

General Terms of Delivery and Payment

1. Signing and content of the contract

The written order confirmation issued by the supplier in conjunction with these general terms of delivery and payment (GTDP) is binding. Conditions of purchase stipulated by the purchaser do not oblige the supplier, even if the latter does not expressly contradict and the purchaser does not specifically state their agreement with the GTDP of the supplier. The supplier is entitled at any time to sub-contract some or all of the order to subsidiary companies or other sub-contractors. Side agreements require the written confirmation of the supplier.

2. Prices

All prices are ex-works subject to the addition of any value added tax, unless agreed otherwise in writing. The supplier is entitled to make reasonable price increases if the time between the signing of the contract and the planned delivery date exceeds 4 months and changes occur in raw material or auxiliary material prices, salaries and earnings, freight costs or taxes.

3. Freight and packaging

Delivery terms are carriage forward. In case the supplier covers the shipment costs, he can choose to deliver either carriage paid or reimburse the shipment costs in accordance with the terms of the contract. Delivery is via HGV without transshipment, freight costs are only calculated pro rata. Cost considerations mean that vehicles must be well-loaded; this may result in slight alterations to the delivery dates. Excess freight costs including those directly resulting from the characteristics of the goods being transported (bulky goods etc.), will be borne by the purchaser. Requested packaging or packaging required by the supplier will be invoiced unless agreed otherwise.

4. Acceptance

The goods are accepted at the supplier works unless agreed otherwise in writing. If the purchaser forgoes the acceptance at the supplier works, the goods are deemed accepted once they leave the works premises. Visible deficiencies must be declared within 8 days of the receipt of goods, hidden deficiencies immediately after they are determined and no later than 3 months after the delivery date.

5. Transfer of risk

All risks are transferred to the purchaser as soon as the goods leave the supplier works or are provided to the supplier. Any insurance provided by the supplier only serves as cover until the goods are unloaded by HGV at the unloading site. The unloading risk is borne by the recipient.

6. Rights of third parties

The purchaser will not hold the supplier responsible for any claims concerning deliveries in accordance with purchaser drawings or other specifications that violate the rights of third parties.

7. Lead times and terms of acceptance

Delivery times serve to determine the dates on which shipments leave the factory works. The stated times are only approximate. A reasonable extension of the delivery time occurs when the purchaser does not fulfil his obligations or terms of cooperation, or if the delivery is delayed due to exceptional circumstances at the supplier works, at a sub-supplier or haulage company that could not be foreseen and where no blame can be attached; the same also applies if the purchaser makes technical modifications or amendments after the contract has been signed. If the planned delivery date is delayed by longer than 2 weeks, the purchaser can set the supplier a reasonable period of grace after which he is entitled to withdraw from the contract. In case of damages incurred by the purchaser resulting from any delay and which can be proven as such, a claim can be made to the exclusion of other claims, for every full week of delay 1/2 the full amount up to a total of 3 times the full amount of those deliverables or other agreed services (e.g. installation), which cannot be used in time or in accordance with the conditions of the contract. Other claims for damages made by the purchaser in case of delayed deliveries or services, even after the expiry of the period of grace, will not be accepted. The above does not apply in cases of betrayal or serious negligence where liability automatically applies.

8. Conditions of credit

The credit worthiness of the purchaser is a prerequisite for delivery. If the supplier receives information following the signing of the contract which may call into question the likelihood of a credit being granted to cover the value of the order, or facts become apparent that may cause doubts concerning the above, in particular a severe worsening of the financial situation or when the purchaser does not pay due invoices despite the issue of reminders and a reasonable period of grace, the supplier is entitled to request advance payments, guarantees or cash payments without giving consideration to previous agreements, and to withdraw from the contract after a reasonable period of grace or claim for damages due to non-fulfilment.

9. Retention of title

a) All delivered goods remain the property of the supplier (goods subject to retention of title) until the complete fulfilment of all claims including all future or conditional claims relating to the business relationship, regardless of the legal grounds in particularly also for contracts concluded at the same time or at a later date. This also applies if payments coupled with redemption conditions and specific claims have been or will be made. If payment is by exchange or cheque or when agreeing a cheque/bill of exchange, the retention of title by the supplier remains in place until all cheques or exchanges have been redeemed (also for any renewal notes).

b) If the purchaser processes, combines or amalgamates the goods subject to retention of title with other goods, the supplier is deemed to be a co-owner of the new goods whose share is given by the ratio of the invoice value of the goods subject to retention of title to the invoice value of the other used goods. If the property rights expire due to combination or amalgamation, the purchaser will transfer any due property rights concerning the new assets or materials to the supplier to the extent of the invoice value of the goods subject to retention of title and will store them for the supplier without any additional charge. The

resulting co-ownership rights are deemed to be goods subject to retention of title as specified in clause a)

c) In case of resale of the goods subject to retention of title, the purchaser will cede any payment claims including any ancillary rights or security interests to the supplier; the supplier will accept this cession.

d) In case of contract contravention by the purchaser, in particular with respect to delayed payments, the supplier is entitled to reclaim the goods; the purchaser is obliged to hand over the goods.

e) The purchaser must immediately notify the supplier of any attachments, seizure or other directives by third parties.

f) Assertion of the retention of title and the possible attachment of the delivered object by the supplier is not valid for withdrawing from the contract.

10. Payment terms

In respect of complaints the purchaser is only entitled to withhold payments amounting to the cost of their rectification. The following applies if the payment conditions are not met: All claims by the supplier will be immediately due in cash regardless of any incoming exchanges. The purchaser will be issued a reminder and is officially in delay. He is obliged to issue guarantees for all claims by the supplier. This includes the ordering of any security interests in land. Exchanges and cheques will be accepted as a form of payment but will only be considered as payment once the credit has cleared without any preconditions. Bank, bank discount and other expenses will be borne by the purchaser. In case of delayed payment and subject to the assertion of further claims, interest of 4 % above the current bank discount rate of the German Federal Bank plus value added tax will be levied, unless the purchaser can demonstrate that the damages incurred by the supplier are lower than this amount.

11. Guarantee and liability

The supplier guarantees that the delivered item is free of deficiencies for the legally stipulated period in terms of its design, manufacture and materials, providing it is not a specially production run based on design documents received from the purchaser or explicit product-related restrictions have been specified and declared (e.g. for special modules). The same applies to any guaranteed characteristics unless agreed otherwise in writing. Statutory laws apply in case of defective deliveries unless specified otherwise below. The supplier can choose to fulfil his guarantee obligations by reworking the delivered item or supplying replacement part(s). If the above guarantee work is unsuccessful, the purchaser can demand a price reduction or cancellation of the contract (annulment) after the expiry of a reasonable period of grace issued to the supplier. The guarantee period for the replacement part or reworked item is 3 months. However, this period cannot expire before the original guarantee for the delivered item. Replaced items become the property of the supplier. Further claims by the supplier, in particular against damages which have not occurred on the delivered item itself, are excluded providing this is permitted by law. The costs for sending and returning as well as packaging the

delivered item and any costs for installing and removing the goods provided by the supplier will be borne by the purchaser.

12. Place of fulfilment

Place of fulfilment is the domicile of the supplier providing this is permitted by law. Providing it is permitted by law, the court of jurisdiction is Chemnitz as chosen by the supplier.