

GENERAL TERMS AND CONDITIONS

1. General conditions

1.1 (Scope) These General Terms and Conditions are only intended for use in business with entrepreneurs.

1.2 (Conflicting business conditions, confirmation in writing) The only terms and conditions for the contract shall be these terms and conditions. We will not accept any conflicting general business terms, whether or not expressly rejected by us. Any modifications or additional agreements must be confirmed in writing by us.

1.3 (Offers, right to make modifications, electronic data storage) Initial quotations are made free of obligation. We reserve the right to make technical improvements and modifications of our products without prior notification. We may store and process contract information in data processing systems.

1.4 (Offsetting, withholding) Unless the customer has undisputed counterclaims, he shall neither be entitled to offset nor to withhold payments for deliveries received.

1.5 (Place of performance, Court of jurisdiction, governing law) Place of performance is our works in Wertheim. If Customer is a merchant, public-law entity or public-law fund, the place of jurisdiction shall be the Court in Wertheim/Mosbach competent for our registered office; we shall also be entitled to sue at the Court competent for Customer's registered office. The contract shall be construed and interpreted in accordance with the laws of the Federal Republic of Germany with exception of the 'UN Convention on the International Sale of Goods' (CISG).

1.6 (Contractual language) The language of the contract is English.

2. Delivery and risk

2.1 Place of performance for delivery is our works. The risk shall be transferred to the customer when the goods leave our works. This shall apply also when we have agreed to provide additional services such as freight forwarding, exportation or installation.

2.2 The customer shall bear all transport, packing and insurance costs to the place of delivery unless otherwise agreed.

3. Delivery period, delay

3.1 Part-shipments are permissible insofar as the customer can reasonably be expected to accept them.

3.2 Delivery periods are ex works. Delivery times or periods shall commence only after settlement of all technical questions and after we have received all documents, permits or releases required from the customer or from authorities as well as any advance payments requested. Subject to correct and punctual internal delivery. We shall inform the customer without delay of the non-availability of the delivery products.

3.3 Acts of God or any events for which we are not responsible i.e. strikes, lockouts, operating breakdowns, shortages of raw materials or means of production, delayed deliveries or failure of delivery by our suppliers shall extend the delivery period accordingly. Delivery times will also be extended due to modification of products or services requested by the customer.

3.4 In any case the customer has to send us a reminder setting a reasonable period of grace before claiming default of delivery.

3.5 In the event of compensation for damages caused by late deliveries, our liability for compensation besides performance shall be limited to 5 % and for compensation instead of performance to 10 % of the value of our delivery. This limit shall not apply in cases of intent, gross negligence and/or injury to life, body or health.

3.6 The customer must take delivery of goods ordered on call by the agreed acceptance date.

4. Conditions of payment

4.1 Prices quoted shall be EXW (ex-works). If applicable, VAT will be added. We may raise prices in accordance with § 315 BGB in proportion to cost increases (including tax increases) if a period of more than four months lies between conclusion of contract and delivery.

4.2. Invoices are due immediately without deduction to our account in the Federal Republic of Germany, in EURO (€). We shall accept bills of exchange or checks only on account of performance and at the customer's expense.

4.3 In case of any delays in payment or if we have reason to believe that there could be failure of the customer to fulfill his paying obligation we reserve the right to require payment in advance or the provision of security.

4.4 In the event of the agreed return of defect-free goods, we shall charge a fee in the amount of 10 % of the invoice amount. Under no circumstances can items made to order be returned.

5. Reservation of proprietary rights

5.1 The delivered products shall remain our property and title shall not pass to the customer until all open liabilities of the customer have been fully paid for.

5.2 The customer may resell products in the normal course of business provided the claims arising from the resale have not been assigned, pledged, attached or otherwise encumbered.

5.3 Customer assigns all claims against its customers or third parties from the sale of conditional commodities to the amount of our invoice for the conditional commodities in advance to us by way of security. As long as Customer does not fall into arrears with payment of the conditional commodities, it can collect the assigned receivables in the ordinary course of business. However, it may only use the pro rata yield for payment of the conditional commodities to us.

5.4 By request of Customer, we shall release collaterals at our choice if and insofar as the value of the collaterals exceeds 20% of the value of our open claims against Customer.

5.5 In the event of arrears, we shall be entitled to withdraw from the contract and/or to demand return of any conditional commodities still with Customer without withdrawing from the contract and to collect assigned receivables ourselves. The request for return of the conditional commodities shall only represent withdrawal from the contract if it is expressly declared.

5.6 To determine our rights, we can have all of the documents/books affecting our proprietary rights of the customer inspected by a person who is obliged to observe professional discretion.

6. Liability for defects

6.1 We are liable that our products are free of defects at the transfer of risk. Immaterial deviations from the agreed quality or non-essential restrictions in usability are, however, of no significance. Qualities, performance or other features shall only be binding if we have expressly agreed on them in writing to the customer. Details in advertisements, instructions for use or reference to industrial standards shall also only be binding if we have expressly agreed on them in writing. If the customer requires the products for special purposes which exceed the agreed or anticipated use, he must check before use if the products are suitable for such purposes - including all aspects pertaining to product safety - and customer is required to ensure that products comply with all relevant technical, legal and official regulations and requirements. We are not liable if such proper verification has not been performed by the customer and proper written authorization was not obtained from us.

6.2 In case of a defect the customer has to set us a reasonable period of time to enable us to eliminate the defect either - subject to our discretion - by repairing the product or supplying a product free from defects (subsequent performance according to § 439 BGB). In the event of rejection, impossibility or failure of subsequent performance, the customer has the right to demand a reduction of the purchase price or to withdraw from the contract. In case that additional expenses to repair or replace the products arise because the customer has transferred the products after delivery to another place than the agreed place of performance the customer has to bear the additional costs.

6.3 The customer has to inspect the products as to quantity and defects immediately on receipt and has to notify any apparent defects without undue delay. Hidden defects are to be notified immediately after being discovered. Transportation damages have to be notified at once to the forwarder. Failure to meet these obligations excludes any and all potential claims for these defects.

6.4 We are further not liable for any damages following improper use, handling, maintenance, operation or processing or on normal wear and tear. This especially excludes liability for results of chemical or thermic impact on the products or in case that the customer does not use the products according to our instructions.

6.5 Our liability for slight negligence is restricted to claims based on injury to life, body or health, to claims arising from the Product Liability Law and to claims arising from the culpable infringement of essential contractual obligations, with said infringement putting the purpose of the contract at risk. Our liability for the slightly negligent infringement of essential contractual obligations is restricted to typically occurring damage foreseeable by us at the time the contract was signed.

6.6 Claims against us based on defects are subject to a statute of limitations of one year as of the delivery of the goods to the customer/acceptance of the service by the customer. The same shall apply accordingly to claims for damages, for whatever legal reason. The restriction of the period of limitation shall not apply for claims based on fraudulent concealment of a defect, for claims based on the Product Liability Law as well as for claims arising from injury to life, body or health, and for other damage based on intent or gross negligence.

7. Spare parts

We only have an obligation to storing / delivery of spare parts if agreed so in writing.

8. Printing screens/films

8.1 We are entitled to charge the customer the costs, in full or in part, for printing screens/films that are required for executing his order and that are produced by us or by third parties on our behalf.

8.2 The printing screens/films shall remain our property in all cases, even if the customer has participated in the costs, in full or in part. We shall make the printing screens/films available for repeat orders until the agreed minimum part-quantity has been called.

8.3 Printing screens/films that are based on drawings / samples / models protected for the customer or his client shall not be used for orders for other customers if we have received written instructions from the customer to this effect. If the printing screens/films are based on our own drawings / samples /models or drafts, we shall be entitled to use these printing screens/films for other customers as well.

8.4 Insofar as the customer has provided the printing screens/films himself, we reserve a right of retention to the printing screens/films until our claims have been fully met.

8.5 We are only obliged to supply the agreed quantities in each case; we are not obliged to make follow-up deliveries, even if the customer has participated in the costs for the printing screens/films or if he suffers disadvantages through the non-continuation of deliveries.

9. Industrial proprietary rights, secrecy

9.1 We reserve ownership in any moulds, samples, diagrams, commercial or technical documents provided by us as well as all copyrights, proprietary and intellectual property rights in any such item. This applies also if the customer has partly or wholly borne their costs. The customer may use all such items only in formats approved by us in writing, he is neither entitled to manufacture these items nor to have them manufactured on his behalf.

9.2 Insofar as we produce commodities according to constructions or samples prescribed by Customer and/or provide them with its advertising logos or trademarks, it shall be liable towards us in the event of culpability for the fact that commercial protective rights and other third-party rights are not infringed by their manufacture, printing and/or delivery. In the event of culpability, it shall indemnify us for all damages resulting from such infringements of rights.

9.3 All information acquired through the business relationship which is not deemed to be public knowledge shall be deemed proprietary and may not be disclosed to any third parties.