

General Terms and Conditions

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General Terms and Conditions of Sale and Delivery

pbp Preissinger GmbH & Co. KG

(hereinafter referred to as pbp, Seller or Supplier)

available on the internet at www.pbp-preissinger.de

Section 1

Applicability of the General Terms and Conditions

1. Any delivery of goods, services and offers made by pbp shall be exclusively subject to these Terms and Conditions. They shall form part of any agreement on deliveries or services offered by pbp that pbp concludes with its contracting parties (hereinafter referred to as the Customer, Purchaser or Orderer). They shall also apply for all future deliveries, services or offers provided to pbp, even if they are not agreed separately.
2. Terms and conditions of the Customer or third parties shall not apply, even if pbp does not disagree with their applicability in each individual case. Seller's failure to object to provisions contained in any communication from the Customer or a third party shall not be deemed a waiver of the provisions of these terms and conditions. These General Terms and Conditions of Sale and Delivery shall also apply for contracts for work or contracts for work and materials of pbp, unless otherwise provided by law.

Section 2

Offer and Contract Conclusion - Scope of Services

1. All offers made by pbp shall be non-binding and without obligation unless expressly marked as binding or contain a specific acceptance period.
2. The purchase agreement entered into by pbp and the Customer in writing or these Terms and Conditions or a written order confirmation by pbp, after receipt of the order containing the scope of the order, shall be the sole basis for the legal relationship between pbp and the Customer. This shall also apply, if the order confirmation contradicts the order form of the Orderer, unless pbp expressly agrees or agreed in writing to the terms and conditions of the Orderer.
3. Verbal commitments made by pbp prior to the conclusion of this contract are not legally binding and verbal agreements by the contracting parties shall be replaced by the written contract, unless they expressly state that they continue to have a legally binding effect.
4. Any amendment of and supplement to the agreements, including the General Terms and Conditions of Sale and Delivery, must be in writing to be legally binding. With the exception of Managing Directors or authorized representatives, the employees of pbp are not authorized to enter into any verbal agreement differing herefrom. To comply with the written form requirement, the transmission via fax shall suffice. The transmission via telecommunication equipment, especially via e-mail, shall not be sufficient.
5. Details by pbp on the subject of the delivery or service (e.g. weight, dimensions, utility value, capacity, tolerances and technical data) as well as images in the form of, for example, drawings and illustrations, shall be deemed as approximations only, unless the applicability for the purpose stipulated in the contract requires an exact correspondence. They do not constitute warranted characteristics, but descriptions or identifications of the delivery or service. Customary deviations and deviations stipulated by legal requirements or constituting technical enhancements as well as the replacements of components with adequate parts are admissible, if they do not affect the applicability for the purpose stipulated in the contract.
6. Deviations on the order confirmation in quantity or length of values such as busbar lengths, number of fittings, number of curve components or length of fixing material (C profile), that, after ordering and receipt of order confirmation or through specifications by the Orderer, only arise in the projection phase and are authorised by design and production approval of the Orderer, are part of the ordered scope of delivery and are charged with additional or reduced prices according to the rates agreed on. Deviations within the scope of customary tolerances are expressly allowed.
7. pbp reserves the right of ownership and/or copyright in all offers and estimates made by pbp as well as in drawings, illustrations, calculations, brochures, catalogues, models, tools and other material and resources provided to the Customer. Without the explicit consent of pbp, the Customer may not make these objects accessible to third parties, neither as such nor as regards their content, reveal them, use or reproduce them on own parts or through third parties. Upon request from pbp, the Customer must return these objects in a complete form and destroy any duplicates made once they are no longer required by the Customer in due course of business or if negotiations do not lead to the conclusion of a contract.
8. Should advances in technology or IEC standards and German DIN regulations result in changes in the products, pbp shall be entitled to deviate from the object of sale in such cases according to the current state of scientific knowledge and technology, as long as the applicability is not affected, and to deliver an adequate object of sale, unless products are described as binding.
9. It is hereby again explicitly stated that technical data provided by pbp does not constitute a guarantee of characteristics, but customary approximations, unless expressly described as binding.
- 10.

Section 3

Prices and Payment

1. The prices shall apply to the scope of service and delivery set out in the order confirmation.
2. Additional or special services are charged separately.
3. Prices are quoted in Euro, ex works, excluding packing, statutory VAT, installation or assembly, unless otherwise agreed, and shall apply for the requested amount. Furthermore, customs duties are also excluded in case of export deliveries as well as fees and other public levies.
4. Deviations on the order confirmation in quantity or length of values such as busbar lengths, number of fittings, number of curve components or length of fixing material (C profile), that, after ordering and receipt of order confirmation or through guidelines by the Orderer, only arise in the projection phase and are authorised by design or production approval of the Orderer, are charged on an additional or reduced price basis.
5. If the agreed prices are based on the list prices of the Seller and the delivery is to take place more than four months after the conclusion of the contract, the Seller's list prices at the time of delivery shall apply. If a fixed price was agreed, it shall apply for four months. After the expiration of these four months, the prices are adjusted according to the following price escalation clause recognised by market standards.
The prices stated on the offer are fixed prices up to three months after the offer was submitted. After this date, the prices may be adjusted according to the following price escalation clause:

$$P = P_0 \times [0.10 + 0.20 C/C_0 + 0.15 \times (1+SM/100) + 0.55 \times L/L_0]$$

Whereas:

P = Settlement price

P₀ = Contract price at the time of order placement

C = Index for copper or aluminium (EUR/kg), 3 months before the delivery date

C = Index for copper or aluminium (EUR/kg), at the time the fixed price was agreed

M = Index for general rate of price increase/year (%)

SM = Total amount of all rates/year (%) from the time the fixed price was agreed up to 3 months before the delivery date

L = Minimum wage for employees of wage group V, 3 months before the delivery date

L₀ = Index for employees of wage group V, at the time the fixed price was agreed

- Indices for material costs and general rates of price increase are published by the German Federal Statistical Office for (*Bundesamt für Statistik*) in Wiesbaden/ Germany.
- Labour costs are in accordance with the collective bargaining agreements for employees in the German metal industry, valid for Bavaria.
- It is determined that the maximum rate of price adjustment three months after the deadline for submitting the offer shall not exceed 4% per year.

6. Invoice amounts shall be due and payable without any deduction within 30 calendar days, unless otherwise agreed in writing. The date of receipt of the invoice by the Seller shall be decisive. Cheques shall only be valid for payment after they have been redeemed. If the Customer fails to pay when payment is due, all outstanding amounts produce an interest rate of 8 % p.a. from the due date. The enforcement of higher interest rates and further claims in the event of default remains unaffected.
7. pbp shall be entitled to agree on special payment terms in the event of foreign business transactions or unknown orderers.
8. Repairs, services, work performances as well as service operations are payable without any deduction within 14 calendar days. Section 3 No. 6 of these General Terms and Conditions (30 calendar days) shall only apply for deliveries and purchase agreements.
9. Offsetting Customer counterclaims or the retention of payments by the Customer shall only be admissible, if counterclaims are indisputable or established by force of law.

10. pbp is entitled to execute or provide outstanding deliveries and services against advance payment or collateral only, if circumstances become known to pbp after the conclusion of the contract that might significantly reduce the creditworthiness of the Customer and through which the payment of the Supplier's receivables by the Customer arising from the contract relationship (including other individual orders that are executed under the same master agreement) is at risk.

11. The non-compliance with the payment terms shall entitle pbp to withdraw from the purchase agreement. pbp reserves the right to seek further damage claims.

12. In the event of a permanent business relationship, pbp shall be entitled to suspend further supply and deliveries when the Buyer fails in payment(s). Payment shall be deemed as effected only, if the amount has been credited to the bank account of pbp.

Section 4

Delivery and Delivery Time

1. All deliveries are ex works.

2. The times and dates of deliveries and services anticipated by pbp shall only be deemed to be approximate, unless a fixed period or a fixed date was expressly guaranteed or agreed. If shipping was agreed, delivery times and dates shall refer to the time the goods were handed over to the forwarding agent, carrier or other third parties contracted to handle the shipment.

3. Compliance with delivery times requires the Orderer's fulfilment of the contractual obligations.

Furthermore, it requires the timely receipt of all documents to be provided by the Orderer, technical specifications, necessary approvals, releases, timely clarification and authorisation of the constructions, the fulfilment of the agreed payment terms as well as all contractual obligations by the Orderer. If these requirements are not fulfilled in a timely manner, pbp's delivery time shall be extended appropriately.

If the delivery is delayed owing to circumstances for which the Customer is responsible, the deadline shall be deemed kept when pbp's readiness for shipment is reported in time.

4. pbp shall not have any liability for any loss or damage if its performance of any obligations under the contract is delayed, hindered or prevented by force majeure or any cause beyond its reasonable control, including, without limitation, any kind of breakdown, difficulties in material or energy supply, delays in transport, strikes, lawful lockouts, lack of manpower, energy or raw materials, difficulties in obtaining necessary official approvals, regulatory action, or missing, wrong or delayed delivery by suppliers.

8. If pbp is responsible for any delay in delivery or performance, or a delivery or performance becomes impossible for pbp for any reason, pbp's liability for damages is limited in accordance with these General Terms and Conditions (Section 9 Liability for Damages).

withdraw from the contract. In the event of a temporary delay, hindrance or prevention, pbp shall be entitled to postpone delivery or performance by the duration of interference, plus a reasonable start-up time thereafter. Insofar as the Customer cannot reasonably be expected to accept the delay, the Customer shall be entitled to withdraw from the contract upon written notice.

5. If shipment or delivery is delayed by any act, omission or delay on the part of the Customer, Customer will be subjected to storage fees of 0.5 % of the invoice amount for each started month, starting two weeks after the notification of readiness for shipment.

6. Compliance with the time limits for the completion of services, such as supervisor or installation assignments, requires the existence of the buildings or structural standards determined by the Customer or the correct and predetermined set-up of the given installations. Furthermore, the Customer must provide transport devices for the delivered material and store the goods in an orderly manner.

6. pbp shall only be entitled to make partial deliveries, if

- the partial delivery can be used by the Customer within the scope of the purpose determined in the contract.

- the delivery of the remaining order is guaranteed and

- this does not result in significant additional effort or costs for the Customer (unless pbp agrees to bear these costs).

8. If pbp is responsible for any delay in delivery or performance, or a delivery or performance becomes impossible for pbp for any reason, pbp's liability for damages is limited in accordance with these General Terms and Conditions (Section 9 Liability for Damages).

Section 5

Place of Performance, Shipment, Packing, Transfer of Risk, Acceptance

1. Place of performance for all obligations arising from the contractual relationship is Breitengüßbach/Germany, unless otherwise agreed.

2. The mode of shipment and packing are subject to pbp's reasonable discretion.

3. The risk will be transferred to the Customer at the latest with the handover of the object of delivery (whereas the start of the loading process is decisive) to the freight forwarder, carrier or other third party contracted for the shipment. This shall also apply in the event of partial deliveries or if the Seller has undertaken to provide other services, (e.g. shipment or installation). If the shipment or handover is delayed due to circumstances the Customer is responsible for, the risk shall be transferred to the Customer on the day the object of delivery is ready for shipment and pbp has notified the Customer thereof.

4. Storage costs that arise after the transfer of risk shall be borne by the Customer. In the case of storage by the Seller, the storage costs shall be 0.5 % of the invoice amount for each started month. The right of enforcement and proof of additional storage costs or higher claims remains reserved.

5. pbp shall only insure the shipment against theft, breakage as well as transport, fire and water damage or other insurable risks upon the Customer's explicit request and at its own expenses.

6. Shipment will be carried out on sole account and risk of the Customer.

7. If not otherwise instructed, the route and means of shipment is at pbp's discretion without any liability for the cheapest and fastest shipment.

8. If an acceptance is required, it shall be deemed to have been effected if:

- the delivery and, to the extent the Seller is also required to provide work performances, the work performance is completed.

- pbp notifies the Customer thereof referring to the acceptance terms according to this provision and has requested the Customer to perform the examination.

- 7 working days have passed since delivery or provision of the work performance or the Customer has started to use the purchased goods, (e.g. has started to operate the delivered installation).

- the Customer failed to accept within this period for a reason different than a defect reported to the Seller and making the use of the purchased goods impossible or affecting it significantly.

9. The Customer shall immediately inspect the goods and notify pbp of any defect without undue delay and ensure this process within the company by respective controls.

Section 6

Installation and Assembly

1. The Customer shall at its own cost provide any equipment and material and other additional work required for commissioning, including the required building materials, in a timely manner.

2. The Orderer must ensure that the machine parts, devices, materials, tools, etc. needed for installation can be stored in sufficiently large, suitable, dry and lockable rooms and the assembly personnel is provided with suitable working and leisure rooms, including suitable sanitary facilities appropriate to the circumstances.

The Orderer must also take measures to protect the property of the Supplier and the assembly personnel on the building site that the Customer would take for its own protection or for the protection of its personnel. The assembly and Supervisor personnel must be accommodated according to European standards.

3. Furthermore, protective clothing and protective devices that are required due to specific circumstances on the building site and not customary for pbp, must be provided at the Customer's own cost.

4. Before the commencement of the assembly work, the Customer must make available without prior request the required details concerning the location of concealed electricity, gas and water supply cables and pipes or similar installations as well as the required static details.

5. If the installation, assembly or commissioning is delayed by circumstances, particularly on the building site, for which pbp is not at fault (creditor's delay), the Customer must bear the reasonable costs incurred for idle times and any additional travelling required by the set-up or assembly personnel.

6. The Customer is obliged to issue a written confirmation of the completion of the installation or assembly to the installers or the assembly personnel without undue delay.

7. pbp shall not be liable for the performance of its set-up or assembly personnel or other assistants, unless the performance is associated with the delivery and installation or assembly or if the same were directly contracted by the Orderer.

8. If pbp has taken on the installation or assembly against separate invoicing, the Customer shall pay the rates for working time and statutory surcharges for overtime, night work, work on Sundays and public holidays, work under difficult conditions as well as for planning and monitoring agreed in the order confirmation.

9. Furthermore, the following costs are reimbursed separately:

a) Costs for travelling time, travelling costs (Breitengüßbach to building site of the Orderer and back), costs for transport of the tools and personal luggage;

b) Allowance for working time as well as for days off and public holidays.

Section 7

Warranty, Material Defects

1. The warranty period is one year from the date of delivery, or if an acceptance is required, from the date of acceptance.

2. The delivered objects must be carefully examined without delay after delivery of the objects by the Customer or the third party determined by the Customer. They shall be deemed as accepted, unless pbp receives a written notification of defects concerning obvious defects or other defects that were discovered during the immediate careful examination within 7 working days after the date of delivery of the object or otherwise within 7 working days after the discovery of the defect or at any earlier time, when the defect was recognisable for the Customer during normal use of the delivered object without any detailed examination.

Upon request by pbp, the defective goods must be returned to pbp free of carriage charges. If the notification of defects is legitimate, pbp shall reimburse the costs of the most economic form of shipment. This shall not apply, if the costs increase due to object of delivery being at a location different from the location of its intended use.

3. In the event of material defects, the Seller must or is entitled to, at its option, select either repair or replacement within a reasonable period of time. In the event of a failure, i.e. the impossibility, unreasonableness, refusal or unreasonable delay of the repair or replacement, the Customer may withdraw from the contract or reasonably reduce the purchase

price.

4. If pbp is responsible for a defect, the Customer may claim damages in accordance with the provisions of these General Terms and Conditions.

5. If components of third-party manufacturers are defective, and pbp cannot remedy them for licensing or factual reasons, the Supplier shall, at its discretion, exercise its warranty claims against the manufacturers and suppliers on behalf of the Customer or assign those to the Customer. Warranty claims against pbp for such defects only exist subject to the other conditions and in accordance with these General Terms and Conditions of Sale and Delivery, if the judicial enforcement of the above mentioned claims against the manufacturers and suppliers was unsuccessful or would be without a chance of success for reasons such as insolvency. For the duration of the legal dispute, the limitation period for the respective warranty claim of the Customer against pbp shall be suspended.

6. The warranty shall not apply, if the Customer modifies the object of delivery or has it modified by third parties without the consent of pbp and this modification makes it impossible or unreasonably difficult for pbp to remedy the defect. In any event, the Customer must bear the additional costs for the remedy of the defect arising from the modification.

7. pbp shall not be liable for defects caused by materials provided by the Orderer or by its prescribed design.

8. pbp shall only be liable for such defects occurring under the operating condition stipulated in the contract and during proper use of the object of delivery. pbp shall not be liable for the following defects:

- inadequate maintenance
- improper operation
- improper installation by the Customer
- incorrect repair by the Customer
- modifications without prior written consent of the Supplier.

9. A delivery of used objects agreed on with the Customer on an individual basis will take place excluding any warranty for material defects.

Section 8

Intellectual Property

1. All documents, data and records will remain the intellectual property of pbp and may only be used for the agreed project and purpose and by third parties only with the prior written consent of pbp.

2. pbp guarantees that the object of delivery is free of intellectual property rights or copyrights by third parties. Each contracting party will notify the other party without delay in writing of any claims exercised against that party resulting from the infringement of such rights.

3. If the object of delivery infringes an intellectual property right or copyright of a third party, pbp will, at its own discretion and cost, modify or replace the object of delivery such that no more rights of third parties will be infringed, but the object of delivery continues to fulfil the contractually agreed purpose, or grant the Customer the right of use by entering into a license agreement.

Section 9

Liability for Damages based on Fault

1. pbp's liability for damages irrespective of legal grounds in cases of impossibility of, or delay in delivery, defective or incorrect delivery, breach of contract, breach of duties during contract negotiations and tort, as long as this is based on fault, shall be limited in accordance with Section 9 of these Terms and Conditions.

2. pbp shall not be liable in cases of ordinary negligence of its bodies, legal representatives, employees or other assistants, unless they conducted a breach of the material contractual duties. Material contractual duties are duties of timely delivery and installation of the object of delivery free of material defects as well as consultancy, protection duties and duties for care intended to enable the Customer to use the object of delivery as stipulated in the contract or with the purpose of protecting life and limb of the Customer's employees or their property from considerable damage.

3. If the Seller is liable on the merits, the liability for damages shall be limited to damage foreseeable for pbp as possible consequence of a breach of contract at the time of contract conclusion or damage which should have been foreseeable for pbp when exercising due care and diligence. Indirect damage and consequential damage which are result of defects of the object of delivery, are only subject to compensation, if such damage is deemed as to be typically expected when the object of delivery is used according to its purpose.

4. In case of ordinary negligence, the Supplier's liability shall be limited to 1,000,000€ for property damage and to 200,000€ per loss for consequential financial losses (according to the current sum insured with its product liability insurance or liability insurance), even if material contractual duties are breached.

5. The exclusions and limitations of liability stated above shall equally apply in favour of the Supplier's bodies, legal representatives, employees and other assistants.

6. If the Supplier provides technical information or consultancy services and this information or advice does not belong to the contractually agreed scope of services, any liability is excluded, unless the Supplier is remunerated for these services.

7. The limitations of this provision shall not apply for the Supplier's liability based on wilful intent, warranted characteristics, an explicit written confirmation, injury to life, body or health or in accordance with the Product Liability Act (*Produkthaftungsgesetz*).

Section 10**Retention of Title**

1. The retention of title set out below serves as security for all existing and future claims of the Supplier against the Customer arising from the supply relationship between the contracting parties (including accounts receivables from an open account relationship limited to this supply relationship).
2. All goods delivered to the Customer by the Supplier remain property of pbp until all secured receivables have been paid by the Customer. These goods as well as goods taking their place and being covered by the retention of title will hereinafter be referred to as goods subject to retention.
3. The Customer shall store the goods subject to retention free of charge for pbp.
4. The Customer is entitled to process and sell the goods subject to retention in the course of orderly business transactions until the event of realisation. Pledges and assignments of security interest are not admissible.
5. If the goods subject to retention are processed by the Purchaser, it is agreed that the processing will take place on behalf of and for account of pbp as manufacturer and the Supplier shall directly acquire ownership in the new item. If the goods subject to retention are processed from a mixture of goods from other owners or the value of the processed goods is higher than the value of the goods subject to retention, the Supplier is entitled to co-ownership (fractional ownership) in the new item in the ratio of the value of the goods subject to retention to the value of the new item. In the event that pbp should not acquire such ownership, the Customer shall transfer to pbp its future ownership or co-ownership in the new item in the ratio stated above as security. If the goods subject to retention are combined or inseparably mixed with other goods to form a single item and if part of the other goods is to be considered the main item, pbp shall transfer to the Customer the co-ownership in the single item proportionally in the ratio stated in sentence 1 above, as long as the main item is the property of pbp.
6. In the case of a resale of the goods subject to retention, the Customer shall as a precaution assign any claim against the purchaser deriving therefrom - in case of co-ownership of the Seller in the goods subject to retention proportionally according to the co-ownership share - to pbp. The same shall apply for other claims replacing the goods subject to retention or arise otherwise with regard to the goods subject to retention, such as insurance claims or claims from tort or in cases of loss or destruction. pbp authorises the Customer revocably to collect the receivables assigned to pbp in its own name. pbp may only revoke this authorisation to collect in the event of the collateral being realised.
7. If third parties have access to the goods subject to retention, in particular by assignment, the Customer will notify them of the ownership by pbp without undue delay and inform pbp of this in order to enable pbp to enforce its ownership rights. If the third party is unable to reimburse the Supplier for the judicial or extra-judicial costs incurred in this context, the Customer shall be held liable for this.
8. The Supplier will release the goods subject to retention as well as objects or claims replacing them upon request at its discretion if their value exceeds the amount of the secured receivables by more than 50 %.
9. If in the case of a contractual breach by the Customer, in particular in cases of payment default, pbp withdraws from the contract (event of realisation), pbp shall be entitled to claim the return of the goods subject to retention.

Section 11**Miscellaneous**

1. Venue for all potential disputes arising out of the business relationship between pbp and the Customer is the location of the registered office of pbp, consequently Bamberg, Germany for Breitengüßbach.
2. The relationship between pbp and the Customer is exclusively governed by the laws of the Federal Republic of Germany. The United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 (CISG) shall not apply.
3. If the contract or these General Terms and Conditions contain loopholes, those legally effective provisions for filling these loopholes shall be deemed as agreed in such a manner the contracting parties would have agreed on according to the economic objective of the contract and these General Terms and Conditions of Sale and Delivery, if they would not have been aware of the loopholes.

Note:

The Customer acknowledges that the Seller may store data from the contractual relationship in accordance with Section 28 of the German Federal Data Protection Act (BDSG) for the purpose of data processing and reserves the right to submit the data to third parties (e.g. insurance companies), if required.

General Terms and Conditions of Preissinger GmbH & Co. KG
as of 1 January 2010

Standard Terms and Conditions of Purchase

pbp Preissinger GmbH & Co. KG

§ 1 Scope

1. Any goods, services and offers provided by our suppliers shall be subject solely to these Standard Terms and Conditions of Purchase. These shall form an integral part of any contracts which we conclude with the supplier for the goods and services it offers. They shall also apply to any goods, services and offers provided in the future even if there has been no express agreement to this effect.
2. These Standard Terms and Conditions of Purchase shall take precedence over any terms and conditions of our suppliers or third parties even if we do not specifically state that we will not accept them. Even if we make a reference to a communication containing or referring to the standard terms and conditions of business of the supplier or a third party, this shall not be deemed to mean that we consent to the application of the supplier's or the third party's terms and conditions.
3. Oral agreements are not valid unless confirmed by us in writing.

§ 2 Orders

1. We shall be bound by the terms of our offers for one week from the date of issue unless the offer expressly stipulates a time limit. The date on which we receive notice of acceptance of an offer shall determine whether the acceptance is timely.
2. We reserve the right to change the time and place of delivery and the type of packaging at any time subject to at least 14 calendar days' written notice before the agreed delivery date. The same shall apply to changes in product specifications in as far as these can be implemented in the supplier's normal production process without undue additional time and cost; such changes shall be subject to at least 7 calendar days' notice before the agreed delivery date. We shall reimburse the supplier for any reasonable additional costs caused by such changes, whereby the supplier shall provide proof of such costs. If such changes cause delays in delivery which cannot be avoided by reasonable efforts on the part of the supplier in normal production and business operations the originally agreed delivery date shall be deferred accordingly. The supplier shall provide us with a careful written estimate of the anticipated additional costs or delays in delivery in good time at least 14 working days after receiving our notification pursuant to sentence 1.
3. We may terminate the contract at any time in writing stating reasons if we can no longer use the products ordered in our business operations owing to circumstances which occur after the contract has been concluded, in which case we will remunerate the supplier for any services or work performed thus far.

§ 3 Prices, Terms of Payment, Invoice

1. The price shown in the order is binding.
2. Unless otherwise agreed in writing the price includes packaging, delivery and transport to the address specified in the contract.
3. If the agreed price does not include packaging and does not expressly stipulate the price of packaging which is not provided on a loan basis, the supplier shall charge for packaging at cost price, providing proof thereof. We have the right to return the packaging material at the supplier's costs and expense.
4. Unless otherwise agreed, we will pay the purchase price within 14 days at 3% discount or 30 days net after delivery of the goods and receipt of invoice. The amount due shall be deemed to have been paid on the date our bank transfer order is received by our bank.
5. Our order number, article number, quantity and delivery address must be quoted on all order confirmations, delivery documents and invoices. Failure to supply us with any of these details will result in processing delays, prolonging the payment period stated in (4) by the period of such delay.

§ 4 Delivery Time and Delivery, Transfer of Risk

1. The delivery times stipulated are binding.
2. The supplier shall inform us without undue delay of any anticipated delays in delivery, stating the reasons therefor. In the event of any delay we may, subject to prior written notification to the supplier, demand a contractual penalty of 3% of the value of the order in question for each week or part week of delay. Any losses arising from default for which the supplier is liable shall be offset against the contractual penalty.
3. The consequences of delays in delivery shall not apply in the event of force majeure provided that the supplier notifies us of such occurrences without undue delay.
4. Part, excess or short delivery are not permitted unless confirmed by us in writing. Any part, excess or short delivery to which we have not consented shall be borne by the supplier.
5. Unless otherwise agreed in writing, the supplier shall deliver DDP Bischberg/Trosdorf.
6. Any excess material not used for production can be returned free of charge within 4 weeks and will be credited in full. Transport shall be organised by pbp Preissinger.
7. If the final date by which delivery is to be made can be inferred from the contract, the supplier shall automatically be in default at the end of that day without any reminder on our part.
8. In the event of a delay in delivery we shall be entitled to all statutory rights without restrictions including the right to withdraw from the contract and the right to compensation in lieu of performance once a reasonable extension has elapsed to no avail.
9. Even if the parties have agreed to shipment, risk shall not pass to us until the goods have been handed over at the agreed place of destination.

§ 5 Shipment

1. As a general rule we will not accept invoices from any forwarding companies that we have not directly commissioned to transport the goods. Goods must therefore be shipped DDP or must be agreed with us separately.
2. We will not accept the costs of express shipping unless we have given our express consent hereto.
3. Each shipment shall include a delivery note stating all our order data including but not limited to our article and order numbers.
4. The goods to be shipped shall be properly packaged. Any damage to the goods shipped or losses attributable to insufficient or unsuitable packaging shall be borne by the contractor.

§ 6 Retention of Title

1. We reserve title or copyright in orders and contracts which we place and in any drawings, illustrations, calculations, descriptions or other documents which we make available to the

supplier. The supplier may not make these available to third parties, disclose them or use or copy them itself or enable third parties to use or copy them without our express consent. It shall, at our request, return such documents to us in their entirety if they are no longer needed in the proper course of business or if negotiations do not lead to a contract being concluded. Any copies which the supplier may have made shall then be destroyed; this shall not apply to the statutory obligations for keeping records or to saving data for safety purposes in the context of normal data back-up.

2.

Any tooling, equipment and models which we make available to the supplier or which are manufactured for the purposes of the contract and charged separately to us by the supplier remain or become our property. The supplier shall mark them as being our property, keep them carefully, protect them from damage of all types and only use them for the purposes of this contract. Unless otherwise agreed, the costs of maintaining and repairing these items shall be shared equally by the two contracting parties. However, if these costs are attributable to defects in the items produced by the supplier or to improper use on the part of the supplier, its employees or other vicarious agents, they shall be borne solely by the supplier.

The supplier shall notify us without undue delay of any damage to these items which is more than just immaterial. On request it shall release these items to us in a proper condition if it can no longer use them to fulfil the contracts concluded with us.

3.

If the supplier reserves title this shall only apply in as far as it concerns our obligation to pay for the products in which the supplier is reserving title. In particular, the supplier may not extend or prolong retention of title.

4.

The supplier may not reserve title in tooling, equipment or models.

§ 7 Warranty Claims

1.

In the event of defects our rights shall be as provided for by statute. However, notwithstanding this, the warranty period shall be 36 months.

2.

We shall be deemed to have reported any shortfall in quality or quantity in good time if we report them to the supplier within 7 working days after we have received the goods. Hidden defects shall be deemed to have been reported in good time if they are reported to the supplier within 7 working days of being discovered.

3.

If we have accepted or approved samples or specimens this shall not be deemed to mean that we will waive warranty claims.

4.

The limitation period for warranty claims shall be suspended as of the date on which our written defect report reaches the supplier. In the case of the supply of replacement parts and the remedy of defects the warranty period begins to run anew unless the supplier's conduct gives us grounds to believe that it did not consider itself to be under any obligation to replace or remedy and that it merely supplied the replacement parts or remedied the defects as a gesture of goodwill or for similar reasons.

§ 8 Invoice

All invoices shall be provided in duplicate at least. They shall contain all applicable order data such as order number and article number.

§ 9 Product Liability

1.

The supplier shall be responsible for any third-party claims asserted for personal injury or damage to property which are attributable to defects in the products which it supplied and shall indemnify us for any resultant liability. If we are required to issue third parties with a product recall owing to a defect in a product supplied by the supplier, the supplier shall bear all costs associated with the recall.

2.

The supplier shall take out a product liability insurance policy with coverage of at least 1,000,000 euros. Unless otherwise agreed in a specific case, this policy does not need to cover the risk of recall or penalty or similar risks. The supplier shall provide us with a copy of this insurance policy at any time on request.

§ 10 Spare Parts

1.

The supplier shall keep stocks of spare parts for the products which it has supplied to us for a period of at least 10 years after delivery.

2.

If the supplier intends to discontinue production of spare parts for the products which it has supplied to us it shall notify us thereof without undue delay after the decision has been taken. Notwithstanding (1) above, this decision shall be taken at least 12 months before production is discontinued.

§ 11 Property Rights

1.

The supplier shall be liable for ensuring that in connection with the goods supplied no third-party property rights are infringed in the European Union, North America or other countries in which it manufactures the products or has them manufactured.

2.

The supplier shall indemnify us for any claims which may be asserted against us by third parties owing to the infringement of industrial property rights as set out in (1) and reimburse us for any necessary expenses incurred in connection with such claims. This claim shall exist irrespective of whether the supplier is at fault.

§ 12 Confidentiality

1.

The supplier shall treat the terms and conditions of the order and any information and documents provided for the purpose thereof (with the exception of information which is publicly available) confidentially for a period of 5 years after this contract has been concluded and shall use them solely in execution of this order. It shall return them to us on request immediately once the orders have been executed.

2.

The supplier shall not make any reference to our business association in its advertising materials, brochures, etc. or exhibit any items manufactured for us without our prior written consent.

3.

The supplier shall impose the confidentiality duties set forth in this § 12 on its sub-contractors.

§ 13 Contract Manufacture

1.

If we place orders to have materials processed we will only pay for units or items which have been successfully processed and which we have accepted. The contractor/supplier shall be liable for any damage to materials which occurs in such processing irrespective of fault.

2.

The material made available to the contractor shall be used solely for the purpose of our order and remains our property. The contractor is not given the right to dispose of this material or the parts which are produced from it. Any material which is not needed for our order shall be returned to us.

3.

The contractor/supplier shall also bear the risk of destruction for materials, tooling, equipment, etc.

4.

Any faults which are not reported and which subsequently generate additional costs shall be charged to the first in a series of contractors.

§ 14 Place of Performance, Place of Jurisdiction, Applicable Law

1.

Place of performance for the work to be rendered shall be Bischberg/Trosdorf.

2.

The place of jurisdiction for both parties shall be Bamberg.

3.

The contracts concluded between us and the supplier shall be subject to the law of the Federal Republic of Germany excluding the United Nations Convention on Contracts for the International Sale of Goods.

4.

If this contract or these Standard Terms and Conditions of Purchase contain any omissions, the parties shall be deemed to have agreed to whatever legally valid provisions they would have agreed to in order to achieve the economic aims of the contract and the purpose of these Standard Terms and Conditions of Purchase had they been aware of the omission.

Standard Terms and Conditions of Purchase of Preissinger GmbH & Co. KG (01.01.2011)