

## SOLUTIONS TO EASY UP YOUR LIFE.

### General Terms of Sale of KRAMAR Controls GmbH

The following general terms of delivery and payment apply to all deliveries of our goods.

#### 1. Offer and conclusion of contract

Our letters of offer and confirmation are exclusively decisive for the scope and type of delivery. The order shall be deemed accepted when it has been confirmed by us in writing; until then our offer shall be deemed non-binding. Dimensions, weights, illustrations, and drawings are only binding for the execution of the order if we have confirmed this in writing. We reserve the material and intellectual property rights to illustrations, drawings, sketches, and other documents. They may not be made accessible to others without our permission and must be returned on request. The customer shall be responsible for ensuring that the execution drawings submitted by him do not infringe the property rights of third parties. We shall not be obliged to check with the customer whether we are infringing the property rights of third parties in the event of production based on the design drawings sent to us. If we are nevertheless liable, the customer shall indemnify us in the event of recourse claims. We will only supply workshop drawings or drawings of individual parts if this was agreed when the order was placed and confirmed by us in writing. The delivery of such drawings requires a reasonable additional charge. Tool costs will be charged for custom-made products and can be amortized according to special agreements. The special tools remain our property. Otherwise, we reserve the right to make a reasonable additional delivery in the case of special production.

#### 2. Prices and terms of delivery

The prices are ex works Bad Homburg and do not include value added tax, packaging, freight, postage. Invoicing shall be based on the prices valid on the day of delivery. Packaging is charged at cost price and is not taken back. Insurance against transport damage is only taken out at the express request of the customer and for his account.

#### 3. Terms of payment

Payment must be made net within 30 days of the invoice date by bank transfer or by cheque. Repairs and contract work are payable net cash immediately after receipt of the invoice. The retention of payments or offsetting of payments due to any counterclaims disputed by us or any complaints of defects by the customer are excluded. In the event of overdue payments, interest will be charged at a rate of 8 % above the respective prime rate of the European Central Bank. All our claims shall become due immediately, irrespective of the term of any bills of exchange received and credited, if payment of an invoice has not been made as agreed or if we become aware of circumstances which

in our opinion are suitable for reducing the creditworthiness of the customer. Furthermore, in such a case we are entitled to make outstanding deliveries only against prepayment and to withdraw from the contract after a reasonable period of grace or to demand compensation for damages due to non-fulfilment. We can also prohibit the resale and processing of the delivered goods and demand their return. The customer hereby authorizes us to enter his premises in the cases and take possession of the goods again.

#### 4. Retention of title

We reserve title to the delivery item until receipt of all payments under the delivery contract. The customer may neither pledge the delivery item nor assign it as security. In the event of seizure, confiscation, or other dispositions by third parties, the customer must inform us immediately. If the customer acts in breach of contract, in case of default of payment, we are entitled to take back the delivery item after a reminder and the customer is obliged to hand it over. The assertion of the reservation of title and the seizure of the delivery item by us shall not be deemed a withdrawal from the contract. An application for the opening of insolvency proceedings entitles us to withdraw from the contract and to demand the immediate return of the delivery item. If our goods are combined by the customer with other objects to form a uniform object, it is deemed to be agreed that the customer transfers proportional co-ownership to us in the sense of § 947, para. 1 BGB and keeps the object in safekeeping for us. The customer may only resell the goods subject to retention of title in the ordinary course of business at his standard terms and conditions and as long as he is not in default, provided that he agrees a retention of title with his customer and that the claims from the resale are transferred to us. He is not entitled to dispose of the reserved goods in any other way. The customer's claims arising from the goods subject to retention of title are hereby assigned to us. They serve as security to the same extent as the reserved goods.

#### 5. Delivery time

The delivery period shall commence as soon as all technical details of the execution have been clarified and both parties agree on all aspects of the transaction. Unforeseen events beyond our control, e.g. operational breakdowns, delayed deliveries from our subcontractors, rejects in our plant or at the subcontractor's, as well as force majeure, extend the delivery period appropriately, without the customer being entitled to any claims for performance or

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damages against us. The delivery dates shall be deemed approximate. No liability is assumed for their compliance. In the event of delay, a reasonable grace period shall be granted. Orders whose delivery extends over several delivery instalments will only be accepted by us if an acceptance date is specified by the customer for each delivery instalment and the total period for delivery of the order does not exceed nine months. Upon expiry of the agreed 9 months we are entitled to make the total remaining quantity available to the customer without notice, even if the customer is in default with the acceptance of the previous delivery instalments.

### **6. Liability for defects of the delivery**

Notification of defects must be made immediately after arrival of the consignment. We guarantee the quality of our goods in such a way that for all parts which do not comply with the agreements and which prove to be unacceptable as a result of work defects, a replacement will be delivered free of charge against return of the parts complained about or the defect will be remedied. We shall only be liable for faulty designs or defective workmanship for which we are responsible. We shall only be liable for material de

effects when we provide the goods to the extent that we should have recognized the defect by applying professional care. If the solution of design tasks is left to us, liability for defects can only be asserted if the customer proves that our product culpably does not correspond to the general state of the art. No liability shall be assumed for damage due to natural wear and tear or incorrect handling of the delivered parts. Further claims, e.g. compensation for damages, wages, freight charges and penalties for delay etc. are expressly rejected. Furthermore, complaints cannot be accepted if our products have been modified or reworked without our consent.

### **Warranty**

We guarantee the quality of the construction and execution using faultless material for a period of 12 months after delivery in such a way that the damaged parts are replaced or repaired free of charge after freight-free return.

### **7. Liability for defects in the processing of workpieces sent in**

For workpieces which become scrap due to defects in the material or in the pre-processing or due to the material behavior during processing (e.g. heat treatment), the agreed work remuneration must be paid to us in full. For workpieces that become scrap through our fault, we will take over the free processing of similar replacement parts. In the case of individual orders (usually less than 20 identical pieces), the replacement pieces must be made available to us by the customer free of charge and carriage paid. In the case of series orders (20 and more identical pieces), the

customer shall bear the material costs for rejects including any pre-processing costs, provided that the rejects do not exceed 10% of the processed number of pieces. For the rejects exceeding 10%, we shall reimburse the customer for the material costs, including any pre-processing costs, up to a maximum amount of 40% of the agreed wage for the number of pieces processed.

### **8. Termination of contract**

The customer shall only have the right to withdraw from the contract prematurely if we have allowed a reasonable period of grace granted to us for the remedying of a defect for which we are responsible to expire fruitlessly or if in such a case the repair or delivery of a replacement part is impossible for any reason. If the concluded purchase contract is suspended or cancelled by the customer without our fault,

then the fixed price is due and payable immediately, less the direct costs for the partial work still to be carried out by us until the complete completion of the ordered parts.

### **9. Place of performance and jurisdiction, partial invalidity**

The place of performance and jurisdiction is Bad Homburg. The customer may not transfer his contractual rights to third parties without our express consent. Our terms and conditions of delivery and payment shall remain fully effective in all other respects, even in the event of the legal invalidity of individual parts.

### **10. Purchasing conditions of the purchaser**

Agreements deviating from the above terms and conditions shall only be valid if they have been acknowledged by us in writing as binding. The remaining points of our terms of delivery and payment shall nevertheless remain in force.