goods have been accepted by ourselves or our representatives at the site to which the goods are to be delivered in accordance with the order.

(2) Delivery by instalment is not permitted except where we have expressly consented to the same.

(3) The weight, dimensions and number of items delivered determined by the findings of our incoming goods inspection shall be definitive except where evidence to the contrary is produced.

(4) The Supplier undertakes to use environmentally friendly packing materials which are capable of being recycled or disposed of at a moderate cost. The use of polystyrene chips as packing material is not permitted. The packing materials used shall ensure protection against damage, dirt and moisture during transportation and storage. Important warnings as to content, storage and transport must be visibly attached to the packing. Returnable packing shall be returned to the Supplier's address at Supplier's cost.

6. Delivery Dates

(1) Where the Supplier fails to supply goods or to perform services by the delivery date the statutory provisions shall apply. Where the Supplier becomes aware of its inability to supply the goods in accordance with the terms of the contract or at all due to production, supply problems or any other similar circumstances he shall inform us without delay.

(2) The Supplier shall only be permitted to rely upon our failure to submit necessary information or documentation where we have received a written reminder to such effect and failed to submit the information and/or documentation requested within the deadline set.

(3) Where the Supplier fails to supply the goods on the agreed delivery date we reserve the right to impose a contractual penalty at the rate of 0.2% of the net value of the delayed goods per working day but such penalty shall not exceed 10% of the value of the delayed goods.

(4) Unconditional acceptance of goods supplied or services performed late shall not be construed as a waiver of any claim to which we may be entitled by reason of the late delivery and/or performance; the aforesaid shall apply up until such time as we have remitted the purchase price in full.

7. Disposal of Waste

Any waste which accrues as a result of the supply shall be reused and disposed of by the Supplier at the Supplier's cost in accordance with statutory requirements except where we have agreed otherwise. Title to and the risk of loss and destruction of the waste shall pass to the Supplier as soon as the waste accumulates as shall the Supplier's statutory responsibility for its disposal.

8. Acts of God

Acts of God and other events upon which we have no influence shall entitle us, notwithstanding any other claim to which we may be entitled, to rescind the contract in whole or in part where performance is of no further commercial interest to us.

9. Non Disclosure

(1) All commercial and technical information provided by us to the Supplier shall be treated by the Supplier as confidential and shall not be disclosed to third parties for as long as such information is not deemed to be in the public domain. All information provided by us to the Supplier shall remain our exclusive property at all times. We reserve all rights in relation thereto. The Supplier is not permitted to make copies or use the information disclosed for any other commercial purpose other than for the performance of Supplier's contractual obligations to us except where the Supplier has prior thereto obtained our express consent in writing. The Supplier shall immediately return in full or destroy all information received from us (including where appropriate copies or recordings) and any objects loaned to the Supplier where we so request.

(2) Where the Supplier is in breach of its non-disclosure obligations set out in this paragraph the Supplier shall be liable to pay a contractual penalty in the sum of 5,000 • per breach. Any right of the Supplier to raise the defence of a continued breach is hereby excluded.

10. Insurance Coverage

The Supplier shall for the term of this contract and for the duration of any guarantee and or limitation period in relation to warranty claims, take out and maintain adequate liability insurance coverage upon terms which are customary in the trade whereby the insured sum shall not be less than 2 million Euro per insurance claim.

11. Quality Assurance, Incoming Goods Inspection

(1) The Supplier undertakes to maintain a system of quality management which corresponds to the most modern technical standards (e.g. DIN EN ISO 9000 ff., QS 9000, VDA 6.1 or other similar management systems). The Supplier shall carry out final testing of the goods and thereby ensure that no faulty goods are supplied.

(2) Acceptance of the goods or services is subject to an examination that the goods supplied are free of defects, that the goods are of the proper description and in the correct quantities and that there are no visible defects insofar as such an examination is feasible in the normal course of business. Furthermore the Supplier hereby waives his right to raise the defence that notification of the defect was given out of time.

12. Liability for Defects

(1) The statutory provisions relating to material defects or defects in title shall apply without limitation except where otherwise agreed as set out below.

(2) In urgent cases we reserve the right to remedy defects ourselves or through a third party, particularly in order to avoid acute danger or greater damage. The cost for such actions shall be borne by the Supplier.

(3) Claims based on material defects or defects in title shall be time barred upon expiration of the usual time period.

(4) Where during the warranty period the goods are replaced or repaired by the Supplier the warranty period shall begin anew from the date upon which the Supplier has fully performed its obligations under warranty.

(5) The Supplier shall bear all costs incurred by us by reason of the supply of faulty goods to include without limitation, transportation costs, travelling expenses, labour and material costs and any additional examination cost.

(6) Where as a result of the faulty goods supplied by the Supplier goods manufactured and/or sold by us are returned and/or we are obliged to reduce the purchase price and/or we are subject to any other claim, we reserve our rights of recourse against the Supplier whereby we are not obliged to affix a time limit in pursuance of our rights under warranty notwithstanding any statutory provision to the contrary.

(7) Where we exercise our rights of recourse against the Supplier we reserve the right to demand compensation for such expenditure incurred by us due to the supply of faulty goods which we are obliged to compensate our customer.

(8) Notwithstanding sub-paragraph 3 aforesaid the claims set out in sub-paragraphs 6 and 7 shall become time barred not earlier than two months after the date upon which we have satisfied claims made against us by our customers.

(9) Where during the six month period following the date upon which risk transfers to us a material defect emerges it shall be assumed that the defect existed at the date upon which risk transferred except where such assumption is not compatible with the fault and/or type of good supplied.

(10) Where the contract is rescinded we reserve the right to use the goods and/or services supplied by the Supplier without charge until such time as a suitable replacement has been acquired. The Supplier shall bear all costs associated with rescission and shall be responsible for disposal of the goods.

13. Product Liability

(1) In the event that we are sued under product liability law the Supplier undertakes to indemnify us against such claims upon our first request insofar as the damage suffered was caused by a fault in the goods supplied by the Supplier and – insofar as liability is fault based – where the Supplier is at fault. Where the cause of the damage lies in the Supplier's sphere of responsibility, the Supplier shall bear the burden of proof.

(2) The Supplier shall bear all the cost and expenditure incurred by reason of the aforesaid including legal expenses and recall costs. Otherwise the statutory provisions shall apply.

14. Final Provisions

(1) Where a term of these General Terms and Conditions of Purchase is held to be unenforceable in whole or in part, the enforceability of the remaining terms shall remain unaffected. The parties shall agree a replacement term which corresponds as closely as possible to the commercial intent of the invalid term.

(2) Any dispute shall be resolved before the courts of ordinary jurisdiction situate at our principle place of business; we reserve the right to sue the Supplier before the courts of ordinary jurisdiction situate at the Supplier's principle place of business.

(3) All legal transactions between ourselves and the Supplier shall be governed by the laws of the Federal Republic of Germany excluding the United Convention on the International Sale of Goods (CISG 1980).

Stand : 6.7.2007