

## Terms and Conditions of Delivery and Payment

### 1. Applicability

The following terms and conditions shall govern the business relationships with the Customer to the exclusion of all other terms and conditions of business. Agreements amending or supplementing these terms and conditions side agreements as well as the Customer's terms and conditions shall only be valid if they have been confirmed by us in writing. Commercial agents and sales representatives may not make or accept binding statements on our behalf.

### 2. Offers, documents

Our offers are not binding. Technical data in brochures, catalogues, printed matter, advertisements, circulars and price lists represent the status at the time of printing and are approximations. The documentation comprised by the offer does not constitute a warranty of quality or of durability. They merely serve to present a general idea of the services described therein, and may not be passed to third parties.

### 3. Orders

All orders are binding by the Customer. We are bound only by our written confirmation. However, if the Customer is a non-trader, the request shall be considered accepted if we do not reject it within 20 days.

### 4. Prices and payment

All prices shall apply ex works Rosenfeld excluding packing, postage, carriage and insurance. We shall reserve the right to adjust prices in accordance with § 313 of the German Civil Code [BGB] for continuous obligations if individual cost factors change before we render our performances. In this case the price shall be amended to take the amended cost factors into account. If the price changes by more than 5%, the Customer may withdraw from the contract. Once 4 months have expired, the price for all contracts may be amended. Payment is to be made to our account for consignments of goods within 10 days from the date of invoice with a 2% discount, or 30 days net. The amount actually credited to our account shall be regarded as the sum paid. Assistants, commercial agents, consultants and sales representatives are not authorised to collection or deferrals. The Customer is not entitled to retain payments on account of counter-claims not based upon the same contractual relationship, nor is the Customer allowed to offset accounts contested by us or accounts not yet declared final and absolute in a court of law. Non-compliance with the terms and conditions of payment or circumstances which are capable of having a detrimental impact upon creditworthiness of the Customer will result in all our accounts being made payable immediately regardless of drafts discounted. In such circumstances we shall also be entitled to only supply against payment in advance or the furnishing of a security. We shall also be

entitled to withdraw from the contract after having set a reasonable subsequent period and demand compensation for damages. The place of fulfilment for payments is the registered office of the bank stated in our invoices.

### 5. Surcharge for small orders excess and short deliveries

For small orders, the following processing fees shall apply:  
Up to EUR 50.00 = EUR 10.00  
EUR 50.01 to EUR 100.00 = EUR 7.50  
In case of special designs, deviations in quantities of up to 10% shall be permitted for each delivery.

### 6. Reservation of title

We shall reserve the title to the supplied goods until the purchase price has been paid. However in a commercial transaction our reservation of title shall only expire if all claims against the Customer under the business relationship have been settled. Any processing shall be carried out by the Customer for us. If our goods are further processed or combined with other goods we shall acquire a co-ownership share equal to the value of our goods. If the Customer is a dealer, the Customer may sell the goods subject to reservation of title by means of a sales transaction. The Customer is not allowed to dispose of the goods otherwise. The Customer shall assign the accounts to which the Customer is entitled from a resale to us in advance up to the amount of our invoice for the goods subject to reservation of title. The Customer shall be authorised to collect the assigned accounts. At our request the Customer shall have to notify the Customer's debtors of the assignment. The Customer's authorisation to dispose of the goods subject to reservation of title and to collect the assigned accounts shall expire in the event of non-compliance with the terms and conditions of payment, if the Customer stops making payments as well as in cases in which drafts and cheques are protested. In such cases we shall be entitled to take possession of the goods subject to reservation of title. The costs incurred as a result of this shall be borne by the Customer. The Customer has to notify us straight away of impending and completed third party seizures of the goods subject to reservation of title or on the assigned accounts. The costs of interventions shall be borne by the Customer. If the value of the securities provided to us exceeds our accounts by a total of more than 20% we shall be obliged to release the above-named securities at the Customer's request.

### 7. Delivery dates, default

If we are prevented from rendering our services on time by unforeseeable events or by events for which we are not to blame, and such events are unavoidable if reasonable care is taken, the period allowed for

performance shall be extended as appropriate. In such cases new deadlines are to be agreed by mutual consent. The delivery period shall begin when our written order confirmation is sent out, but not, however, before any agreed advance payments have been received, all the documents required to carry out the order have been furnished and all technical details have been clarified. The Customer shall be obliged to fulfil all preconditions incumbent upon the Customer for the transactions to be carried out on time. The agreed delivery dates shall be regarded as having been complied with once we have stated our willingness to render the service.

### 8. Transport, transition of risk

Any and all risk shall pass over to the Customer at the latest once the item leaves our premises. This shall also apply when dispatch is carried out with our own means of transport. If dispatch is delayed for reasons outside of our responsibility, any and all risk shall consequently pass to the Customer from the day on which we are ready to dispatch. Should the Customer not take delivery of the items to be supplied immediately once the Customer has been notified that they are ready for dispatch, we shall, if possible, put them into storage for the Customer at the Customer's risk. Storage of the goods shall not release the Customer from any payment duty, which shall materialise at the point in time at which the goods are made available.

### 9. Requirement to inspect and give notice of a defect

The Customer shall inspect the goods immediately upon delivery and give notice in writing of defects within 14 days of receipt of goods or rendering of a service at the place of destination. If complaints or defects are not notified on time goods and services shall be deemed to be approved. The Customer shall notify us of any hidden defects within 14 days of their discovery at the latest.

### 10. Warranty, liability for defects

The period covered by warranty is 24 months. If the goods/services are defective, the Customer shall consequently be entitled to a repair or to the supply of a replacement. We shall be entitled to refuse to carry out a repair or to supply a replacement if this would entail disproportionately high costs. If it has not been possible to rectify the defect at a second attempt, the Customer may cancel the purchase or reduce the purchase price and demand compensation for damages in accordance with Item 11. The Customer's claims based on our liability for defects shall lapse if the Customer does not allow us the necessary time and opportunity to rectify the defect within normal business hours. The warranty shall lapse if defects occur as a result of

tampering by non-authorised parties. The warranty stated above shall only cover the scale and costs which would arise if the purchased item had been taken to the Customer's place of residence or business premises. If our expenses are increased as a result of the purchased item having been taken to another location, the Customer shall bear these additional costs.

### 11. Other compensation claims for damages

The Customer shall not be entitled to any other compensation claims for damages against us and against our assistants, in particular any claim for the compensation of damages not actually incurred by the supplied item itself. This shall not apply in the event of intent, gross negligence or the lack of warranted qualities as well as in cases in which we are liable in accordance with the German Product Liability Act if the supplied item has defects, for personal injury and property damage to items in private use. In the event of a breach of an important contractual obligation, death, personal injury or physical harm, we shall also be liable in the event that we are guilty of negligence.

### 12. Validity clause

If individual provisions of these terms and conditions are or become invalid, the remaining agreements shall not be affected as a result.

### 13. Place of jurisdiction, applicable law

The place of jurisdiction is Balingen, Germany. These terms and conditions shall be governed by the law of the Federal Republic of Germany with the exclusion of the United Nations Convention on Contracts for the International Sale of Goods.

**Blickle Räder+Rollen GmbH u. Co. KG**