







## VII. Warranty

1. If the customer is a merchant, he must inspect the goods immediately after receipt, primarily for damage, defects, weight and dimensions. The customer must give immediate notification of visible defects on the delivered goods after receipt of delivery. Defects which are not evident must also be claimed from us immediately after they are discovered. If the customer fails to complain within a 7-day cut-off period the delivered goods are considered approved even in spite of the defect.
2. If the customer is a consumer as defined in the German Civil Code and if a chattel is supplied (sale of consumer goods), according to the statutory provisions the customer can demand supplementary performance, price reduction or cancellation of the contract. The claims become time-barred 2 years from the statutory beginning of limitation for the delivery of new things. In the case of delivery of used things the claims become time-barred 1 year after the statutory beginning of limitation. There is no possibility of claiming compensation for damage due to slightly negligent behaviour which does not represent any infringement of an important contractual duty if there is no injury to life, the body or health. The claim for compensation for performance which is not rendered or is rendered late or deficiently is time-barred one year after the statutory beginning of limitation.
3. If the customer is an entrepreneur as defined in the German Civil Code and a used item is delivered, any kind of warranty for defects is excluded.
4. In all other cases there is a claim to supplementary performance, reduction, cancellation of the contract and compensation only in compliance with the following provisions:

If the agreed characteristics and quality of the item are lacking or if another material defect exists in compliance with section 434, par. 1, sent. 2 German Civil Code if a complaint is made in due time for a period of 1 year, we undertake to eliminate the defect or to deliver an item free of defects (supplementary performance), at our discretion. If our delivery consists of parts which we have purchased from third parties, instead of supplementary performance we are authorised to assign our claims for supplementary performance against our suppliers to the customer.

If we have made two attempts to eliminate the defect or we have made a single supplementary delivery of an item free of defects without being able to thus eliminate the existing defect, instead of elimination of the defect or delivery of an item free from defects, the customer may reduce the purchase price or - after an appropriate period of grace has been set - reduce the purchase price, or - after an appropriate period of grace has been set - demand rescission of the contract concluded with us. Claims on our suppliers, which are assigned to the customer, including any further claims which may have arisen from them, must be reassigned to us in this case.

5. The above stipulations in paragraphs 3 and 4 do not apply if we maliciously concealed defects, assumed a warranty for the characteristics and quality of the object of delivery or sold a chattel to a consumer. The same applies towards the customer's claims in compliance with § 478 German Civil Code, but not to the claims for compensation of the customer. Therefore the restrictions of paragraphs 3 and 4 above remain as do the following provisions in section VIII.

## VIII. Liability

If our due performance is not rendered, or rendered belatedly or defectively, the customer can demand compensation for damage:

- a) For damage from injury to life, the body or health caused by our intended or negligent breach of duty or an intended or negligent breach of duty by one of our legal representatives or vicarious agents.
- b) For other damage caused by an intentional or grossly negligent breach of duty on our part, or by an intentional or grossly negligent breach of duty on the part of one of our legal representatives, executives or vicarious agents or the negligent breach of duties which are important for the contract (cardinal duties) on the part of our legal representatives, executives or vicarious agents. Essential contractual duties (cardinal duties) are those duties which must be met in order for the contract to be performed correctly, and the customer generally trusts in them being upheld.

- c) For damages covered by a warranty issued by us (assurance) or a warranty for specific characteristics and quality, or for damage for which we must assume mandatory liability according to the law.

This does not prejudice more extensive liability due to malicious conduct.

In the case of simple negligent infringement of an important contractual duty, the amount of liability is restricted to the kind of damage typically to be expected. This does not apply to damage from injury to life, the body or health.

Insofar as nothing else is agreed in the present Terms and Conditions, all customer claims for compensation for damage of all kinds, especially those which did not arise on the object of delivery itself, are excluded, as are claims arising from offences. This also applies to the claims because of and against our vicarious agents. The limitation of liability is also not applied when we or our vicarious agents are guilty of intent or gross negligence. If third parties have been commissioned or involved for initiating or processing the obligation between the parties, the warranty and liability restrictions named above also apply to the benefit of the third parties.

#### **IX. Product liability**

If the states into which the customer will be reselling our products have different - and especially more stringent - product liability and product safety regulations compared to German law, the customer must point this out to us when placing the order. In this case we are entitled to cancel the contract within one month. If the customer fails to enlighten us on this, we may cancel the contract within one month after we have obtained knowledge of the relevant legal situation. In this case the customer is under obligation to indemnify us from third-party claims which are more extensive than our duty to perform in a comparable product-liability case in Germany. This also applies if we decide to uphold the contract.

#### **X. Dispute Settlement Proceedings Act (VSBG)**

We refuse to take part in dispute settlement proceedings before the consumer arbitration board in accordance with the German Participation in Dispute Settlement Proceedings Act (VSBG).

#### **XI. Final clauses**

1. The place of performance and legal venue for all disputes arising from the contractual relationship (including those arising from bills of exchange and cheques) is 72539 Pfronstetten – Aichelau, if the customer is a merchant, a legal entity under public law or a special fund under public law, or the customer has no general legal venue in the Federal Republic of Germany, or has removed his legal venue to a foreign country. We are also authorised to bring action at the court with jurisdiction for the domicile of the customer.
2. The customer is aware that data from business transactions and personal data are saved and processed as required for business purposes and must be transmitted to third parties. The customer agrees to this data capture and processing.
3. Should a provision of these General Terms and Conditions of Supply and Payment or a provision in other agreements be or become ineffective, it does not prejudice the effectiveness of all other provisions or agreements.
4. German law applies exclusively to all contractual and other legal relations with our customer; the UN Convention on Contracts for the International Sale of Goods (CISG) is excluded.