

I. Payment and delay in payment

- All invoices issued by us become due for payment on the working day following the date of issue of the invoice. They fall due for final payment within eight (8) days from the date of invoice or within the terms specified on the related invoice.
- If no payment is effected within the respective term(s), we shall, from the due date, charge interests at the rate of 8% p.a. above the discount rate of the German Federal Bank (Deutsche Bundesbank). A default occurs, without this requiring a separate reminder, after the expiry of the thirtieth (30th) day after the date of the corresponding invoice.
- If partial payments have been agreed, the entire residual debt shall, irrespective of the maturity of any possible bills, immediately fall due for payment,
 - if the purchaser defaults in the payment of an instalment and if such default continues for a period of fourteen (14) days. The same applies also if the purchaser stops his payments or if a petition for the institution of composition or bankruptcy proceedings has been filed with regard to his assets.
- Cheques and/or bills will be accepted only on account of payment. The related collection and/or discount fees will be brought to the purchaser's account.
- Only if we did not contradict the counterclaim(s), which the purchaser may have asserted, or if the purchaser obtained a final legal title with regard thereto, shall he be entitled to set off his own claims against ours. Commercial customers shall not be entitled to assert a right of retention. Regarding all other customers, such a right can only be asserted in so far as it is based on claims from the underlying purchase contract.
- If the purchaser is in default with his payments or if he, if payment by instalments has been agreed, defaults in the payment of two successive instalments, we shall, irrespective of our rights specified in Section II. hereafter, be entitled to give the purchaser a grace period of fourteen (14) days in writing, stating that, after the expiry of the said period, we shall repudiate the fulfilment of the contract by the purchaser. After the fruitless expiry of the grace period, we shall be entitled to rescind the contract by forwarding a written notice to the purchaser or to claim damages for non-performance.

II. Reservation of ownership

- The object of the contract remains our property until all receivables, owed to us in consequence of the contract, have been settled. The reservation of ownership has also effect with regard to all claims, which we may have acquired subsequently against the purchaser in connection with the object of the underlying contract, for example by reason of repairs, the supply of spare parts or other performances and/or services. We are obliged to release the goods sold under reserve by request of the purchaser if the latter has fulfilled all claims in connection with the subject matter of the contract and if there exists other sufficient collateral for all remaining receivables owed under the current business relationship.

The purchaser shall, during the period of the reservation of the ownership, and as long as he complies with his obligations resulting from this reservation of ownership and as he is not in default with his payments, be entitled to possess and make use of the object of the contract. Once the purchaser is in default or fails to fulfil his commitments with respect to the reservation of ownership, we shall be entitled to demand from the purchaser that the object of the contract be returned to us (even in parts) and shall, after written notification by giving reasonable notice, subject to crediting the proceeds from this sale to the purchasing price, further be entitled to commercialise it in the best possible manner by selling it on the open market.

The purchaser shall bear all costs incurred in connection with the taking back and sale of the object of the contract. Without requiring any evidence, these costs shall be considered to amount to 10% of the proceeds realised by such sale including value added tax. Once we or the purchaser provide(s) evidence of higher or lower costs, the percentage of these costs is to be increased or reduced accordingly. The proceeds realised through such a sale will, after deduction of the costs incurred in connection with it and after the settlement of all other active debts, which the purchase may have incurred in connection with the purchase contract, be credited to the purchaser's account.
- The purchaser commits himself for the duration of the retention of ownership to use the object of the contract in a due and careful manner, to perform the scheduled maintenance and servicing works and commits himself also to initiate the execution of all possibly required repair and overhaul services and works. In as far as our ownership in the object of the contract extinguishes in consequence of the union with other products, it shall be considered as agreed that the purchaser's (co-)ownership in the undivided object be transferred to us proratedly (value of invoice). All pledges or the assignment as security to any third parties require our prior approval.

Already now, the purchaser assigns to us all claims to which he, in consequence of the resale of the reserved goods or of any other legal grounds, may be entitled to, by way of security in full extent.
- In the event the object of the purchase is acquired on the basis of our home financing concept or by hire-purchase, it shall remain our property until it has been paid in full. It may not, without having obtained our prior approval with regard thereto, be conveyed to any third party whatsoever. The purchaser must, without further invitation, present a corresponding certificate of insurance to the seller. The same applies, unless otherwise agreed, also with regard to rental property.
- All damages possibly detected upon the returning of the rental property or the retrieval of objects by reason of non-payment or failed hire-purchase, will be invoiced to the purchaser.

III. Delivery and default in delivery

- Delivery dates and/or terms of delivery, which can be agreed in an either binding or non-binding manner, need to be specified in writing. All terms of delivery start with the date of the conclusion of the contract. When changing the subject of a contract, a new delivery date and term needs to be agreed upon in addition, if necessary.
- If non-binding delivery terms have been agreed upon, the purchaser may demand from us to effect the delivery within a reasonable period. Once this period expires without result, we are in default of delivery. The purchaser can, apart from the execution of the delivery, only claim compensation for the damages suffered in consequence of the default in delivery, if we can be held responsible for having acted intentionally or grossly negligent. The purchaser is, likewise, entitled to set us a reasonable grace period stating that, if this period expires without results, he would refuse to accept the object of the contract. Once this period expires fruitlessly, the purchaser shall be entitled to rescind the contract by giving us a written notice. If the default in delivery is due to ordinary negligence, the purchaser's compensation claim for this shall be limited to no more than 10% of the purchase price. If the purchaser is a public law entity, an artificial person of public law or a merchant that needs the contract for the fulfilment of his/its commercial trade activities, he shall only be entitled to claim compensation if the damages suffered by him are attributable to intentional or grossly negligent acts on our side. The right to demand the execution of the delivery shall be excluded with respect to all cases specified in this paragraph. In the event it happens that it becomes impossible for us to effect the delivery while already being in default, we are, except where the damage would even have occurred if the delivery had been made on time, nevertheless liable pursuant to above sub-paragraphs 1. and 2.
- If exceeding a binding delivery date or term, already the exceeding of this date or term puts us into default. In this case too, the default provisions specified in above sub-paragraph 2. shall apply accordingly.
- The purchaser shall be obliged to accept the object of the contract within fourteen (14) days after the receipt of the seller's notification of readiness for delivery. He shall be entitled to examine the object of the contract at the agreed place of acceptance. In the case the offered object of the contract shows considerable defects and/or deficiencies, which, after receipt of a corresponding notice of defect within the above fourteen (14) day period, cannot be removed completely, the purchaser shall be entitled to reject the acceptance of the object of the contract. In the event he fails to comply with this acceptance period, we shall be entitled to set another fourteen (14) day grace period to the purchaser in order for him to accept. If this grace period expires without results, we shall be entitled to rescind the contract by giving written notice or to claim damages for non-performance. No notification of readiness for delivery and no setting of a grace period is required if the purchaser has, prior to that, finally refused to accept the object of the contract or if he, even after the granting of a grace period, is evidently unable to pay the purchase price.
- In the case of default in taking delivery, we shall be entitled to claim damages amounting to 15% of the purchase price. Once we or the purchaser provides evidence of an essentially smaller or of a more significant damage, the amount of the damage is to be increased or reduced accordingly.
- In the case of default in taking delivery, we shall be entitled to dispose of the object of the contract and to deliver, in its stead and within an adequate period of time, a similar object at the same contractual terms.
- Force majeure, civil commotion, strikes, lock-outs and/or considerable industrial disturbances, which are not due to our fault, shall change or extend the agreed delivery dates and/or terms by the length of time during which the rendering of the stipulated performances is impaired by these circumstances.

IV. Modification of the object of the contract

We reserve, during the time of the delivery, the right to make design-, engineering- and/or shape modifications, to apply deviating colours or to change the scope of delivery, provided however, that these changes do not affect the object of the contract in a substantial manner and that they can be deemed acceptable to the purchaser. Information, illustrations and pictures contained in our catalogues, leaflets and prospectuses are not binding, therefore. Details provided at the time of the conclusion of the contract and contained in, at that time, valid descriptions, form part of the contract. They are to be considered as approximate values and represent no guaranteed characteristics. They serve as standards for the verification of the absence of defects on the subject matter of the contract.

V. Liability

- Our liability shall, regardless of the legal grounds, be limited to all cases where the causation is attributable to us or, as the case may be, to our legal representatives, subcontractors or agents. In all cases imputable to intent and/or gross negligence on our side, we can be held liable to the purchaser under the provisions of the Product Liability Act. In all cases imputable to ordinary negligence on our side, we shall, in relation to the benefits and/or payments otherwise provided by the social insurance, personal accident insurances and/or other private property insurances, only be liable in the second degree. In as far as these insurances do not completely cover the incurred damage(s), we are also liable in all cases imputable to acts of ordinary negligence on our side. However, any such liability shall be limited to an amount of no more than 10% of the contract price. This liability for ordinary negligence includes no compensation for losses in the value of the object of the contract, lost profit or losses of use. The same applies to all cases of damages suffered in the course of the rectification of defects.
- Nothing in sub-paragraph 1. above shall affect the purchaser's warranty rights in any way.
- The purchaser shall be obliged to inform us of all damages and/or losses for which we can be held liable within five (5) working days in writing and to provide for an opportunity enabling us, or a third party determined by us, to survey any of these damages and/or losses.
- Our legal representatives, subcontractors, agents and employees shall only be liable in cases imputable to intention and/or gross negligence.

VI. Place of fulfilment and dispatch

The dispatch shall always be at the risk of, and, in the case of deliveries ex works, also for the purchaser's or receiver's account. Unless otherwise agreed, the place of fulfilment shall be Wald-Sentenhart.

VII. Warranty

- Subject to the respective technical standards implemented with the type of the contracted object, we assume a warranty for the absence of defects for a period of 12 months or 1,000 operating hours (whatever comes about first). This warranty applies to all new machines from the date of their delivery, on condition of single-shift operation. With second-hand machines, material defects shall, except for what has been contracted, be excluded from this warranty.
- The compliance with the stipulated payment terms is a precondition for the effectiveness of this warranty. The warranty coverage granted hereunder includes the replacement of all parts which, during one-shift operation, and on condition that they have been handled appropriately, prove, during the period of this warranty, unfit for use in consequence of material defects, constructional faults or their insufficient design. Natural wear and tear shall be excluded from this warranty in all cases.
- Regarding the dealing with the purchaser's claims for the rectification of possible defects, it is hereby agreed that such claims be made to us directly or to the local Willibald agency through the offices of which the object of the contract has been bought. The company or firm against which such claims for the rectification of defects are raised shall either be notified in writing within five (5) working days after the defect or shall cause the said company or firm to examine the defect and to take the related facts down. If, in consequence of the rectification of defects, any prescribed maintenance and/or servicing works need to be performed in addition, the costs of these works, including the costs of necessary materials and/or lubricants, shall be invoiced to the purchaser. On all components and parts installed within the frame of such rectification works, we shall assume a warranty coverage until to the date on which the warranty period granted for the object of the contract in the underlying purchasing contract expires. Any extension of the warranty beyond this shall be excluded. In the event a defect giving rise to warranty claims causes the non-serviceability of the object of the contract, the purchaser shall address himself to the locally nearest Willibald agency. This agency will then decide whether or not the necessary works can be carried out on the premises or are to be performed in a workshop. In the latter case, the costs incurred for the carriage of the machine shall not be billed to the purchaser.
- Concerning the reimbursement of the costs of all parts and/or components that could justify the assertion of warranty claims, we reserve the right to examine these parts and components or to audit our own supplier(s). Normal freight costs only will be reimbursed for any such parts and/or components. The charges for the express delivery of such parts and/or components shall be borne by the purchaser.
- We cannot assume any warranty for the improper handling, the failure to notify of damages, the impeding of rectification possibilities or the overtraining of the object of the contract. The same applies also in the case of the repair, maintenance and/or care by non-authorised companies or firms, the installation of unauthorised third-party parts, unauthorised modifications to the object of the contract or the violation of due diligence requirements.
- The absence of guaranteed qualities shall not affect the right to assert claims due to non-performance.
- Any of the warranty claims mentioned herein before shall become statute-barred upon the expiry of the seller's warranties specified in above sub-paragraph 1. The warranty covers all defects that might have been asserted during the warranty period, but which have not yet been eliminated or repaired and continues until to the final elimination and/or repair of such defects. The statutory period of limitation shall be suspended until to the final elimination and/or repair of the respective defect(s).
- No warranty claims shall exist beyond that if no third-party liability insurance takes effect, particularly none for the compensation of consequential harm caused by a defect and/or the positive violation of contractual duties.
- Only material defects shall be acknowledged, but no financial losses, such as losses suffered in consequence of downturns, lost profit(s), lease costs, third-party claims, etc.

VIII. Written form

- All contracts shall be considered as having been concluded only if they have been confirmed by us in writing. The same applies also in regard to subsidiary agreements, undertakings, warranties or subsequent changes of the contract. Buying conditions adverse to our own Terms and Conditions of Delivery and Payment shall apply only if we have expressly agreed with them in writing. If no such agreement has been declared by us, the priority of our General Terms and Conditions shall be considered as agreed.
- The transfer of rights and obligations stipulated under any contract shall be subject to our written approval.

IX. Place of jurisdiction

The venue for all litigations arising out or in connection with the contract shall be the competent county court located in Überlingen or the district court based in Constance (Konstanz). This place of jurisdiction shall, likewise, apply for all litigations arising in connection with present and future claims from the business relationship with registered merchants, including cheque and bill of exchange receivables.

The same place of litigation shall apply with regard to all cases where the purchaser does not have a domestic place of jurisdiction, or where he transfers his domicile or usual residence from the inland to some place abroad, or where his usual residence is unknown at the time the action is filed.

X. Other agreements / regulation of individual cases

Unless confirmed by us with respect to the conclusion of individual contracts, the General Terms and Conditions, established by our contractual partners, shall have no effect on any of our mutual relations.

XI. EDP

To meet modern requirements, we reserve the right to store and use personal and company-related data in our EDP systems and to process them as needed.

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