

# General Terms and Conditions of Sale and Delivery of EMW filtertechnik GmbH

## I. Applicability, General Stipulations

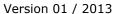
- 1. These General Terms and Conditions of Sale and Delivery apply exclusively to all deliveries of goods, performance of services and offers made by us. They constitute part of all contracts made with our customers relating to supply of goods or services offered by us.
- 2. Conflicting or deviating standard business terms of the customer are hereby excluded and are not recognized by us unless we have given express written consent to their applicability.
- 3. In the case of ongoing business relationships, these General Terms and Conditions of Sale and Delivery also apply to future business transactions even in the event no express reference is made to them, provided that the customer has received them on the occasion of a previous order that has been confirmed by us and also apply in the event we, being aware of deviating or conflicting terms, supply goods or services to the customer without reservation.
- 4. These General Terms and Conditions of Sale and Delivery apply only vis-à-vis entrepreneurs, legal entities incorporated under public law and special estates under public law.

## **II. Offer and Conclusion of Contract**

- 1. Our quotations are non-binding and subject to change without notice insofar as they are not expressly designated to be binding or do not contain a specific acceptance deadline.
- 2. The data, other information provided in our quotations and any attached documents including brochures, illustrations, drawings, diagrams, calculation tables as well as dimensions and weights are to be regarded as approximate average values and are only approximately applicable except in cases where exact conformity is required for use for the contractually envisaged purpose or where they are expressly designated as binding. They do not constitute guarantees of properties but instead descriptions or designations of goods or services supplied and constitute specification of a characteristic only in the event we have expressly declared the property as a "characteristic" of the goods; in all other cases any such references constitute non-binding general descriptions of performance. Variations which are customary in the trade, which ensue from statutory provisions or which constitute technical improvements as well as replacement of components by parts of equivalent value are permissible insofar as they do not impair the usability for the contractually envisaged purpose.
- 3. In the absence of any specific agreement to the contrary, a contract is concluded only upon sending of our written order confirmation (which may be transmitted by telefax) or upon delivery of the goods. Our written order confirmation defines with final validity all stipulations with regard to the contract's content and is binding unless the customer objects accordingly forthwith in writing. Collateral agreements and amendments of agreements made including these General Terms and Conditions of Sale and Delivery are only effective if made in writing.

#### III. Prices, Payment Terms

- 1. Our prices are valid for the scope of supply and performance stated in our order confirmation. Additional or special goods or services will be invoiced separately. Unless otherwise agreed upon in writing, our prices are quoted in EURO ex works and do not include packaging, statutory value-added tax, customs duties applicable to export orders and other fees and taxes required by law.
- 2. If the prices agreed upon are based on our list prices and delivery is not to take place until more than four months after conclusion of the contract, our list prices valid at the time of delivery apply (minus any percentage or fixed-sum discount if agreed on).
- 3. Unless otherwise agreed upon in writing, our invoices are payable within thirty days without any deduction. The date of receipt of payment by us is decisive with regard to the timeliness thereof. Cheques count as payment only when they have cleared. We reserve the right to refuse cheques and bills of exchange. Cheques and



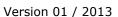


rediscountable bills of exchange are accepted solely on behalf of performance; all costs in connection herewith must be borne by the customer. In the event the customer fails to effect complete payment by the due date, the customer will be charged interest on the outstanding amount starting from the due date at a rate of eight per cent per annum above the base interest rate as defined in § 247 German Civil Code; we reserve the right to assert higher interest rates and to claim additional damages pertaining to the default.

- 4. The customer is only entitled to withhold payment or set off against our claims in the event his counterclaims are undisputed or awarded by non-appealable judgement of a competent court of law. Moreover, the customer is entitled to assert retaining lien only insofar as asserted on property which is in his possession pursuant to the contractual relationship from which his outstanding claim is derived.
- 5. In the event that circumstances become known to us following conclusion of the contract which may substantially reduce the customer's creditworthiness and on account of which the customer's payment of our outstanding receivables from the existing contractual relationship (including those from other individual orders placed pursuant to the same overall contract) is put at risk, we are entitled to supply the outstanding goods or services against advance payment or security deposit only.

### IV. Obligations in Delivery and Taking Delivery, Default in Taking Delivery

- 1. The delivery schedules (delivery dates or delivery periods) stated by us are non-binding unless expressly identified as fixed delivery schedules in our written order confirmation. In the event we provide approximate (indicated by: "approx.", "ca.", "roughly" etc.) or non-binding delivery schedules, we shall endeavour to meet these to the best of our ability. Delivery periods commence on the date of our order confirmation. Adherence to binding delivery schedules by us presupposes timely resolution of all commercial and technical questions between the contractual partners as well as timely fulfilment by the customer of all obligations incumbent on him (such as provision of any necessary certifications or approvals or rendering any agreed down payments). Should said resolution and/or fulfilment be delayed due to circumstances for which we are not responsible, the delivery schedule is to be extended accordingly. If, after placing an order, the customer demands modifications, a new delivery schedule will commence upon our confirmation of the modifications. A delivery schedule is considered complied with if, by the point in time of its expiry, the goods to be delivered have left our works or notification has been made of their readiness for delivery. In the event taking of delivery by the customer is to occur on a date confirmed in writing, the decisive point in time with regard to timeliness of delivery is said date unless delivery is refused for good reason or alternatively the date of notification of readiness for taking delivery.
- 2. Compliance with delivery schedules is subject to the proviso of correct and timely delivery to us on the part of our suppliers.
- 3. Agreed delivery schedules must be extended without prejudice to our rights pursuant to default on the part of the customer by any period of time during which the customer is in default with regard to his obligations to us. If the dispatch or taking of delivery of goods delivered is delayed for reasons for which the customer is responsible, the customer shall bear the costs resulting from the delay insofar as they are incurred one month or longer after notification of readiness for dispatch or taking delivery.
- 4. We are not liable for impossibility to make delivery of goods or render services or for delays in delivery insofar as caused by force majeure or other circumstances (e.g. operational disruptions of any kind, difficulties in procurement of materials or energy, transportation delays, strikes, lawful lockouts, shortages of labour, energy or raw materials, difficulties in obtaining necessary official certifications or authorizations, measures imposed by government institutions as well as nondelivery, incorrect delivery or late delivery on the part of our suppliers) which were not foreseeable at the time of conclusion of the contract and for which we are not responsible. Insofar as such circumstances make performance considerably more difficult or impossible for us and the hindrance is not only of a temporary nature, we are entitled to withdraw from the contract in part or completely. In the event of hindrances of a temporary nature, the agreed delivery schedule is to be extended by the amount of time of the hindrance plus a reasonable lead period. In the event the customer, as a result of the delay, cannot be reasonably expected to take delivery of the goods or rendering of the services, the customer is entitled to withdraw from the contract by immediately submitting to us written notification to this effect.





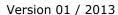
5. In the event we are in default in delivery due to reasons for which we responsible and the customer incurs damages thereby, the customer is entitled, in full satisfaction of our liability for said default and damages, to demand lump-sum compensation for the default amounting to 3 % of the price of the delivery for each full week of default, however not exceeding a total of 10 % of the price of the delivery. Any further claims arising from default in delivery are exclusively governed by Section VIII.

In the event we are in default and the customer, after first having established that no exceptional case provided for by law applies, has granted us a reasonable grace period for fulfilment of our performance and said performance is not fulfilled within said period, the customer is entitled to withdraw from the contract within the scope of statutory provisions. The customer hereby undertakes in this event to state within a reasonable period, if requested to do so by us, whether or not he chooses to exercise his right of withdrawal. The customer is entitled to withdraw from the contract without giving notice in the event complete performance on our part ultimately proves to be impossible prior to the passing of risk. Moreover, the customer is entitled to withdraw from the contract in the event that performance of delivery of part of an order becomes impossible subsequent to placement of said order and the customer is able to demonstrate a justified interest in refusing partial delivery. Should this not be the case, the customer shall be obligated to pay the portion of the contract price relating to the partial delivery effected. The same applies analgously in the event we are incapable of performance. In all other respects Section VIII applies. Should the impossibility of performance or incapability to perform arise either due to circumstances for which the customer is solely or largely responsible or during his default in taking delivery, the customer shall remain obliged to make counterperformance.

- 6. The limitations on liability pursuant to Section IV Article 5 do not apply insofar as a contract for delivery by a fixed date where time is of the essence was agreed or in the event the customer can demonstrate that, as a result of the default which we are responsible for, he is immediately entitled to claim reimbursement of damages in lieu of performance.
- 7. Unless agreed otherwise, we are entitled to supply partial deliveries and render partial services if the partial delivery or partial service is usable by the customer within the framework of the contractually envisaged purpose, delivery of the remaining goods ordered is ensured and no significant additional effort or additional burden results for the customer.
- 8. We reserve the right to deliver goods subject to customary or technically unavoidable deviations and/or modifications in physical or chemical characteristics including colours, formulations as well as processes and raw materials used, insofar as this is not unreasonable for the customer. Moreover, we are also entitled to deviate from drawings and descriptions furnished with our offers and order confirmations in accordance with manufacturing considerations or improvements, experience or technical progress without the consent of the customer insofar as no resultant additional costs are invoiced by us.
- 9. Excess and short deliveries comprising up to 10% more or less than the quantity ordered are permissible. In the event of short delivery, the customer, having duly notified us of the short delivery in accordance with § 377 German Commercial Code and within the time period stipulated in Section VII Article 1, owes only the price proportionate to the quantity actually delivered. In the event of excess delivery quantities up to 10 % above the quantity ordered, the customer, if not having duly objected to the excess delivery in accordance with § 377 German Commercial Code within the time period stipulated in Section VII Article 1, also owes the price proportionate to the excess quantity delivered. Excess or short deliveries do not normally constitute an entitlement to refuse to take delivery or to withdraw from the contract.

## V. Packaging, Dispatch and Passing of Risk

- 1. Insofar as not agreed otherwise, we select at our discretion the packaging, manner of dispatch and dispatch route. Dispatch and transport are done at the expense and risk of the customer.
- 2. The passing of risk to the customer takes place at the latest when the goods to be delivered are handed over (whereby the beginning of the loading procedure is decisive with regard to time) to the forwarding agent, carrier or other third party selected to carry out dispatch. This shall also apply in the event of partial deliveries or in the event we have undertaken provision other services (for example dispatch). In the event dispatch or handing over is



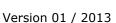


delayed as a result of circumstances for which the customer is responsible, the risk passes to the customer from the day on which the goods to be delivered are ready for dispatch and we have notified the customer accordingly.

- 3. In the event that dispatch or taking of delivery is delayed or does not take place due to circumstances for which we are not responsible, the risk passes to the customer from the date of notification of readiness for dispatch or for taking delivery.
- 4. Upon written request of the customer, we shall insure the goods at his expense against risks designated by him.

#### VI. Reservation of Title

- 1. We reserve title of ownership to all equipment and goods supplied by us (such equipment and goods hereinafter referred to collectively as "reserved goods") until all of our receivables from our business relationship with the customer including all claims arising in the future from contracts concluded at a later date have been satisfied. Said receivables include any balance in our favour resulting from a running invoice (current account) comprising individual or all accounts receivable by us.
- 2. Any processing or conversion of reserved goods performed by the customer is always performed on our behalf. In the event reserved goods are processed together with other materials not belonging to us, we acquire co-ownership in the resulting item in the ratio of the value of the reserved goods (final invoice amount including VAT) to the value of the other processed objects at the time of processing. In all other respects, the provisions applicable to reserved goods apply likewise to items created by processing in this manner.
- 3. In the event reserved goods are inseparably combined with other objects not belonging to us, we acquire coownership in the resulting item in the ratio of the value of the reserved goods (final invoice amount including VAT) to the value of the other combined objects at the time the combination was made. If the combination is carried out in such a way that the objects of the customer are to be regarded as the primary item, it is agreed that the customer shall assign us co-ownership on a pro-rata basis. The customer shall then hold the thusly created solely owned or co-owned property in safekeeping on our behalf.
- 4. The customer is authorized to resell reserved goods in the proper course of his business. In the event reserved goods are not paid for immediately when resold to third parties, the customer shall resell only subject to reservation of title. The customer is not authorized to any other disposition over reserved goods, in particular pledging or assignment as security. Furthermore, the customer is authorized to resell reserved goods only insofar as he is not in default in payment. The customer herewith assigns to us as security his entitlement for any claims from the resale of reserved goods inclusive of all ancillary rights, irrespective of whether the reserved goods are resold without or following processing as well as securities in value equal to any outstanding balance claims in our favour. We hereby accept this assignment. The aforementioned notwithstanding, the assignment only applies up to the amount of the price of the reserved goods as invoiced by us. The share of the receivables which is assigned to us has priority of satisfaction.
- 5. Should the customer combine reserved goods with real estate, the customer hereby also assigns to us, without need for any further declaration to this effect, any receivables due to him as payment for the combination up to the total amount equal to the price of the reserved goods as invoiced by us.
- 6. The customer shall be entitled, unless we have revoked said entitlement, to collect receivables assigned to us in accordance with this Section VI ("Reservation of Title"). The customer shall forward without delay to us payments made towards the assigned receivables up to the amount of the secured claim. Insofar as a legitimate cause exists to do so, in particular in the event of any default of payment, suspension of payments, commencement of insolvency proceedings, protest of a bill of exchange or substantiated indication of the customer's over indebtedness or impending inability to pay, we are entitled to revoke the customer's right to collect on our behalf. Furthermore, after having given previous warning and having heeded a reasonable period of grace, we are entitled to disclose the assignment of security, realise the assigned claims and demand disclosure of the assignment of security by the customer to the resale purchaser.

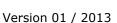




- 7. In the event a legitimate interest on our part has been credibly substantiated, the customer shall provide us any necessary information and hand over any necessary documents which are required to assert our rights against the resale purchaser.
- 8. The customer shall notify us of any pledge, seizure or other disposition or impairment by third parties concerning reserved goods without delay. Insofar as the third party is unable to reimburse us for our court and out-of-court costs incurred in an action pursuant to § 771 German Code of Civil Procedure, the customer shall be liable for such costs we incur. Resale of reserved goods by the customer is permissible only in the proper course of his business and only under the proviso that the resale price paid to the customer is not substantially below the fair market value of the goods resold. Moreover the customer shall effect agreement with his resale purchaser that the latter will acquire ownership only upon making this payment in full.
- 9. Insofar as the liquidation value of all securities assigned to us exceeds the sum of all secured claims by more than 10 %, we shall at the request of the customer release a corresponding portion of the securities. The requirements stated in the aforementioned sentence will be deemed as having been met if the estimated value of the securities allocated to us amounts to or exceeds 150% of the value of the secured claims. The securities to be released are to be selected at our discretion.
- 10. In the event of a breach of obligations on the part of the customer, including, but not limited to defaulting on payment, we are entitled to demand the forfeiture of the reserved goods without delay and/or after setting a deadline if necessary withdraw from the contract; the customer shall be obliged to fulfil such demands for forfeiture. The demand for forfeiture of reserved goods does not constitute a declaration of our withdrawal from the contract in the absence of an express declaration to this effect.
- 11. The customer shall hold the reserved goods in safekeeping on our behalf with due care, shall maintain and repair them at his expense and shall adequately insure them at new replacement value at his expense against theft, breakage, fire and water damage. The customer herewith in advance assigns to us any claims arising from these insurance policies concerning damage to reserved goods up to the extent of the value of the reserved goods; we herewith accept any such assignment. The customer shall, of his own accord and without being specifically requested to do so, submit to us proof of sufficient insurance coverage. In the event the customer has demonstrably failed to adequately insure the reserved goods, we are entitled but not obligated to have the reserved goods insured at the customer's expense against theft, breakage, fire and water damage.

## VII. Warranty (Defects, Liability for Defects)

- 1. The goods delivered must be carefully inspected immediately after delivery is rendered to the customer or to a third party designated by same. They are deemed to be accepted in the event we have not received a defect complaint in writing asserting any defects either immediately evident or recognizable as a result of promptly conducted careful inspection within seven working days from the time at which delivery of the goods is rendered or, alternatively, within seven working days following discovery of the defect(s) or within seven working days following the point in time, prior to said discovery, at which the defect became recognizable without close inspection to the customer in the course of normal use of the goods delivered.
- 2. If the defect complaint is made with good cause and within the prescribed time limits, we shall rectify the defect by way of supplementary performance at our discretion by repair or defect-free replacement. The customer is obliged, following submission of his written defect notification, to grant us the required time and opportunity for all repair work and replacement deliveries as we deem necessary; if such time and opportunity are not granted, we will be released from any liability for ensuing consequences. Only in urgent cases, of which we must be notified immediately, in which operational safety is jeopardized or to avert disproportionately great damage is the customer be entitled to repair the defect himself or to have the defect repaired by a third party and to demand reimbursement by us of the expenses so incurred. With regard to the costs incurred in repair or replacement, we shall bear insofar as the complaint proves to be justified the costs for the replacement goods including their dispatch (except for rapid, express and export dispatch) as well as the reasonable costs of dismantling and installation and, if this can be fairly demanded according to the circumstances of the individual case at hand, the costs of any necessary provision of our technicians and auxiliary personnel.
- 3. We are entitled to refuse to render supplementary performance in accordance with our statutory rights. We are also entitled to refuse to render supplementary performance in the event the customer fails to send us, upon our request, the goods asserted to be defective. The customer is entitled to withdraw from the contract or reduce the





contract price in accordance with his statutory rights, however, only after twice setting us a reasonable deadline to render supplementary performance which we have failed to observe. Said periods of grace are only dispensable in such cases as accordingly provided by law. In the event of withdrawal from the contract, the customer shall be liable for deterioration or loss of goods as well as failure to derive benefit from goods insofar as caused intentionally or in any way negligently by the customer.

- 4. The provisions of Section VIII apply to any claims for damages and claims for reimbursement of expenditures.
- 5. In the event of unauthorized reworking or improper treatment of supplied goods by the customer or a third party, we shall not be liable for ensuing consequences. The same applies with respect to any modifications carried out on supplied goods by the customer or third parties without our prior consent.
- 6. We assume no liability for the following circumstances and damages caused hereby: unsuitable or improper use, faulty installation or start-up on the part of the customer or a third party, normal wear particularly that of wear parts –, faulty or negligent treatment including excessive loading or use, improper maintenance, use of unsuitable operating supplies, substitution of materials, defective construction work or unsuitable structural foundations. Furthermore, should the customer or a third party perform improper repair of goods supplied or without our permission modify goods supplied, we shall not be liable for any ensuing consequences.
- 7. Recourse claims pursuant to § 478 and § 479 German Civil Code are permissible only within the scope as provided for by law and only insofar as the claim by the consumer was for good cause and presuppose compliance with the obligations of the party entitled to recourse, in particular compliance with the complaint notification obligations. Recourse claims concerning representations or goodwill arrangements which were not made or approved by us are not permissible.
- 8. Any guarantee agreement must be made in writing to be valid. A declaration of a guarantee will be effective only if it adequately specifies the content of the guarantee, its duration and the geographical restrictions of its coverage.

# VIII. General Limitations of Liability, Limitation Period

- 1. Insofar as the customer asserts claims for damages or for reimbursement of expenses (hereinafter referred to collectively as damage claims) which arise due to malicious intent or gross negligence including malicious intent or gross negligence on the part of our representatives or vicarious agents, we shall be liable according to the statutory regulations. We shall furthermore be liable according to the statutory regulations in the event we have culpably breached an essential contractual obligation, as well as in cases of loss of life, personal injury or damage to health and insofar as we have provided guarantees.
- 2. Compensation for infringement of an essential contractual obligation is limited in scope to foreseeable, typically occurring damages (except in cases of malicious intent or gross negligence), cases in which we are liable for loss of life, personal injury, injury to health or guarantees provided and cases in which we are subject to mandatory liability under the German Product Liability Act ("Produkthaftungsgesetz"). Our liability for damages due to default in cases of slight negligence is limited in scope as set forth in Section IV Article 2.
- 3. Any liability on our part for compensation for damages apart from that provided for above is excluded, irrespective of the legal nature of the claim asserted. Accordingly we shall in particular not be liable for damages which are not incurred to the goods delivered themselves, including lost profit and other pecuniary damages suffered by the customer. The aforementioned limitations of liability apply with equal effect to claims asserted by the customer for reimbursement of expenses. Any such claims asserted by the customer shall be limited in scope, the provisions of Section VIII Article 2 notwithstanding, to the value of the commercial interest which the customer has in the fulfilment of the contract.
- 4. The mandatory provisions of the German Product Liability Act ("Produkthaftungsgesetz") remain unaffected.
- 5. The limitation period for claims and rights irrespective of their legal grounds arising from defects in goods supplied or services rendered by us is one year.

However, this does not apply in the cases set forth in § 438 Paragraph 1 Clause 1 German Civil Code (Defects in title in immovable items), § 438 Paragraph 1 Clause 2 German Civil Code (Buildings, items for buildings), § 479



Paragraph 1 German Civil Code (Recourse claims of entrepreneurs) or § 634a Paragraph 1 Clause 2 German Civil Code (Buildings or planning or supervisory services for building construction), in which cases a limitation period of three years applies. The limitation periods set forth above also apply to all damage claims asserted against us in connection with defects – irrespective of the legal grounds for the claim – subject however to the following provisos:

- The limitation periods do not generally apply in the case of malicious intent or fraudulent concealment of a defect or insofar as we have provided a guarantee for the quality of the goods supplied.
- The limitation periods apply for damage claims but do not apply in cases of grossly negligent breach of an obligation, cases with the exception of those arising from supply of defective goods or provision of defective services of culpable breach of an essential contractual obligation, cases of culpably caused loss of life, personal injury or injury to health and cases involving violation of the German Product Liability Act ("Produkthaftungsgesetz"). The limitation periods for damage claims also apply for claims for reimbursement of futile expenditures.

The limitation period begins with respect to all claims at the time delivery is made and with respect to services rendered at the time of their acceptance procedure.

6. Insofar as not expressly agreed to the contrary, the statutory provisions concerning the start of the limitation period as well as the suspension, interruption and recommencement of the running of time remain unaffected. The aforementioned provisions apply analogously for damage claims which are not associated with defects; such claims are subject to the limitation period set forth in Section VIII Article 5 Sentence 1. The aforementioned provisions are not to be construed as changing the burden of proof to the detriment of the customer.

## IX. Intellectual Property Rights and Defects in Title

- 1. In the event we are to perform in accordance with drawings, models or samples or with parts supplied by the customer, the customer shall warrant that no third-party intellectual property rights in the country of destination of the goods are infringed hereby. The customer shall notify us of any such rights of which he has knowledge. The customer shall hold us harmless against any ensuing claims by third parties and reimburse us for any resulting damage. In the event a third party, by invoking a property right which he holds, prohibits manufacture or supply on the part of the customer, we are entitled without need for investigating the legal situation to discontinue all work until the legal situation has been clarified by the customer and the third party. In the event the resultant delay is of such nature that it would be unreasonable for us to continue to carry out the order, we are entitled to withdraw from the contract.
- 2. Any drawings and samples made available to us which have not resulted in an order will be returned upon request; if no such request is made, we will be entitled to destroy them three months after submitting our offer. The same obligation applies analogously to the customer. Furthermore the customer shall not make such drawings or samples accessible to third parties without our express written permission to do so. The party entitled to destroy said drawings or samples must notify the other party of its intention to do so well in advance.
- 3. We retain all rights including copyrights, any intellectual property rights and in particular the rights of use and exploitation pertaining to models, moulds, equipment, designs and drawings made by us or by a third party on our behalf.
- 4. We retain ownership and copyright for all documents we provide. They are not to be made available to third parties or used for advertising purposes and must be returned upon request.
- 5. In the event other defects in title exist, Sections VII. VIII. apply to them accordingly .

#### X. Moulds (Tooling)

- 1. The price for moulds includes the costs of one-off sampling but not the costs of test and processing equipment nor the costs of changes originating by the customer's request. Costs for further sampling for which the customer is responsible will be at his expense.
- 2. Insofar as not agreed otherwise, we are and remain the owners of the moulds made for the customer either by us or a third party on our behalf. Moulds are to be used exclusively for carrying out orders of the customer insofar as contractually agreed upon and as long as the customer duly discharges his obligations to pay and to take



delivery. We shall be obligated to replace these moulds free of charge only insofar as necessary to meet a production volume guaranteed to the customer. Our obligation to store a mould ceases two years after the last delivery of parts made from said mould, however only after we have duly notified the customer in advance of our intent to discontinue storage.

- 3. Should it be agreed that the customer shall become the owner of the moulds, said ownership transfers to him only upon effecting complete payment of their purchase price. In this context, our possession of such moulds on the customer's behalf is deemed equivalent to transfer of such moulds into the customer's possession. Irrespective of the customer's statutory right to recover possession and of the service life of such moulds, we are entitled to retain exclusive possession of the same for the agreed duration of the contract. We undertake to identify such moulds as third-party property and to insure them at the customer's request and expense.
- 4. In the case of moulds owned by the customer pursuant to Article 3 above and/or moulds provided on loan to us by the customer, our liability with regard to safekeeping and care is restricted to the diligence we would normally employ with our own property. The costs of their maintenance and insurance are to be borne by the customer. Our obligations cease in the event that, following completion of the order and upon our request to the customer to collect the moulds, the customer fails to do so within a reasonable period of time. We are entitled to a right of retention of the moulds in any event as long as the customer has not duly fulfilled his contractual obligations in full.

#### XI. Provision of Materials

- 1. In the event the customer furnishes materials, they must be delivered at the customer's own expense and risk, in due time and free of quality defects, and must include a reasonable surplus quantity of at least 5 %.
- 2. If these requirements are not fulfilled, the delivery schedule will be prolonged accordingly; with the exception of cases of force majeure, the customer shall be responsible for any resulting additional costs including those due to production disruptions.

# XII. Place of Performance, Court of Jurisdiction

- 1. Insofar as not expressly agreed otherwise, the place of performance for all obligations arising from the contractual relationship is Diez / Lahn / Germany.
- 2. The exclusive legal venue for all disputes is Diez / Lahn / Germany. We are also entitled to bring action against the customer in competent courts at his domicile.
- 3. All legal relations between the customer and ourselves are subject exclusively to the law of the Federal Republic of Germany as applicable to legal relations between domestic parties. The UN Convention on Contracts for the International Sale of Goods (CISG) is expressly excluded from application.
- 4. In the event any provision of these General Terms and Conditions of Sale and Delivery should be or become invalid, this in no way affects the validity of the remaining provisions or the contract overall. In this event the contractual parties hereby undertake to replace the invalid provision with a valid provision.