

1. General Sales and Delivery Conditions

The following conditions shall apply to the exclusion of any other terms and conditions exclusively to all offers made by us and to all contracts concluded with us. Purchase conditions of the customer apply only if their application is expressly confirmed by us in writing.

2. Offer and conclusion of the contract

All orders, agreements, additions, changings and representations, placed by telefax, telephone or e-mail, come into existence only on confirmation by us in writing.

3. Prices

All prices shall apply as net and are additional VAT (value added tax) in the respective valid amount. They are ex factory Reutlingen exclusive of packaging, delivery, loading, postage, further special delivery costs and insurance. We reserve the right to change the prices caused by unexpected shifts concerning material, energy, changes of wages or circumstances which are not directly attributable to our actions or omissions.

4. Delivery and calculation

Delivery shall be ex company Reutlingen, customer shall bear the burden of risk for the duration of the transport. Should delivery or acceptance be delayed or not take place as a result of circumstances which are caused by the

customer, risk shall pass to customer as of the day of the notice of the readiness for shipment or acceptance. We chose freely the way of shipping. In case of delivery by express or postal shipping the costs including storage or comparable costs will be exclusively at the customer's expense. Basis for calculation is date of consignment.

5. Payment conditions

Payments are to be made without any discount within 30 days after date of invoice free to our payment division. If the customer is in default with an obligation to our claim based on another contract, cash discount is excluded. Bills of exchange, cheques or other means of payment are accepted only with view to payment, costs due to these means are to the customer's expense. If payments are granted or if the customer is in delay, we demand without formal information a rate of interest of at least 3% above the discount rate of the Deutsche Bundesbank (Federal German Bank) beginning the day after payment was due. It is not up to the customer to withhold payment or to exercise a set-off right because of notices of defect not accepted by us. All claims of payment will fall due immediately if the customer is in default with an obligation. Without adequate references concerning companies unknown to us, deliveries shall be under the condition of payment in advance or cash on delivery (C.O.D.). Same condi-

tions are valid if we notice a customer's decreasing state of finance.

6. Right of withdrawal

Purchase price for all goods that are already delivered will be due immediate if the customer's conditions of property decrease substantially after concluded transactions or if we get knowledge of problems already existing before transaction. This shall be valid aswell in case we already accepted a bill in payment. Goods that have not yet been delivered can be called back and we are in the measure to ask for obligations to provide security. We can even withdraw from all contracts concerning this particular customer. Unfavorable information provided by a bank or credit agency shall suffice as proof of substantially decreasing conditions of property.

7. Date of delivery

Dates and periods of delivery are confirmed by us only without obligation. Date of confirmation of order shall be beginning of periods of delivery. Day of dispatch shall be day of delivery. We are absolved from stipulated dates of delivery in case of traffic or business hold-up, difficulties concerning electricity or material supply, engine damages, scarcity of workers, accidents, strike or any case of force majeure. In these cases we are also released from the obligation to complete the order. This does

not authorize the customer to make demands on us.

8. Repairs and redemption

Repairs shall be done at cost price and will be despatched by cash on delivery (C.O.D.). If the customer asks for a cost estimate we will bring this to account as additional work. Redemption of unused standard goods will be charged 10 % re-transaction costs respectively damaged goods all additional costs. Special designed products (specific tool or instrument with options e.g.) are to be ordered in written form and excluded from replacement. Returned equipment has to be delivered free to us.

10. Guarantee

Notifications of defects have to be made without delay, 8 days after receiving the goods at the latest. We have to be offered possibility to check the defects ourselves in situ or by an authorized person we chose. If the customer handles the claim without authority we are free of any guarantee. Rejected goods are to be send back to us immediately and post-free. If we award the reproval we grant subsequent improvement free of charge within reasonable time. We exclude indemnity for customer's material, loss of profit, costs of dismantling or claim for damages. If customer does not fulfill the contractual obligation of payment we are relieved from the obligation of remedy of defects. Warranty is granted only in case of defects that are caused

by regular handling and intended use. It does not include defects caused by incorrect storage, misuse, overuse, repairs or interference or fear wear and tear. If claims are admitted we reserve the right either to take back unused defective goods and to deliver goods in proper form or to grant monetary compensation. We can be hold liable only in case the damages arise from gross negligence or due to breaches of cardinal obligations of the contract regardless of what cause in law it is based upon. Further claim for damages, especially compensation of damages, employee's wages, freight costs, default's penalty or the like are expressly rejected. Return consignments without prior notice will not be accepted. We guarantee that the sold goods will be free of material defects for a period of six months from the date of delivery.

11. Property

We reserve property of the goods delivered by us until all our claims against the customer are settled, even if the goods have already been machined or worked up.

If the customer disposes the goods consensually, all rights of disposal conveys to us, no matter if the disposal takes place with or without additional services provided by the customer or if the disposal concerns one or several parties. The customer has to disclose any assignment to a third party and has to provide us any information and

documents that are essential to assert our rights. The customer is not in the position to mortgage goods still in our property to a third party nor to place a cession by security. If the customer suspends payment before the goods are payed up we reserve all rights enumerated in § 46 Deutsche Konkursordnung, especially the rights of selection respectively the rights of an assignment of a claim of consideration.

12. Place of performance and legal venue

The place of performance for delivery and payment is Reutlingen. Venue for assertion of any cause of action by customer including claims concerning actions of bills, cheques and documents shall be the Amtsgericht Reutlingen/Tübingen, regardless of the amount in dispute.

13: Applicable law

The contract is governed exclusively by German law.

14. Invalidity of terms

Should individual provisions of these General Terms and Conditions be or become invalid, this shall not affect the remaining provisions. The content of the invalid terms applies accordingly to what the parties involved would have agreed upon if they had known the invalidity. As far as a part of these conditions is invalid, the statutory provisions shall substitute the invalid part.