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General Terms and Conditions of Sale for Products and Services of FKB GmbH

I. Conclusion of Contract

1. The following Terms and Conditions of Sale shall apply to all our offers, deliveries and services, including all information and advice. Unless explicitly agreed otherwise, they shall apply also to all future business relations with Customers even if we do not explicitly refer to them again when the individual contract is concluded.

2. Other Terms and Conditions shall not apply even if we do not explicitly object to them once again. Any additions, modifications or ancillary agreements shall require our written confirmation to become effective. This shall also apply to the waiver of the requirement of written form.

3. Our offers shall be subject to confirmation unless a period of validity has been explicitly agreed. A contract shall only become effective if we confirm the Customer's order in writing or if we provide the delivery or service per order without separate confirmation.

II. Dates and Deadlines

1. The dates and deadlines for our deliveries and services shall not be binding unless explicitly agreed otherwise in writing. The deadlines shall start only if an agreement has been reached with respect to all details of the execution, the Customer has provided all information, documentation and materials which he is obligated to supply and – as far as payment in advance or down payment has been agreed - the agreed price or down payment has been received. If the Customer fails to cooperate or requests any modifications to the order, this shall lead to an adequate postponement of dates or extension of deadlines.

2. Unforeseeable and inevitable events (e.g. war, conditions similar to war, shortage of power or raw materials, sabotage, strike) as well as any other interruption of operations or intervention by public authorities outside our control shall release us from the obligation to deliver or perform for as long as these events persist, even if they occur during an already existing default in delivery. The dates or deadlines shall be adequately postponed or extended as a result of these circumstances. This shall also apply to situations where deliveries from our Suppliers have not been made in due time or in the correct way.

3. Claims on the part of the Customer shall be excluded in all cases of delayed deliveries, even after expiry of an additional period of time granted to us. The Customer's right to withdraw from the contract after an additional period granted to us shall remain unaffected. The same shall apply to our withdrawal from the contract.

III. Prices and Terms of Payment

1. Our prices are net prices ex works (EXW, INCOTERMS® 2010).

2. Unless explicitly agreed otherwise in writing, prices shall be binding within a period of one month from the order confirmation (original). If no order confirmation is issued, the date of the order shall apply. After that period, we shall be entitled to submit a new offer to the Customer informing him about any increases in costs with due regard to his reasonable interests

3. Unless explicitly agreed otherwise in writing, all payments shall be due within 14 days with a cash discount of 2 % or without deduction 30 days after the date of dispatch of the goods and invoicing to the Customer and are to be remitted to the bank account specified.

The decisive date for settlement of the payment shall be the date of receipt, checks shall only be accepted if this has been agreed and only on account of performance. In these cases, the payment shall be considered as settled only when the amount in question is finally at our

disposal. All costs arising in connection with the payment shall be borne by the Customer exclusively.

4. The Customer shall be in default if the invoice has not been settled 30 days after receipt of the invoice. If the date of receipt of the invoice is not certain, the Customer shall be in default, at the latest, 30 days after receipt of the goods or services and on the basis of the maturity determined in accordance with the terms of payment.

5. If the Customer is in default of payment, we shall be entitled, at our option, to charge either interest of arrears to the amount of 8 percentage points above the basic interest rate (ECB) or request the exact amount of the actual damage suffered by us because of the default as a compensation. Section 353 of the German Commercial Code (HGB) shall remain unaffected.

6. The Customer shall be entitled to offset or retain payments only if his counter-claims are final and conclusive, undisputed or acknowledged by us.

7. An assignment of the Customer's claims towards us to a third party shall only be admissible if we have given our explicit written consent. Section 354a of the German Commercial Code (HGB) shall remain unaffected.

8. If we gain knowledge about a major deterioration of the Customer's financial situation after the conclusion of a contract (e.g. application for the opening of insolvency proceedings, unfavorable credit information or in the event that the Customer has meanwhile been in default of payment), we shall be entitled to execute open orders for goods or services only against payment in advance or an adequate security; delivery times shall then be extended or deadlines postponed accordingly. If we have already delivered the goods or services, we may request immediate payment of our invoice, in deviation of Paragraph 3.

IV. Delivery and Passing of the Risk

1. The place of performance shall be the place of delivery where the goods are produced in accordance with INCOTERMS® 2010. The risk of accidental loss or accidental deterioration of the goods shall pass to the Customer with the delivery from the place of performance. This shall also apply to partial deliveries or if we assume responsibility for additional services (e.g. shipment or shipping costs).

2. We shall be entitled to partial deliveries or services if we inform the Customer in due time that the remaining goods will be delivered in an adequate period of time.

3. If the delivery is delayed for reasons for which the Customer is responsible, the latter shall bear the costs for the unsuccessful delivery as well as for further storage in the delivery plant or any other storage place we may choose.

In these cases, the risk of accidental loss or accidental deterioration of the goods shall pass to the Customer when the ready-for-dispatch note is issued.

V. Production according to the Customer's Instructions

1. When the goods are produced in accordance with drawings, specimens or other instructions by the Customer, we shall not assume any liability for the fitness for use of the product or any other defects as far as these conditions are based on the Customer's instructions.

2. The Customer shall indemnify us against any claims raised by a third party for damage caused by the products as far as these are based on drawings, specimens and other instructions provided by the Customer. This shall apply also to claims for reasons of product liability.

3. The Customer shall warrant that the production and the delivery of the goods produced on the basis of his instructions do not violate any property rights of a third party. If a third party raises any claims towards us on grounds of property rights, we shall be entitled to withdraw from the contract after consultation with the Customer unless the third party revokes the assertion of its property rights in a written statement submitted to us. The Customer shall be obligated to reimburse us the damage and the costs we incur because of the assertion of property rights. In case of a withdrawal, the work already executed by us in connection with the product or the service must be paid by the Customer as invoiced by us.

4. The moulds and tools as well as the design documentation produced by us or in our name shall be our exclusive property. The Customer shall have no rights to them even if he has contributed to the costs for the production of the moulds, tools and design documenta-

tion. We shall be entitled to destroy the relevant moulds, tools and design documentation five years after the execution of the last order from the Customer, at the latest, unless any deviating provisions have been agreed in writing or the necessary approvals based on the relevant agreement have been obtained.

5. We reserve all property rights, copyrights as well as any other industrial property rights to the documents made available to the Customer.

They must not be made accessible to third parties or used for commercial purposes and shall be returned to us immediately at our request together with all copies and duplicates that may have been made.

VI. Provisions by Customers

If the Customer provides parts, material or any other substances for the execution of his order, the Customer shall be responsible for their suitability for use. Unless agreed otherwise in writing, we shall therefore not perform any incoming goods inspections or suitability tests. If the materials provided by the Customer are not fit for use, unsuitable or useless for the execution of the order and if this is not evident for us, the Customer shall not be entitled to raise any warranty or liability claims towards us. Furthermore, the Customer must reimburse us the damage caused by the unfitness, unsuitability or uselessness of the materials as invoiced by us and to refund any additional expenditure we incur in this connection.

VII. Technical Modifications and Quantity Deviations

1. Unless explicitly agreed otherwise, we reserve the right to make any modifications that are technically necessary or advisable (in particular with respect to design, selection of materials, specification, construction).

2. In the production of special alloys, deviations in the output may occur for reasons of production engineering. We shall therefore be entitled to over/under deliveries provided that the Customer has been informed about these deviations and the latter are not unacceptable with regard to his interests. The actual delivery quantity shall be invoiced.

VIII. Warranty and Incoming Goods Inspection

1. In the framework of the following provisions, we shall warrant that the products delivered and the services performed, at the moment of the passing of the risk, are free from defects that would make them invalid or unfit for their normal use or the contractually agreed purpose or reduce their validity or usability to more than a minor degree. If parts or services show a material defect before the expiration of the period of limitation - irrespective of the operating time - they shall, at the Supplier's discretion, be repaired, replaced or newly supplied free of charge, provided that the defect already existed at the moment of the passing of the risk. We shall not be liable for wear and tear due to normal operation or for defects caused by inappropriate use, inadequate handling and storage or by non-observance of the manufacturer's documentation or the installation and mounting instructions. The warranty rights shall expire in case of inappropriate handling by the Customer or any third party acting on the latter's request.

2. Unless agreed otherwise in writing, the information about our products, in particular the figures, drawings, technical data and references to standards and specifications contained in our offers and brochures, shall not constitute any warranties of quality and/or durability within the meaning of Section 443 of the German Civil Code (BGB), they are rather meant to be descriptions and characterizations. The same shall apply to the delivery of specimens or samples.

3. Even if specimens or samples have been supplied previously, the Customer shall inspect the goods immediately upon receipt and report any defects or deviating quantities that he observes immediately to us in writing. Otherwise, the goods shall be deemed to have been accepted unless the defects are of such a nature that they could not be recognized during the inspection.

4. The warranty period shall be 12 months and shall start with the date when the goods are handed over to the Customer, at the latest when they are delivered at his site. In case of work and service contracts, including work and material contracts for non-fungible goods, the warranty period shall start with the ac-

ceptance pursuant to Section 640 of the German Civil Code (BGB).

5. We shall bear the costs (in particular for transportation, travel, work and material) required for the purpose of remedying defects. If the expenses increase due to the fact that the items have been moved to another location than the Customer's place of delivery, the latter shall bear the additional costs unless the relocation is in compliance with the intended use of the products. If defects are to be remedied, the Customer shall grant us immediately the possibility to do so and to make the products that are the subject of the complaint accessible to us for inspection and processing.
6. Any costs for unjustified complaints shall be borne by the Customer. Lump-sum settlements for complaints of defect from the Customer shall not be recognized.
7. If the correction of the defect or a replacement delivery has failed, the Customer shall be entitled to request a reduction of the price or withdraw from the contract without prejudice to his rights to claim damages.
8. There shall be no liability for defects on our part in case of only minor deviations from the agreed properties or for only a negligible impairment of the usability.
9. If we supply materials and parts to our Customers, we shall not be subject to liability pursuant to Section 478 of the German Civil Code (BGB).
10. Unless otherwise agreed in these Terms and Conditions of Sale, any further claims shall be excluded.
11. All claims of the Customer - irrespective of their legal cause - shall be time-barred after 12 months. Any claims for damages on the part of the Customer shall be subject to the statutory provisions. They shall apply also to items that have been used for a building in accordance with their normal use and have caused its defectiveness.

IX . Retention of Title

1. We shall reserve the title to the goods delivered as well as to the objects created by processing or transforming these goods (goods subject to retention of title) until all and any of our present and future claims towards the Customer - also those that are constituted after conclusion of the contract - have been settled in their entirety. For current account claims the goods subject to retention of title serve as a security for our balance claims.
2. Processing and transforming of the goods shall only be admissible in the regular course of business and shall be performed by the Customer for us without any obligations for us resulting therefrom. If goods are processed by combining them with other items also delivered subject to simple or extended retention of title, we shall acquire co-ownership of the new items in the proportion of the gross purchase price agreed between us and the Customer and the corresponding value of the other items. The Customer herewith agrees to assign to us already now his co-ownership shares resulting from any combination, mixing or mingling of the goods delivered subject to retention of title with other items.
3. The Customer shall keep the objects which are our property or in which we have a co-ownership share with the due diligence of a merchant. If he takes out insurance for the goods subject to retention of title, he assigns to us already today his claims from the individual insurance policy, in case of co-ownership, to the proportion of our co-ownership shares to all other co-ownership shares.
4. The Customer shall be entitled to dispose of the goods subject to retention of title only by selling them in the ordinary course of business and only if it is ensured that the claims arising therefrom will be transferred to us. He shall not be entitled to any other dispositions (in particular pledging or transferring them by way of security).
5. The Customer herewith assigns to us as a security the claims to which he is entitled from selling or from disposing of the goods subject to retention of title for another legal cause. If the assigned claim is included in a current account, the Customer herewith assigns to us a part of his balance claim, including the final balance, to the amount of his claims from reselling the goods. If he sells the goods subject to retention of title after processing or transforming them or after combining, mixing or mingling them with other products or if he sells them together with other products, it is agreed that the assignment of the claim shall amount to the part corresponding to the gross price agreed between us and

the Customer plus a security margin of 20 % of this price. The Customer shall be entitled to collect the claims assigned to us.

6. We may at any time withdraw the authorization to dispose of the goods subject to retention of title and to collect the claims assigned to us if the Customer does not fulfill his obligations towards us properly.
7. The Customer shall be obligated to provide us at any time all information we desire with respect to the goods subject to retention of title and the claims assigned to us and to submit the corresponding documents to us. At our request, the Customer must inform the debtors about this assignment.
8. If a third party has access to or raises claims concerning the goods subject to retention of title (including any enforcement measures), the Customer must inform us immediately and provide the relevant documents to us. He shall inform third parties without delay about our retention of title and the assignment by way of security. The costs for contesting this kind of access shall be borne by the Customer.
9. If the Customer is in default of payment or violates his obligations arising from these Terms and Conditions, we shall be entitled - notwithstanding our other rights - to take back the products subject to retention of title, to disclose the transfer by way of security and to realize the claims assigned to us for satisfying the Customer's outstanding debts towards us. In such a case, the Customer shall immediately grant access to and hand over the goods subject to retention of title to us or our authorized agents. Our request to return the goods or a seizure initiated by us as an enforcement measure shall not be considered as a withdrawal from the contract.

X. Other Claims for Damages

1. Any claims for damages on the part of the Customer, irrespective of the legal cause, in particular for violation of contractual obligations and for tortious act shall be excluded.
2. This shall not apply to cases where we or our authorized agents are responsible for deliberate action or gross negligence. The disclaimer of liability shall not apply either to cases where we or our authorized agents are subject to strict liability for damage to life, limb or health or because of the warranty given for the existence of a certain quality. For the violation of material contractual obligations the fulfillment of which the Customer may rely on in a particular way, we shall be liable also in cases of ordinary negligence.
3. In case of a violation of material contractual obligations as well as for ordinary negligence or for gross negligence of employees or other authorized agents who are no executives, our liability shall be limited to the amount of the typical damage that is foreseeable when all relevant and apparent circumstances are taken into account.
4. Liability in accordance with the Product Liability Act shall remain unaffected. The above provisions do not entail a change in the burden of proof to the disadvantage of the Customer.

XI. Use of Software

1. As far as software is included in the delivery, the Customer shall be granted the non-exclusive right to use the software and the corresponding documentation. Its use shall be permitted on the items delivered that are meant for this purpose. Using the software on more than one system shall not be allowed.
2. The Customer may reproduce, process or translate the software or transform it from the object code into the source code only as far this is permitted by law (Section 69 a et seqq. of the German Copyright Law (UrhG)). The Customer agrees not to remove any manufacturer labels - in particular copyright notes - and not to modify them without the prior explicit consent of the Supplier.
3. Any other rights to the software and the documentation, including the copies, shall remain with the Supplier or the Supplier of the software. Granting any sub-licenses shall not be admissible.

XII. Miscellaneous

1. Our contracts and these Terms and Conditions of Sale shall be governed by German law only, the Convention on Contracts for the International Sale of Goods (CISG) is excluded.
2. Should individual provisions of these Terms and Conditions of Sale be invalid, this shall not affect the

validity of the remaining provisions; the Parties shall replace any invalid provision by another provision which comes closest to the purpose of the invalid one.

3. The exclusive legal venue for all disputes from and in connection with this Contract shall be our place of business. We shall, however, be entitled to choose also another place of jurisdiction.

(Release July 2012)