General Terms and Conditions of Delivery, Sale and Payment (ALB) of Bückmann GmbH & Co. KG

Status June 2017

§ 1 Scope

1. These General Terms and Conditions shall apply exclusively in addition to the other contractual agreements for the entire business of Bückmann GmbH & Co KG, hereinafter referred to as Bückmann, and the buyer, customer or purchaser, hereinafter referred to as Buyer. Bückmann does not accept other conditions of the Buyer – even in the case of unconditional provision of services or acceptance of payment – unless Bückmann expressly agrees to their validity in writing.

This also applies to general terms and conditions outside the general terms and conditions of purchase of the Buyer, in particular, but not limited to, quality assurance agreements, framework supply agreements, supply contracts, consignment storage contracts and confidentiality agreements of the Buyer, insofar as the provisions therein have not been negotiated with Bückmann.

- 2. These General Terms and Conditions of Business shall only apply to business transactions with entrepreneurs as defined by § 310 para. 1 in conjunction with § 14 BGB (German Civil Code).
- 3. These General Terms and Conditions shall also apply to all future business relations without renewed inclusion until new General Terms and Conditions of Business of Bückmann are issued.
- **4.** All agreements made between Bückmann and the Buyer within the framework of the contract negotiations are to be recorded in writing and confirmed by both parties for reasons of proof.
- **5.** Collateral agreements, subsequent contractual changes and the assumption of a guarantee, in particular the warranties of characteristics, or the assumption of a procurement risk must be made in writing, insofar as they were made by persons not authorised to represent
- 6. Any silence of Bückmann shall not mean consent.

§ 2 Consulting

- 1. Bückmann advises the Buyer only upon express request. Failure to make statements does not constitute advice.
- 2. Bückmann's consulting services are based on empirical values. Insofar as the advice extends to circumstances over the correctness of which Bückmann has no influence, such as the composition of the raw material or the services of subcontractors, the advice is non-binding.
- 3. The consultation of Bückmann extends as product- and performance-related consultation exclusively to the products delivered and services rendered by Bückmann. It does not extend to contract-independent advice, i.e. such declarations that are given without products being sold or services being rendered by Bückmann

§ 3 Conclusion of contract

- 1. The offers of Bückmann are subject to change without notice, they are regarded as an invitation to submit an offer.
- **2.** As a matter of principle, the order placed by the Buyer shall constitute the offer to conclude the contract.
- **3.** The first processing of an offer is usually free of charge. Further offers and design work shall only be free of charge to the extent that the supply contract becomes and remains valid.
- 4. Descriptions and photocopies of the products in technical documents, brochures, company brochures, catalogues, price lists, etc. are non-binding unless their inclusion in the contract has been expressly agreed; they do not release the Buyer from his own tests.

Product and service descriptions on the Internet can naturally only be of a general nature; if the Buyer wishes to derive binding quality agreements or the suitability for use for the application intended by him from them, he must refer to them in the order.

5. All information on the execution of the order must be provided in the order. This applies to all deliveries, services, works and other performances of Bückmann. This includes in particular, but is not limited to, information on article designation, number of items, dimensions, material, material composition, pre-treatment, processing specifications, treatment instructions, storage, standards as well as all other technical parameters and physical characteristics.

Missing, incorrect or incomplete information shall be deemed expressly not to have been agreed and shall not constitute any obligation on the part of Bückmann, neither in terms of performance and warranty claims nor in terms of claims for damages.

6. If the order placed by the Buyer deviates from Bückmann's offer, the Buyer shall identify the deviations separately.

- **7.** Bückmann is entitled to obtain further information which serves the proper execution of the order.
- **8.** Orders shall be placed in writing or electronically (EDI); orders transmitted orally or by telephone will be executed at the Buyer's risk
- **9.** If the Buyer withdraws an order accepted by Bückmann, Bückmann is entitled, irrespective of the possibility of claiming a higher actual damage, to charge 10% of the delivery or service price for the costs incurred by the processing of the order and for the lost profit. The Buyer reserves the right to prove a lesser damage. There is no obligation to take back goods which have been ordered in a binding manner and delivered free of defects. A possi-
- ble take-back and return therefore requires the express consent of Bückmann. In such cases, the return shipment shall be free. 10. The acceptance of the order by Bückmann takes place within
- 2 weeks, unless another acceptance period has been agreed. **11.** The services of Bückmann result from the order confirmation.
- **12.** Bückmann reserves the right to carry out or have carried out the processing of the delivery items or subjects of performance in another company without additional costs for the Buyer.

§ 4 Call-offs orders

- 1. In the case of delivery contracts on call, unless otherwise agreed, Bückmann shall be notified of binding quantities by call at least 3 months prior to the delivery date. In individual cases, it may be necessary to extend this period, for example, due to material delivery times
- 2. Additional costs caused by a delayed call-off or subsequent changes to the call-off with regard to time or quantity by the Buyer shall be borne by the Buyer; Bückmann's calculation shall be decisive in this respect.

Unless otherwise agreed, all call-off orders shall be accepted within one year of placing the order without the need for a request for acceptance. If this period has expired, Bückmann is entitled to invoice the goods and to dispatch them at the expense and risk of the Buyer or to withdraw from the contract immediately.

§ 5 Modifications

- 1. A separate contractual agreement is required for any modification to the delivery item or service requested after conclusion of the contract.
- 2. Bückmann reserves the right to reasonably change the object of delivery or service in case of missing or incorrect information. Disadvantages due to missing or incorrect information, in particular additional costs or damages, shall be borne by the Buyer.
- 3. We reserve the right to make technical changes to the object of delivery or service which do not compromise the contractual objective.
- **4.** Quantity variances customary in the industry up to a maximum of 10 % are permissible and shall not entitle the Buyer to give notice of defects.
- **5**. Partial deliveries or services are permissible, as far as this only insignificantly impairs the use and does not compromise the purpose of the contract. They can be billed separately.

§ 6 Delivery period

- 1. If a delivery or service period has been agreed, this period shall commence upon dispatch of the order confirmation, but not before complete clarification of all details of the order and proper fulfilment of all cooperation obligations on the part of the Buyer; the same shall apply accordingly to delivery or service dates.
- 2. In the event of mutually agreed changes to the subject matter of the order, delivery or performance periods and delivery or performance dates shall be newly agreed.
- This shall also apply if the subject matter of the order has been renegotiated after conclusion of the contract without the subject matter of the order having been modified.
- 3. Delivery or service periods and delivery or service dates are subject to defect-free and timely advance delivery as well as unforeseeable production interruptions.
- **4.** The time of delivery or performance shall be deemed to have been observed if the object of delivery or performance has left Bückmann's works or has been handed over to the commissioned transport company at Bückmann's factory or Bückmann has notified completion for collection by the end of the delivery or performance period.

5. Bückmann shall be entitled to provide the agreed delivery or service before the agreed time.

§ 7 Default of acceptance

1. If the Buyer does not accept the goods on the agreed delivery date or expiry of the agreed delivery period due to circumstances for which he is responsible, Bückmann shall be entitled to reimbursement of the additional expenses incurred as a result.

In particular, Bückmann is entitled to invoice the Buyer for storage costs to the amount of $0.5\,\%$ for each month commenced, but no more than a total of $5\,\%$ of the delivery or service price. The contracting parties are at liberty to prove higher or lower storage costs.

- 2. Bückmann is authorised to determine a suitable place of storage at the Buyer's expense and risk and to insure the delivery items or subjects of performance at the Buyer's expense.
- 3. If Bückmann is entitled to claim damages instead of performance, Bückmann may, without prejudice to the possibility of claiming higher actual damages, claim 20% of its price as damages, unless the Buyer proves that damages did not occur at all or are substantially lower than the lump sum.

§ 8 Force majeure

In cases of force majeure, the delivery and performance periods of Bückmann shall be extended by the duration of the impairment. Cases of force majeure also include, but are not limited to, circumstances for which Bückmann is not responsible, such as war, fire damage, strikes, lock-outs, traffic disruptions, acts of government, interruptions of operations, or major operational disruptions, such as material or energy shortages suffered by Bückmann, subcontractors commissioned by Bückmann or sub-suppliers. This shall also apply if Bückmann was already in default when these circumstances occurred.

Bückmann will inform the Buyer immediately of the beginning and end of such hindrances.

If delivery or service is delayed by more than six weeks, both the Buyer and Bückmann shall be entitled to withdraw from the contract within the scope of the performance affected by the disruption. The contracting parties shall not be entitled to compensation in this respect.

§ 9 Price and payment conditions

1. Unless otherwise agreed, all prices are quoted in Euro net "ex works" plus the statutory value added tax at the time of invoicing. Additional costs such as packaging, freight, shipping costs, customs, assembly, insurance and bank charges shall be charged separately.

Bückmann will only insure the goods to be dispatched upon request and at the expense of the Buyer.

2. If, in the case of contracts with a term of more than 12 months and open-ended contracts, there is a substantial change in material, wage or energy costs, each contracting party shall be entitled to demand negotiations on an appropriate adjustment of the price taking these factors into account.

Bückmann is also entitled to reasonably change the agreed price if changes occur before or on the occasion of the execution of the order because the information and documents provided by the Buyer were faulty or if the Buyer requests other changes.

- 3. Bückmann is entitled to demand an appropriate advance payment at the time of conclusion of the contract. Interest shall not be remunerated for this.
- 4. If a binding order quantity has not been agreed, Bückmann bases its calculation on the non-binding order quantity (target quantity/forecast) expected by the Buyer for a specific period of time. If the Buyer purchases less than the target quantity, Bückmann shall be entitled to increase the unit price appropriately. If the Buyer purchases more than the target quantity, Bückmann will reduce the unit price reasonably at the Buyer's request, provided that the Buyer has announced the additional demand at least 3 months before delivery.
- **5.** Unless otherwise agreed, invoices shall be due within 10 days with 2% discount or within 30 days net from the date of the invoice. In the event of non-payment, the Buyer shall be in default by the due date without further reminder. The granting of a discount is subject to the condition that there are no other open items on the Buyer's account.

Discounts and rebates shall only be granted by separate agreement. Non-agreed missed deadlines entitle Bückmann to deduct the granted discounts, so that the Buyer has to pay the invoiced amounts without granted discount.

Partial payments require a separate written agreement.

6. Settlement by bill of exchange requires a separate prior agreement. Discount charges and exchange costs shall be borne by the

Buyer. Invoice settlement by cheque or bill of exchange shall only be effected on account of performance and shall only be deemed payment after unconditional crediting.

- 7. If there are several outstanding claims of Bückmann against the Buyer and if payments of the Buyer are not made for a specific claim, Bückmann is entitled to determine for which of the outstanding claims the payment was made.
- 8. In case of default of payment, deferment of payment or partial payment, Bückmann is entitled to demand customary bank default interest, however at least to the amount of 10 percentage points p.a. above the respective base interest rate and to withhold further services until all invoices due have been settled. We reserve the right to prove higher damages.
- **9.** By placing an order, the Buyer confirms his solvency or creditworthiness

If justified doubts arise regarding the Buyer's solvency or creditworthiness, e.g. sluggish method of payment, default of payment or cheque protest, Bückmann is entitled to demand security or cash payment concurrently with performance. If the Buyer does not comply with this request within a reasonable period of time set for him, Bückmann is entitled to withdraw from the not yet fulfilled part of the contract or to suspend deliveries until receipt of payments. The period shall be dispensable if there is evidence that the Buyer is unable to provide security.

- **10.** The Buyer is only entitled to set-off against claims of Bückmann if his counterclaim is undisputed by Bückmann or has been legally established or is ready for decision.
- **11.** The assignment of claims against Bückmann as well as a transfer of other rights from the contract to third parties requires the prior consent of Bückmann.
- 12. A right of retention of the Buyer exists only if the counterclaim is based on the same contractual relationship and is undisputed or legally established or disputed but ready for decision or if Bückmann has substantially violated its obligations from the same contractual relationship despite a written warning and has not offered adequate security.

If a service provided by Bückmann is undisputedly defective, the Buyer shall only be entitled to retention to the extent that the retained amount is in reasonable proportion to the defects and the anticipated costs of remedying the defect.

- **13.** The payment dates shall remain in effect even if delays in delivery occur through no fault of Bückmann.
- **14.** In order for Bückmann to be exempt from turnover tax for intracommunity deliveries, Bückmann requires a so-called Entry Certificate ("Gelangensbestätigung") from the Buyer. The Buyer is therefore obliged to confirm in writing to Bückmann after receipt of the object of the contract to have received the object of the contract as a purchaser as object of an intra-Community delivery.
- **15.** As far as value added tax is not included in Bückmann's invoice, in particular because Bückmann, on the basis of the information provided by the Buyer, assumes an "intra-Community delivery" as defined by § 4 No. 1 b in connection with § 6 a UStG (Value-Added Tax Act) and Bückmann is subsequently charged with value added tax (§ 6 a IV UStG), the Buyer is obliged to pay to Bückmann such tax amount. This obligation exists regardless of whether Bückmann has to subsequently pay value added tax, import turnover tax or comparable taxes in Germany or abroad.

§ 10 Place of Performance, acceptance, passing of risk, packaging

- **1.** The place of performance for the services and payments ordered is Bückmann's place of business in Mönchengladbach (Germany).
- 2. The Buyer shall be obliged to acceptance as soon as Bückmann has notified him of the completion of the services ordered. If the Buyer fails to accept the service within two weeks of notification, acceptance shall be deemed to have taken place.
- **3.** Deliveries are always made ex works in accordance with INCOTERMS 2010. The risk of loss, destruction or damage of the goods shall pass to the Buyer upon acceptance of the goods at Bückmann's factory.

If dispatch has been agreed, the risk shall pass to the Buyer upon dispatch of the goods or their handover to the transport company.

- **4.** Unless otherwise agreed, Bückmann will determine the type and scope of packaging. Disposable packaging must be disposed of by the Buyer and will not be taken back.
- **5.** If the goods are shipped in returnable packaging, this must be returned carriage paid within 30 days of receipt of the delivery. The Buyer shall be responsible for loss and damage of the returnable packaging.

Returnable packaging may not be used for other purposes or to accommodate other objects. It is only intended for the transport of the delivered goods. Labels must not be removed.

6. In the event of damage to or loss of the goods during transport, the Buyer must immediately arrange for an inventory to be carried out and inform Bückmann thereof. Claims arising from any transport damage must be asserted immediately by the Buyer to the forwarding agent.

§ 11 Obligation to examine and give notice of defects

- 1. The Buyer must inspect the goods immediately after delivery in accordance with § 377 HGB (German Commercial Code) or comparable foreign national or international regulations and immediately notify Bückmann of any defects and damages recognised at this inspection or later directly after their discovery. Otherwise, the goods shall be deemed to have been approved free of defects. The provisions of § 377 HGB shall apply accordingly to services and work performance. Notice of defects must be made in writing.
- 2. Any use of defective deliveries or services is not permitted. If a defect could not be discovered upon receipt of the goods or acceptance of the service, any further use of the delivery item or service item shall be discontinued immediately upon discovery.
- 3. The Buyer shall surrender the reported goods to Bückmann and grant Bückmann the necessary time to examine the notified defect. In the event of unjustified complaints, Bückmann reserves the right to charge the Buyer with the inspection costs incurred.
- **4.** The notice of defects shall not release the Buyer from his obligation to pay.

§ 12 Warranty

1. If there is a defect of Bückmann's delivery or service items, Bückmann is entitled at their discretion to rectification of the defect, to substitute delivery or credit note within a reasonable period of time.

A claim for withdrawal or reduction exists only if subsequent performance was refused by Bückmann or failed or is not reasonable for the Buyer.

- 2. In the case of third-party products, even if they have been incorporated into Bückmann products or have been used otherwise, Bückmann shall be entitled to initially limit its liability to the assignment of the warranty claims to which Bückmann is entitled against the supplier or manufacturer of the third-party products, unless the satisfaction of the assigned right fails or the assigned claim cannot be enforced for other reasons. In this case, the Buyer is again entitled to the rights from the preceding section 1.
- 3. Claims of the Buyer due to expenses necessary for the purpose of subsequent performance, in particular transport, travel, labour and material costs, are excluded to the extent that the expenses increase because the goods were subsequently taken to a location other than that of the Buyer's branch office.
- **4.** The same warranty conditions as to the originally delivered item apply to replacement services and subsequent improvements.

§ 13 Defects of title

- 1. Orders according to drawings, sketches or other information handed over to Bückmann will be executed at the Buyer's risk. If Bückmann intervenes in third party industrial property rights as a result of the execution of such orders, the Buyer shall indemnify Bückmann against claims of these holders of rights. Further damages and costs shall be borne by the Buyer.
- 2. The liability of Bückmann for any infringements of property rights in connection with the use of the delivery or service items or with the connection or use of the delivery or services items with other products shall be excluded.
- 3. In the case of defects of title, Bückmann is entitled at its discretion:
- to obtain the necessary licences with respect to the infringed intellectual property rights
- or to eliminate the defects of the delivery or service item by making available a delivery or service item that has been modified to a reasonable extent for the Buyer.
- **4.** Bückmann's liability for the infringement of third-party property rights shall only extend to such property rights which are registered and published in Germany.

§ 14 Liability

- **1.** Bückmann shall be liable for the accounts payable by the company only with the company assets.
- 2. In the case of ordinary negligence, Bückmann shall only be liable in the event of breach of an essential contractual obligation. In the event of gross negligence, Bückmann shall also be liable for breach of non-essential contractual obligations.

In the aforementioned cases, liability shall be limited to the foreseeable damage typical of the contract.

- 3. In the case of warranted characteristics, the liability of Bückmann shall be limited to the scope and amount of the product liability insurance existing for Bückmann. The scope of cover corresponds to the non-binding recommendations on business and product liability insurance of *Gesamtverband der Deutschen Versicherungswirtschaft*. The amount of cover for the insured events covered by the insurance contract is at least EUR 1 million per insured event and twice the amount per insurance year.
- 4. Claims for damages due to intentional violation of contractual obligations by Bückmann, claims due to personal injury and claims under the Product Liability Act are subject to the statutory provisions.
- **5**. Bückmann is liable for tortious claims according to the contractual liability; restrictive liability agreements from the contract also apply towards the Buyer.
- **6.** Any other liability for damages beyond the above regulations shall be excluded.
- 7. Recourse claims of the Buyer against Bückmann exist only insofar as the Buyer has not reached an agreement with his customer exceeding the statutory claims for defects and damages.
- 8. Bückmann's liability shall be excluded if the Buyer has effectively limited his liability towards his customer.
- **9.** If Bückmann's liability is excluded or limited, this shall also apply to the personal liability of Bückmann's employees, workers, representatives, vicarious agents and assistants.
- **10.** If the liability mentioned above is excluded or limited, the Buyer is obliged to indemnify Bückmann also from claims of third parties.
- **11.** In all other respects the statutory provisions shall apply.
- **12.** The Buyer is obliged to inform Bückmann immediately in writing of any claims asserted by third parties and to reserve for Bückmann all defensive measures and settlement negotiations.

§ 15 Statute of limitations

1. The limitation period for claims and rights due to defects of the products, services and work performance of Bückmann as well as the resulting damages shall be 12 months. The commencement of the limitation period shall be governed by the statutory provisions.

The above shortening of the limitation period shall not apply insofar as the law prescribes longer periods in the cases of §§ 438 para. 1 no. 2, 479 and 634 a para. 1 no. 2 BGB (German Civil Code).

- 2. Furthermore, the limitation period according to the previous section 1, sentence 1 does not apply in the case of intent, if Bückmann fraudulently concealed the defect or assumed a quality guarantee, in the case of claims for damages due to personal injury or violation of freedom of a person, in the case of claims under the Product Liability Act and in the case of a grossly negligent breach of duty.
- **3.** Measures for subsequent performance shall neither inhibit the limitation period applicable to the original performance of the service nor allow the limitation period to recommence.

§ 16 Acquisition of ownership

1. Bückmann retains title to all contractual items until complete settlement of all claims to which Bückmann is entitled from the business relationship with the Buyer.

Bückmann reserves all property rights and copyrights to the illustrations, drawings, calculations and other (technical) documents provided.

- 2. If property of Bückmann is processed, combined or mixed with third-party property, Bückmann acquires property of the new object according to § 947 BGB.
- **3.** If processing, combination or mixing takes place in such a way that the external service is to be regarded as the main item, Bückmann acquires ownership in the ratio of the value of the Bückmann service to the external service at the time of processing, combination or mixing.
- **4.** If Bückmann acquires ownership of an object through its performance, Bückmann reserves ownership of this object until settlement of all existing claims arising from the business relationship with the Buyer.
- **5.** The Buyer is obliged to keep the reserved goods in safe custody and, if necessary, to carry out maintenance and repair work in good time at his own expense. The Buyer must insure the reserved goods at his own expense against loss and damage. Any security claims arising in the event of damage shall be assigned to Bückmann.
- **6.** The Buyer is entitled to resell the item, which is in the (co-) ownership of Bückmann, in the ordinary course of business as long as he fulfils his obligations from the business relationship with Bückmann. In this case, the claim arising from the sale shall be

deemed assigned to Bückmann in proportion to the value of the Bückmann service secured by the retention of title to the total value of the goods sold. The Buyer remains entitled to collect this claim even after the assignment. Bückmann's entitlement to collect this claim itself shall remain unaffected.

- 7. The Buyer's right to dispose of the goods subject to Bückmann's retention of title and to collect the claims assigned to Bückmann shall expire as soon as the Buyer no longer meets his payment obligations and/or an application for the opening of insolvency proceedings is filed. In these aforementioned cases as well as in other cases where the Buyer acts contrary to the contract, Bückmann shall be entitled to take back the goods delivered under retention of title without reminder.
- 8. The Buyer shall inform Bückmann immediately if Bückmann's reserved property is jeopardised, in particular in the event of insolvency, inability to pay and enforcement measures. At Bückmann's request, the Buyer shall provide Bückmann with all necessary information about the stock of the goods in Bückmann's (joint) ownership and about the claims assigned to Bückmann as well as inform his customers of the assignment. The Buyer shall support Bückmann in all measures necessary to protect the (co)ownership of Bückmann and shall bear the resulting costs.
- **9.** For all claims arising from the contract, Bückmann shall be entitled to a lien on the items of the Buyer which came into Bückmann's possession on the basis of the contract. The right of lien may also be asserted on account of claims from earlier deliveries or services, insofar as these are connected with the object of delivery or service.

For other claims arising from the business relationship, the lien shall apply insofar as this is undisputed or has been determined to be legally binding. §§ 1204 ff. BGB and § 50 section 1 of the Insolvency Code shall apply mutatis mutandis.

10. If the realisable value of the securities exceeds the claims of Bückmann by more than 15%, Bückmann will release securities of its own choice at the Buyer's request.

§ 17 Means of production

- 1. If special means of production, e.g. samples, tools and templates, are required for the execution of the order, Bückmann shall be and remain unless otherwise agreed the owner of the means of production produced by Bückmann or a third party commissioned by Bückmann; this shall also apply if the Buyer pays proportionate costs for the means of production.
- 2. If expressly agreed, the means of production shall only be used for the Buyer's orders as long as the Buyer meets his payment and acceptance obligations. Bückmann is only obliged to maintain and replace these tools free of charge if this is necessary to fulfil an output quantity guaranteed to the Buyer. An obligation to store parts shall expire 2 years after the last delivery of parts from the means of production and prior notification of the Buyer.
- **3.** Unless otherwise agreed, production costs for the means of production will be invoiced separately from the goods to be delivered. This also applies to tools which have to be replaced as a result of wear and tear.

Pro rata tool costs are listed separately in the offer and in the order confirmation; they are due without deduction when the contract is concluded. It should also be stated whether and how any tool cost portions paid are to be amortised.

- 4. If it has been agreed that the Buyer is to become the owner of the tools, ownership of the tools shall pass to him after payment of the purchase price for the tools. The handover of the tools to the Buyer shall be replaced by Bückmann's obligation to store them. Irrespective of the Buyer's statutory claim for return and of the service life of the tools, Bückmann is entitled to exclusive possession of the tools until acceptance of a minimum quantity to be agreed by the Buyer or until expiry of a specific period of time. Bückmann will mark the tools as third-party property and insure them at the Buyer's request and expense.
- **5.** Design and calculation documents, as well as production instructions and any kind of documentation remain the property of Bückmann and are excluded from an obligation to surrender.
- **6.** If the Buyer suspends or terminates the cooperation during the production period of the means of production, all production costs incurred up to that point shall be borne by the Buyer, unless Bückmann is responsible for the termination.
- 7. Bückmann's liability with regard to storage and maintenance of tools owned by the Buyer in accordance with section 4 or tools loaned by the Buyer shall be limited to the same care as in its own affairs. Costs for maintenance and insurance shall be borne by the Buyer. The obligations of Bückmann justified according to this § 17 expire if after completion of the order and corresponding request to the Buyer to pick up the tools the Buyer has not picked them up within 14 days after request.

8. As long as the Buyer does not fulfil his contractual obligations in full, Bückmann is entitled to a right of retention of the tools. This does not affect Bückmann's statutory rights of lien.

§ 18 Provision of materials

If the Buyer provides Bückmann with materials for processing, the following supplementary provisions shall apply:

- 1. The goods to be processed will be inspected by Bückmann upon delivery only for externally recognisable defects and damages. Bückmann is not obliged to carry out any further checks. Any defects or damage found will be notified to the Buyer within 10 working days of discovery of the defect.
- 2. The goods provided to Bückmann must consist of a material of normal quality which is easy to process, must be dimensionally stable to the extent that they have already been processed and have such dimensions that normal processing is possible.

If these prerequisites are not fulfilled, Bückmann will inform the Buyer of the necessary additional expenditure and of the resulting price increase.

If the Buyer does not agree with the price change, the Buyer has the right to withdraw from the contract. The rescission has to take place immediately after notification by Bückmann about the changed conditions. If the Buyer declares rescission, he shall pay appropriate compensation for the expenses already incurred.

- 3. If the delivered goods prove to be unusable due to material defects, Bückmann shall be reimbursed for the processing costs incurred.
- **4.** Bückmann shall not be liable for damages caused by inaccurate labelling and marking of the goods delivered by the Buyer.
- **5.** The Buyer is obliged to compensate Bückmann for all damages, including loss of profit, incurred by Bückmann as a result of the transfer of material that cannot be processed.
- **6.** Bückmann does not pay any compensation for rejects to the extent customary in the industry.

§ 19 Confidentiality

- 1. The Buyer undertakes to treat all aspects of the business relationship worthy of protection as confidential. In particular, he shall treat all non-public commercial and technical details which become known to him through the business relationship as business secrets. Information or aspects of the business relationship that were already publicly known at the time of disclosure and such information or aspects of the business relationship that were demonstrably known to the contractual partner prior to disclosure by Bückmann are not covered by the obligation to maintain secrecy. The Buyer shall ensure that his employees are also obliged to maintain secrecy.
- 2. Reproduction of the documents made available to the Buyer is only permitted in the scope of operational requirements and copyright provisions.
- **3.** Documents must not be disclosed to third parties in whole or in part, or used outside the purpose for which they were handed over to the Buyer, without Bückmann's written consent.
- **4.** The Buyer shall be obliged to maintain secrecy even after the end of the business relationship.

§ 20 Risk of exportability and importability

If an export of ordered products is not agreed with Bückmann, Bückmann shall not be obliged to check whether an export of the products delivered by Bückmann is subject to approval.

The risk of the exportability and importability of ordered products lies with the Buyer. It is the responsibility of the Buyer to check this, e.g. by making an enquiry to the Federal Office of Economics and Export Control (BAFA) in Eschborn near Frankfurt am Main.

§ 21 Place of jurisdiction, applicable law

- 1. The place of jurisdiction is if the Buyer is a businessman at Bückmann's option the court responsible for Bückmann's place of business in Mönchengladbach (Germany) or the Buyer's place of business.
- 2. The law of the Federal Republic of Germany shall apply exclusively to the business relations with the Buyer. The applicability of the CISG "UN Convention on Contracts for the International Sale of Goods" is excluded.
- **3.** If individual parts of these General Terms and Conditions should be invalid, this shall not affect the validity of the remaining provisions.
- **4.** Bückmann is entitled to process data as defined by the Federal Data Protection Act.
- 5. The contract language is German.

§ 22 Contact details

Bückmann GmbH & Co KG Konstantinstrasse 46 41238 Mönchengladbach, Germany

Phone: +49 (0) 2166 9834-0 Fax: +49 (0) 2166 9834-11

E-mail: info@bueckmann.com http://www.bueckmann.com

Commercial register at the local court: Mönchengladbach

Commercial register number: HRA 4336

VAT ID number: DE813914217

Personally liable partner: Bückmann Komplementär GmbH Registered office: Mönchengladbach Commercial register at the local court: Mönchengladbach Commercial register number: HRB 8187

Managing Director: Bernard Bückmann