

## Delivery and Payment Conditions

### I. General

- 1) Our quotations are without obligation to supply and therefore without any binding effect. A contract to supply does not come into force and become binding on our part until our written confirmation of order is issued. Our contracts are governed by the law of sales of the Federal Republic of Germany.
- 2) All moulds manufactured by us or at our request remain our property even if the customer has to pay them on a pro-rata basis.
- 3) For goods not fit for storage we reserve the right of excess or minor delivery up to a tolerance of 10 % of the ordered quantity.
- 4) We deliver ex works. The risk of transport is always carried by the customer.
- 5) We reserve the right to charge a minimum invoice value or low-quantity extra per purchase order for low-quantity orders.

### II. Terms for Delivery

- 1) Terms for delivery are estimated only unless they have expressly been confirmed as fixed. Times of delivery begin with the date of our written order confirmation, but not before all details of the contract are clarified completely. The Buyer is not allowed to reject partial deliveries.
- 2) In case of a delay in delivery for which we can be held liable the buyer – after having granted an additional period of time of reasonable length - is entitled to rescind the contract as far as the goods have not been notified ready for shipment within the additional period of time. Claims for damages of any kind are excluded.
- 3) In case of force majeure we are entitled to extend the times of delivery for the period of the hindrance and for a reasonable break-in period, or to rescind the contract wholly or in part in view of the non-performed part of the contract.
- 4) Force majeure is on a par with strike, lockouts and other occurrences that cause delay in or impossibility of delivery or contract liabilities, particularly in economic connection, whether they occur at our place, at one of our sub-supplier's or any other place.

### III. Payment Conditions

- 1) Our invoices are payable within 30 days net. If payment is effected within ten days from the invoice date the customer may deduct a discount of 2 %. Our prices exclude costs for packing and freight as well as the legal VAT. A deduction of the 2% discount is not accepted unless all due invoices are paid. If payment has not been effected within the set payment limit buyer has to pay interest at the rate of 3% over and above the prevailing Federal Reserve Bank's discount rate.
- 2) Any of our accounts receivables – independent from the term of a bill taken on account of performance or credit – become due immediately if contractual agreements, in particular those concerning the payment, are not met, or if other circumstances become known which impair the credit standing of the buyer. We will then be entitled to execute outstanding deliveries against advance payment only, and entitled to securities of common type and scope for any accounts receivables.
- 3) The buyer shall not be entitled to withhold payment of or set off against any amount payable unless his counter claim is undisputed or has been decided in his favour by a court.

### IV. Reservation of Ownership

- 1) The property in the goods delivered shall remain vested in ourselves (conditional commodity) and shall not pass to the customer until he has made payment in full of all sums due to ourselves under this or any other contracts between ourselves and the customer, as well as the balancing accounts receivables in particular.
- 2) Treatment and processing of conditional commodity is made as contemplated by § 950 BGB (German Civil Code) without any obligations from our part. Goods treated or processed will be deemed as conditional commodity; the buyer holds it in safe custody for us. If the conditional commodity is processed with or connected to or compounded by the buyer with goods owned by a third party, we are entitled to the joint ownership, namely in a ratio of the invoice value of our conditional commodity to the total value of the new goods or the compounded part of it. If the conditional commodity is compounded with other goods and if the goods then belonging to the buyer are to be declared as main part as contemplated by § 947, section II BGB (German Civil Code), the buyer already now passes the joint ownership share to us, namely in the ratio of the invoice value of our conditional commodity to the total value of the new main part.
- 3) The buyer is entitled to dispose of the goods delivered within his orderly business operation provided that he assigns to us all claims he may obtain by reason of such disposal. Such claims with all ancillary rights are assigned to us already now. If the conditional commodity is disposed of by the buyer together with other goods not purchased from us, the assignment of the claims he obtained from such disposal is only applied on the amount of the invoice value of our conditional commodity.
- 4) The buyer shall have authority until such authority is revoked by us to collect the claims from such disposal. Upon our request, the buyer is obliged to give us the name of the debtors of the assigned claims.

- 5) The buyer's right to possess the conditional commodity will extinct upon his non-compliance with his obligations under this or other contracts. In that case we will be entitled to take over possession of the conditional commodity.
- 6) In case the value of the securities supersedes our claims by more than 25 % as a whole, we shall release securities in so far as our discretion on customer's request.
- 7) The redemption of the goods subjected to reservation of ownership in case of violation of the contract by the buyer – particularly in case of default in payment, shall be deemed as withdrawal from the contract only if we expressly acknowledge this in writing.
- 8) In case the goods delivered are in a country whose laws do not allow reservation of property, then the buyer is obliged to provide us with all securities, permissible in the country where the goods are. The buyer is obliged to undertake and assist us in all measures, which are necessary to protect our right of reservation of property or in place of any other rights on the goods delivered.

### V. Place of Performance and Place of Jurisdiction

- 1) Place of performance for our deliveries is the respective place of shipment of the goods. Place of performance for any and all obligations of the buyer is the Seat of our company.
- 2) Place of jurisdiction is the Seat of our company, namely also for legal proceedings of document, bill and cheque lawsuits. We are entitled to institute legal proceedings against the buyer in the court of law at buyer's place of jurisdiction.

### VI. Notice of Defects

- 1) Our technical consultations and quotations are worked out with utmost diligence taking into consideration the parameters and the circumstances known to us. All our products are submitted to thorough controls during the manufacture and prior to dispatch to the customer. The variety of application possibilities of our products excludes any guarantee for the suitability of our recommendations for the individual application case. Patent right violations are unintentional. For the storage of the elastomer articles the German industrial norm DIN 7716 (2.75) shall apply. Our goods comply with our prevailing production technology. We are entitled to modified delivery of the goods with equivalent properties or technical improvements.
- 2) For complaints the §§ 377, 378 HGB (German Commercial Code) shall apply. Complaints shall only be legally effective when made in writing within 14 days from receipt of the goods, and are excluded after processing or incorporation of the goods.
- 3) In case of defect goods the customer at our discretion has to let us inspect the goods by an independent expert. Any claims from complaints shall be invalid if the buyer does not give us or our sub supplier the opportunity to inspect the identity of the goods in question and the alleged defects at site and does not immediately provide us at our request with samples. Any claims from complaints shall further be invalid if the processing of the goods or a mixture of the goods with goods of another origin are not immediately terminated after discovery of the defects, namely until the goods are released expressly by us or our sub-supplier. As long as the buyer fails to fulfil his contractual obligations we are not obliged to warranty.
- 4) Visible and hidden defects or the lack of warranted qualities of our products will be warranted exclusively in the manner that we at our discretion remove the defect by repair or substitute delivery. Further claims, in particular claims for damages – for legal reasons whatsoever – including consequential damages are excluded.

### VII. Other

- 1) If one or more of the above-mentioned conditions shall prove wholly or in part to be legally invalid, all other conditions shall not be affected.