

Conditions of Sale, Delivery and Payment

1. General Validity

- 1.1 Our condition of business applies exclusively; we cannot acknowledge conditions of the orderer which are contrary to or different from our conditions of sale unless we expressly accept them in writing. Our conditions of sale also apply when we make an unconditional delivery to the orderer with knowledge of conditions of the orderer which are contrary to or different from our conditions of sale.
- 1.2 Our conditions of sale also apply to all future business in the context of a current business connection with the orderer.
- 1.3 All agreements made between us and the orderer for the execution of this contract shall be for the facilitation of evidence and for the legal certitude of the parties written down in this contract. For these reasons, special arrangements, verbal orders and orders via electronic mail shall be subject to our written confirmation.
- 1.4 Unless otherwise stipulated hereafter the General Delivery Conditions of the Zentralverband der Elektrotechnischen Industrie (ZVEI) shall apply, which will be submitted upon request of the orderer.
- 1.5 In cases of not just temporary defaults caused by force majeure or in cases of not just temporary defaults, for which we are not responsible and which cannot be surmounted with reasonable effort, we are entitled to withdraw from the contract.
- 1.6 We reserve title and copyright in illustrations, drawings, calculations and other documents; they may not be disclosed to third parties. This applies in particular for written documents identified as confidential and the orderer shall not pass them to third parties without our express written authority.

2. Prices / Conditions of Payment

- 2.1 Unless stated otherwise in the confirmation of order our prices are ex works prices plus packaging which is invoiced separately.
- 2.2 Our prices do not include statutory sales tax; this is shown as a separate item at the statutory rate on the date of invoicing.
- 2.3 We reserve the right to reasonably increase our price if, after signing of the contract, material prices, labour costs and transport charges increase or arise through similarly situated circumstances beyond our control, which increase the cost of purchasing, production or distribution. In case of an increase of more than 10% in our prices the orderer is entitled to withdraw from the contract.
- 2.4 Unless stated otherwise in the confirmation of order, the purchase price is due for payment net (without deductions) within within 30 days from date of invoice. A discount of 2% will be given for payment within 10 days from date of invoice and for pre-payment by pro-forma invoice on agreed deliveries.
- 2.5 Should the customer default on payment we will raise an interest charge of 8% above the base rate of the European Central Bank on all arrears without issuing a reminder. We reserve the right to prove a higher default loss. The buyer has, however, the right to provide proof that we have suffered a lower loss or no loss at all due to default on payment.
- 2.6 The orderer has no right for set-off unless his counter claims are established by a legally binding court decision, uncontested, accepted or contested but ripe for a final decision. The right of retention may only be exercised when the counter claim of the orderer is based on the same contractual relationship.

3. Delivery and Delay in Acceptance

- 3.1 The compliance with our obligation to deliver and the start of the delivery period which we specify is conditional on the prompt or proper fulfilment of the duties of the orderer, in particular of his obligations to cooperate in the clarification of all technical matters.
- 3.2 Our quoted delivery dates are approximate only. Claims for damages because of delayed delivery or non-delivery cannot be accepted unless based on deliberate intent or gross negligence. Our obligation to pay damages for negligence shall be limited to the typically foreseeable prejudice. Incorrect or delayed delivery to ourselves, acts of God, official measures, industrial disputes and other business disruptions beyond our control shall release us from all delivery obligations until their cessation and shall not annul the purchase contract.
- 3.3 Incomplete or incorrect deliveries or shortcomings must be reported in writing immediately and not later than 1 week from receipt of the goods. Otherwise the delivery shall be deemed to have been properly made.
- 3.4 If the orderer delays acceptance of the goods, we are entitled to demand any additional expenditure. In this case, the risk of any coincidental destruction or deterioration in the purchased object passes to the orderer at the time when he defaults in taking delivery. If the orderer is otherwise in breach of other obligations to cooperate, we are entitled to claim damages.

4. Transfer of Risk / Packing Costs

- 4.1 Ex works delivery is agreed unless stated otherwise in the confirmation of order.
- 4.2 We will take back returnable pallets. All other transport packaging and all other packaging according to the packaging regulation will not be taken back unless we are legally obligated to do so. The orderer has a duty to arrange for the disposal of all other packaging at his own expense.

5. Retention of Title

- 5.1 The invoiced goods remain our property until payment in full of the purchase price including any subsidiary claims out of the purchase contract (in case of payment by cheque or note until its final collection). If the orderer has a current account the retained title is security for our balance claim.
- 5.2 The orderer must advise us immediately in writing of any garnishments and other interventions by third parties so that we may institute proceedings accordingly.
- 5.3 The orderer is entitled to resell the thing purchased in the normal course of business; however he assigns to us as of now all claims in the amount of the final invoice amount (including sales tax) of our claim which accrue to him from the resale against his buyers or third parties and irrespective of whether the thing purchased has been resold before or after processing. The orderer remains authorised to collect this claim even after the assignment. This does not affect our entitlement to collect the claim ourselves. We undertake to discharge the guarantees in our favour on demand by the orderer in so far as the value of our guarantees exceeds the guaranteed claims by more than 20 %.
- 5.4 Any processing or transformation of the thing purchased by the orderer is carried out on our behalf. If the thing purchased is processed together with objects which do not belong to us then we acquire joint title in the new thing pro rata the value of the thing purchased to the other processed objects at the time of processing. The same conditions shall moreover apply for the thing created by processing as for the thing purchased delivered under retention of title.
- 5.5 If the thing purchased is indivisibly blended together with objects which do not belong to us then we shall acquire joint title in the new thing pro rata the value of the thing purchased to the other blended objects at the time of blending. If the blending is done in such a way that the thing of the orderer must be regarded as the main thing then it is taken as agreed that the orderer assigns joint title to us pro rata. The orderer assumes custody of the resulting sole title or joint title on our behalf.

6. Liability for defects

- 6.1 We are liable for full warranties which are not quality guarantees and for the flawlessness of the delivered goods for a period of one year from the date of delivery.
- 6.2 The orderer's claims for liability for defects shall depend upon his having properly satisfied his duties of examination and notification of defect in accordance with section 377 of the German Commercial Code (Handelsgesetzbuch).
- 6.3 Insofar as the purchased object has a defect for which we are responsible, then we shall, at our discretion, be entitled either to repair the defect or to deliver a replacement. If the repair of the defect fails, the orderer shall, at his discretion, be entitled either to abate the price of the goods or to withdraw from the contract. If we chose to repair the defect, then we shall be obliged to pay all expenditure necessary for the repair. If these costs are increased by the purchased object having been taken to a place other than the place of performance, we are entitled to exercise our rights according to § 439 section 3 of the German Civil Code, which provides inter alia that repair of the defect may be refused.
- 6.4 To the extent that nothing to the contrary arises from the foregoing, the orderer shall have no other claims on any legal grounds whatever with the exception of damages arising out of injuries of life, body and health, claims for damages resulting from fraudulent concealment of defects, assumption of a quality guarantee or when the occurrence of damage is due to gross negligence or deliberate intent. In the event of lowly negligent breach of contract, the damage shall be limited to the typically foreseeable loss.

7. General Final Provisions

- 7.1 The place of jurisdiction is a local court in Germany.
- 7.2 The contract is subject to German law.