

General Terms of Sale
(Date: 01.10.2009)

mbo Osswald GmbH & Co KG
Metal processing – Linking technology
Steingasse 13
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Dear Private Customer,
dear Business Customer,

The following "Legal Information for Private Customers" (A below) and "Additional General Terms of Sale - Private Customers" (B below) are required on the basis of statutory requirements for our private customers.

For our business customers, the "General Terms of Sale - Business Customers" (C below) apply.

The following are listed:

A) Legal Information for Private Customers

B) Additional General Terms of Sale – Private Customers

C) General Terms of Sale – Business Customers

The validity of these agreements and terms of business in all present and future contracts is herewith agreed between the parties, with the arrangements for Private Customers and Business Customers in some cases differing to comply with statutory requirements.

A) Legal Information for Private Customers

Dear Private Customer,

This "Legal Information for Private Customers" is required on the basis of statutory requirements. Similarly, our following "Additional General Terms of Sale - Private Customers" (B below) / "General Terms of Sale - Business Customers" (C below) are intended to protect consumers and to inform you about your rights and obligations.

Both our "Legal Information for Private Customers" and our "Additional General Terms of Sale - Private Customers" / "General Terms of Sale - Business Customers" are therefore integral parts of the contract.

We would also like to inform you in addition of the following points:

1.) Our identity: mbo Osswald GmbH & Co KG
Metal processing • Linking technology
Steingasse 13
D-97900 Kuelshheim-Steinbach

Registered Place of Business: 97900 Kuelshheim-Steinbach, Germany
District Court - Registration Court: Mannheim, Germany HRA 570277
Liable Partner: mbo Osswald Verwaltungs-GmbH
Registered Place of Business: 97900 Kuelshheim-Steinbach, Germany
District Court - Registration Court: Mannheim, Germany HRB 570358
Legal Representatives: Dr. Manfred Osswald, Rainer Osswald

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- 2.) The contract concluded between us is a purchase agreement or work performance agreement handled in accordance with purchase agreement rules.
- 3.) We expressly reserve the right to render a service of equivalent quality and price, or not to render the service in the event of non-availability of the merchandise.
- 4.) In our quotation, all individual items are listed in terms of price. They also include the prices for packaging and dispatch plus value-added tax at the legal rate.
- 5.) Payment of the invoice amount shall be made without deduction within 30 days of receipt of the invoice.
- 6.) As our customer, you have the right of return, which is regulated in the enclosed "Additional General Terms of Sale - Private Customers".
- 7.) Our quotations are subject to change without notice. The quoted prices shall have a validity of 4 weeks starting from the quotation date.
- 8.) The head office of our company is also responsible for any complaints you may have.
- 9.) The warranty is regulated in accordance with statutory regulations. It is currently for a period of 2 years (Section 438 Para. 1 Item 3 of BGB – German Civil Code).

B) Additional General Terms of Sale - Private Customers

I. General

Where no statutory consumer protection regulations state the contrary, our "General Terms of Sale - Business Customers" shall be applicable to the contractual relationships with private customers in addition to the "Additional General Terms of Sale - Private Customers" formulated here. The arrangements set forth here under B) shall take precedence over arrangements of differing content in our "General Terms of Sale - Business Customers" (C below).

II. Conclusion of contract

The quotations of mbo Osswald GmbH & Co KG are subject to change without notice. Hence mbo Osswald GmbH & Co KG is in the event of non-availability not obligated to render the service. The conclusion of a contract and hence the contractual obligation to render the individual services shall however be applicable when mbo Osswald GmbH & Co KG has confirmed the purchase order of the customer in text form in an "Acknowledgement of Order".

mbo Osswald GmbH & Co KG shall be entitled to supply merchandise of equivalent quality and price if the ordered merchandise is not available and if the customer has declared his consent to this course of action in text form.

III. Dispatch costs

The dispatch costs are made up of the packaging costs (service), the cartons and the mailing costs. The packaging costs shall be charged at standard rates proportionately to the incurred carton prices. The mailing costs shall be charged to the amount of the costs actually incurred.

IV. Prices

The charges are in Euros. We reserve the right to surcharge for short quantities. Invoice prices are always net prices plus appropriate sales tax. The end prices to be paid are therefore made up of the net parts price plus the dispatch costs plus the value-added tax due thereon.

V. Return information

The customer can return the received merchandise without stating his reasons within two weeks by sending back the merchandise. The period shall commence at the earliest upon receipt of the merchandise and this information. Only in the case of merchandise not dispatchable as a package (e.g. bulky merchandise) can the customer declare the return demand in text form, e.g. as a letter, fax or e-mail. To comply with the notice period, timely dispatch of the merchandise or of the return demand is sufficient. The returned merchandise or the return demand must be sent to:

mbo Osswald GmbH & Co KG
Steingasse 13
D-97900 Kuelshheim-Steinbach

Telefax: +49 (0) 9345 - 6255
E-mail-Adresse: info@mbo-osswald.de
Internetadresse: www.mbo-osswald.com

VI. Consequences of return

In the case of effective return, the services received on both sides must be returned and any benefits derived (e.g. advantages in use) yielded. In the event of a deterioration of the merchandise, replacement of its value can be demanded. This shall not apply if the deterioration of the merchandise is attributable exclusively to its inspection – as would be possible for customers in a store, for example. In all other respects, the customer can avoid the obligation to replace the value by not making use of the merchandise as if he was its owner and by refraining from any action that might reduce its value.

The right of return shall not apply for contracts for the supply of merchandise made to customer specifications or clearly tailored to personal requirements. The return shall be at the expense and risk of the supplier wherever the order value of the merchandise exceeds 40.- EUR. If the order value is less than 40.- EUR, the customer shall bear the dispatch costs and the risks of dispatch, unless the supplied merchandise does not tally with what was ordered. Items which cannot be dispatched as a package shall be picked up from the customer's premises.

VII. Privacy Protection / Digital Processing

The purchaser expressly consents that we digitally process and record their personal data.

C) General Terms of Sale – Business customers

I. General – area of application

- 1.) In all transactions, these terms of sale shall apply exclusively; terms of the purchaser running contrary to or diverging from these terms of sale shall not be recognized unless they are expressly confirmed in writing. These terms of sale shall also apply when the delivery to the purchaser is performed without reservation in the knowledge that terms of the purchaser run contrary to or diverge from these terms of sale.
- 2.) All agreements made between the supplier and the purchaser for the purpose of performance of a contract shall be recorded in writing in the contract.
- 3.) If terms diverging from these terms are agreed for a purchase order, they shall be agreed to be secondary and a supplement.
- 4.) These terms of sale shall also apply for all future transactions with the purchaser.

II. Internet

The following applies to orders placed over the internet:

- 1.) Business links over the internet shall also be subject to these terms of business. The products made available in our mbo internet catalog shall be for informational purposes and without obligation.
- 2.) The parties herewith jointly refrain from providing the purchaser with technical means with which the purchaser can detect and correct input errors before placing his purchase order. The parties furthermore jointly refrain from having to point out once again to the purchaser on the website that the German, English and French languages are available for conclusion of the contract. The parties also refrain from the express information as to which individual technical steps lead to conclusion of the contract, whether the contract text is saved by us after conclusion of the contract, and whether it is accessible to the purchaser. The parties furthermore refrain from informing the purchaser about which codes of conduct the entrepreneur submits to. Furthermore the parties herewith jointly waive the obligation to provide the information that the placement of the purchase order by the purchaser is acknowledged without delay by electronic means (Section 312 e para. 1 no. 3 of BGB).
- 3.) The purchaser expressly refrains from checking and where necessary correcting the purchase order for the correctness of its content.
- 4.) The purchaser expressly consents that we digitally process and record their personal data.

III. Quotations and conclusions

- 1.) Quotations shall be subject to change without notice. Contract conclusions and other agreements shall not be binding until confirmed in writing.
- 2.) The information in brochures, advertisements and price lists or the data in the documents belonging to the quotation shall be without obligation unless expressly declared as binding in the acknowledgement of order.
- 3.) Verbal subsidiary agreements and assurances shall require the written confirmation of the supplier to be effective.

IV. Prices

- 1.) Orders for which fixed prices have not been expressly agreed shall be invoiced at the listed prices valid on the date of delivery. The invoice shall be in Euros. Invoice prices are always net prices plus any value-added tax payable. We reserve the right to surcharge for short quantities.
- 2.) The prices are ex factory or warehouse and shall not include packaging (service and cartons), freight, postage, duties, taxes and insurance costs.
- 3.) If a substantial change in the price factors of labour, raw materials and tooling costs or other operationally related cost factors (e.g. taxes etc.) occurs, the prices shall rise to compensate for such price and cost increases. In any event, each contract partner can demand negotiations to fix a new price. Price changes shall be notified to the purchaser in text form no later than 30 days before they come into force. In the case of price increases exceeding 5% of the current price, the purchaser shall be entitled to extraordinary termination of the contract at the time the new prices come into force.
- 4.) In the case of foreign business transactions and a pricing structure in a foreign currency, all changes in the agreed foreign currency or in the exchange rate relative to the Euro occurring after conclusion of the contract (date of acknowledgement of order) shall affect the purchaser.

V. Terms of payment

- 1.) The time allowed for payment is 30 days from the invoice date and is deemed to be the agreed period of payment. The invoice shall be deemed as received 4 days after being made out. The receipt of payment by the supplier, and hence the value date on the account, shall be deemed as the agreed criterion for payment punctuality.
- 2.) Payments can, at the discretion of the supplier, be offset against other accounts receivable still unsettled.
- 3.) If the supplier provides large quantities of raw and secondary materials at the behest of the purchaser, he may then demand immediate payment. Appropriate part-payments may also be demanded depending on the extent of the work performed.
- 4.) In the event that periods of payment are exceeded, the supplier shall have the following rights without reminder:
 - a) The supplier can after the setting of a commensurate grace period rescind all contracts or demand damages (in lieu of performance, Section 281 of BGB). Furthermore, he shall be entitled to assert retention of title and to repossess any merchandise supplied by him. In addition, he can also demand or reject securities and immediately call due any outstanding payments. Similarly, he can demand that the merchandise supplied by him be separately held in store by the purchaser and identified as the property of the supplier.
 - b) Furthermore, the supplier can demand from the purchaser interest at 8 % above the respective basic interest rate with effect from the start of the delay. The supplier can with appropriate proof claim a higher interest rate for damages.
 - c) The supplier reserves the right to claim for further damages caused by delayed performance.
- 5.) If changes in the ownership or company form or other changes occur relating to the purchaser that might influence the economic situation, the supplier shall be informed thereof without delay. In the event of occurrence of such changes, the supplier can for further performance of the order demand either the provision of securities for all claims arising from all existing contracts or immediate payment of such claims. The supplier may optionally refuse further performance of the contract, rescind all contracts or demand damages for non-performance until payment or provision of securities.
- 6.) Bills of exchange shall only be accepted on account of performance without liability for protest, and only after agreement and on condition of their discountability. Discount charges shall be invoiced starting from the due date of the invoice amount.
- 7.) If the purchaser suspends his payments, if he is over-indebted or if the opening of insolvency proceedings has been applied for against his assets, the total accounts receivable of the supplier shall immediately fall due. The same shall apply in the event of any other major deterioration in the economic situation of the purchaser. The supplier is in such cases entitled to demand adequate securities or to rescind the contract.
- 8.) Representatives shall not be entitled to receive payments unless a written power of attorney to do so is presented

VI. Delivery

- 1.) Delivery periods shall only be binding when they have been expressly confirmed as such by the supplier.
- 2.) The delivery period shall begin on the date on which agreement between the purchaser and the supplier on the purchase order is available in writing. The delivery period shall be deemed as met when the merchandise has left the factory or the warehouse within that pe-riod. If the dispatch or pickup is delayed for reasons beyond the control of the supplier, the period shall be deemed as met when readiness to dispatch is reported within the agreed pe-riod.
- 3.) If non-compliance with the period can be verifiably attributed to war, civil disturbance, strike, lock-out, incorrect or non-punctual delivery by sub-suppliers, or the occurrence of unforeseen obstacles beyond the control of the supplier or his sub-suppliers, the period shall be extended commensurately.
- 4.) The purchaser may only demand a contractual penalty when this has been agreed upon separately. Claims for damages also suffered by the purchaser as a result of delayed delivery, in particular those arising from culpable contract infringement, negligently committed and unlawful acts and for consequential damage shall be ruled out. This shall not apply if for legal reasons liability is mandatory for damage that is predictable and typical for the contract in cases of intent or gross negligence, absence of assured properties or infringements of essential contract obligations due to simple negligence.
- 5.) Other claims for damages of the purchaser shall be ruled out in all cases of delayed delivery, even after the expiry of a possible grace period granted to the supplier. This shall not apply if for legal reasons liability is mandatory for damage that is predictable and typical for the contract in cases of intent or gross negligence or of infringements of essential contract obligations due to simple negligence.
- 6.) In all other respects, the right of the purchaser to rescind the contract after expiry without result of a commensurate grace period granted to the supplier shall remain unaffected.
- 7.) If the purchaser causes a delay in the dispatch or delivery of the supplied articles, the supplier shall be entitled to charge the resultant extra costs to the purchaser.
- 8.) Part-deliveries are permissible.
- 9.) In the case of agreements relating to part-deliveries and in the case of continuous delivery, call-off orders and batch assignments relating to part quantities shall be indicated in writing to the supplier. If the contractual quantity is exceeded by the individual call-off orders of the purchaser, the supplier shall be entitled to delivery of the excess following verification of his delivery capability. The supplier can charge the excess at the prices valid at the time of the call-off order or delivery. The delivery/purchase quantities in call-off orders shall be distributed evenly over the duration of the contract and also accepted by the purchaser in this way.
- 10.) In the case of delivery of drawing parts, the right is reserved to a quantity tolerance of +/- 10%.

VII. Transfer of risk, dispatch and freight

- 1.) The risk (transport and payment risk) shall pass to the purchaser once the merchandise has left the factory or warehouse of the supplier, regardless of whether this is with his own or with external transport means.
- 2.) If the merchandise is ready for dispatch and if dispatching or purchase is delayed for reasons beyond the control of the supplier, the risk shall pass to the purchaser upon his receipt of the indication of readiness for dispatch.
- 3.) A delivery shall not be insured against theft, breakage, transport, fire and water damage or against other insurable risks without the specific request of the purchaser. If the purchaser demands the conclusion of such insurance, it shall be taken out at the expense of the purchaser. Fees for containers and pallets belonging to the railways shall be paid by the purchaser.
- 4.) Material acquired by the purchaser shall be sent to the supplier. The supplier shall not accept any guarantee for the quantities and qualities stated for the material acquired by the purchaser. In the case of large quantities, the costs resulting from the transfer and also the warehousing costs shall be reimbursed. In the case of provision of raw and secondary materials by the purchaser, the packaging material and the waste shall remain the property of the purchaser. The latter shall also see to the removal / disposal of such material or waste and cover the costs thereof, where this is demanded by the supplier. The insurance of the raw and secondary materials, samples, originals or other provided articles transferred to the supplier against theft, fire, water damage or other risks shall be initiated by the purchaser. The same shall also apply when finished merchandise paid for by the purchaser is placed in storage at the latter's request.

VIII. Retention of title

- 1.) The supplied merchandise shall remain the property of the supplier until the complete performance of all claims he has against the purchaser (retained-title merchandise), even if such individual merchandise has been paid for. The inclusion of individual receivables in a current invoice and the setting-off and their recognition shall not affect the retention of title. Only the complete and unconditional performance of all requirements of the supplier shall be deemed as payment.
- 2.) The purchaser shall be entitled to re-sell the retained-title merchandise in the course of normal business unless he is in arrears; attachment or assignment as security is however not permitted to him. The purchaser shall be obligated to safeguard the rights of the supplier when re-selling retained-title merchandise on credit. Existing, impending or past impairment of the rights of the supplier, in particular global assignments, attachment etc. shall be notified by the purchaser to the supplier without delay in writing. In the case of attachment, a copy of the attachment minutes shall be sent without delay. The purchaser shall be obligated to inform the pledgee of the retention of title by the supplier.
- 3.) The purchaser already assigned to the supplier, for the event of re-sale or rental of the retained-title merchandise as permissible in the course of ordinary business operations, and until the payment of all accounts receivable of the supplier, the future accounts receivable from his customers arising from the re-sale or rental as security, without special declarations being required at a later date; the assignment extends also to balance receivables arising from existing current account relationships at the termination of such relationships of the purchaser with his customers. If the retained-title merchandise is re-sold or rented together with other articles without an individual price being agreed for the retained-title merchandise, the purchaser shall assign to the supplier, with precedence over the remaining receivables, that part of the total price requirement or of the total rental that corresponds to the value of the retained-title merchandise invoiced by the supplier. Until revocation, the purchaser shall be authorized to collect the assigned receivables from the re-sale or rental; he shall however not be entitled to dispose of them in another way, e.g. by assignment. At the request of the supplier, the purchaser shall announce the assignment to the customer and hand over to the supplier the documents, e.g. invoices, the latter requires to assert his rights against the customer and to provide the required information. All costs of collection and of any interventions needed shall be borne by the purchaser. If the purchaser receives bills of exchange on the basis of the authorization granted to him to collect the assigned receivables from re-sale, the title to these papers shall pass with the vested right as security to the supplier. The transfer of the bills shall be replaced by the agreement that the purchaser takes them into safekeeping for the supplier and then hands them over without delay and endorsed to the supplier. In the event that the countervalue of the receivables assigned to the supplier in cheques is received by the purchaser or by a bank of the purchaser, the latter shall be obligated to immediately report their receipt and to transfer them. The title to the cheques shall pass with the vested right to the supplier as soon as the purchaser receives them. The transfer of the papers shall be replaced by the agreement that the purchaser takes them into safekeeping for the supplier and then hands them over without delay and endorsed to the supplier.
- 4.) If the purchaser processes, converts or combines the retained-title merchandise with other articles, the processing, conversion or combination shall be for the supplier. The latter shall become the direct owner of the object manufactured by processing, conversion or combination. Should this not be possible for legal reasons, supplier and purchaser are agreed that the supplier shall at every point during processing, conversion or combination be the owner of the new object. The purchaser shall keep the new object for the supplier with the due care and diligence of a prudent businessman. The object resulting from processing, conversion or combination shall be deemed as retained-title merchandise. In the case of processing, conversion or combination with other objects not belonging to the supplier, the latter shall be entitled to co-ownership of the new object to the amount of the proportion resulting from the ratio of the value of the processed, converted or combined retained-title merchandise to the value of the new object. In the event of sale or rental of the new object, the purchaser herewith assigns to the supplier his claim arising from sale or rental against his customer with all subsidiary rights as security, without special declarations being required at a later date. The assignment applies however only to the amount corresponding to the value as invoiced by the supplier of the processed, converted or combined retained-title merchandise. The share of the receivable assigned to the supplier shall take precedence over the other receivable.
- 5.) If the purchaser comes completely or partially into arrears with his payment obligation or with the cashing of due bills of exchange or cheques, if he is overindebted or has suspended payment, or if a petition for composition or insolvency proceedings has been filed, the supplier shall be entitled to immediately take possession of all merchandise to which the title is still retained; also, he can immediately claim further rights arising from the retention of title; the same applies in the event of any other major deterioration in the economic situation of the purchaser. The purchaser shall grant the supplier or his representatives access to all his business premises during office hours. The demand for handover or repossession shall not be deemed as rescission of the contract. The supplier shall be entitled to use the retained-title merchandise with the due care and diligence of a prudent businessman and to make use of the proceeds therefrom to offset his outstanding claims.
- 6.) If the value of the security exceeds the claims of the supplier against the purchaser arising from the current business relationship by more than 20 % in all, the supplier shall be obligated at the request of the purchaser to release securities due to him at his discretion.
- 7.) The attachment of retained-title merchandise by the supplier shall not be deemed as rescission of the contract.
- 8.) The right is reserved to all titles and copyrights to cost estimates, drawings, illustrations and other documents. Such documents shall not be made accessible to third parties. Tools made at the order of a purchaser shall remain the property of the supplier at the latter's discretion.

IX. Claims for defects

- 1.) If the supplied article is defective or becomes damaged within the warranty period, the supplier shall, at his own discretion, and to the exclusion of further warranty claims of the purchaser, supply a defect-free article (subsequent performance) or repair the article. In the event of failure of subsequent performance, the purchaser shall be entitled at his discretion to demand a price reduction or to rescind the contract. The quality and dimensions of parts supplied by us shall be determined exclusively according to DIN standards, unless the application of non-German standards is expressly agreed.
- 2.) The warranty period for all warranty cases shall start with the delivery of the merchandise to the purchaser.
- 3.) If the purchaser is an entrepreneur, the warranty period shall end after two years.
- 4.) a) If the purchase is for both parties a commercial transaction, the purchaser shall be obligated to conduct without delay a quality check or defects check on the articles supplied or processed by the supplier. Claims for defects can in the case of discernible defects only be made in writing without delay, at the latest however within 10 calendar days of receipt, and in the case of not immediately discernible defects only without delay once the defects are discernible. If the claim for defects is not filed in good time, warranty shall be ruled out unless the defect stems from a grossly negligent or intentional infringement of the obligations of the supplier, his legal representative or his agents. Liability of the supplier for damages resulting from injuries to life and limb and to health is not ruled out.
b) For mass articles or for small parts in large quantities, the supplier shall not be liable for a quantity that is up to 3% short. The same applies when no more than 3% of the supplied parts are defective. This also applies for drawing parts or products made according to the customer's requirements.
c) Warranty claims shall be ruled out when:
 - a defect has its cause in the material provided by the purchaser;
 - the defects in the parts have their cause in the raw materials used;
 - processing results in shape changes, cracks or impairments of the dimensional and fitting precision that are caused by lack of data from the purchaser;
 - in the case of delivery following a sample or specimen the supplied parts correspond to that sample or specimen;
 - the purchaser further processes the supplied parts despite discernible defects;
 - the purchaser himself or third parties make repairs, changes or other interventions to the parts without the consent of the supplier;
 - the purchaser demands a method of processing that contradicts technical standards or knowledge;
 - the purchaser has omitted to preserve rights of recourse against third parties or to have recourse against third parties against whom we ourselves have claims which we are prepared to assign to the purchaser, provided we are not responsible for the defect, or the satisfaction of claims from the assigned right fails, or the assigned claim is already statute-barred when the defects occur, or we do not or cannot provide information on who is responsible for the defect.d) The supplier shall not be liable for defects when:
 - the defects are due to improper storage by the purchaser;
 - the defects result from other external influences either beyond the control of the supplier or from natural wear and tear.In these cases the purchaser shall be obligated to make payment of the agreed amount.
- e) The supplier shall not be responsible for minor divergences between the submitted merchandise and that supplied in accordance with samples.
- f) If materials processed by the supplier are incorporated into construction work, the processing by the supplier shall nevertheless not be deemed as a service in a structure unless the purchaser has commissioned the supplier expressly and in writing with the rendering of construction services for a certain construction project designated in detail.
- 5.) To make all repairs and substitute deliveries appearing necessary at reasonable discretion, the purchaser shall after consultation with the supplier provide the latter with the necessary time and opportunity to do so, otherwise the supplier shall be exempted from liability for defects.
- 6.) If the supplier allows a commensurate grace period granted to him to expire without having supplied a substitute or rectified the defect or if the repair is a failure, the purchaser shall have, to the exclusion of all other claims, the right to demand reduction of the payment or, unless construction work is the subject of the warranty, rescission of the contract at his discretion.

- 7.) For substitute deliveries and repairs, the supplier shall be liable to the same extent as for the original supplied article; for substitute deliveries the warranty period shall start anew and shall be for one year in the case of a commercial sale.

X. Protective rights

- 1.) The supplier shall assume towards the purchaser in the Federal Republic of Germany liability for the supplied article being free of protective rights of third parties.
- 2.) This presupposes however that the purchaser informs the supplier without delay about claims for protective rights lodged against him by third parties, and that in the handling of such claims and the pursuance of his rights he acts in agreement with the supplier. If one of these preconditions is not met, the supplier shall be exempted from his obligation. If an infringement of the protective rights of third parties takes place for which the supplier is liable in accordance with the terms and if for that reason the purchaser is forbidden by law to use a supplied article either completely or partially, the supplier shall at his own expense and at his discretion either
 - a) acquire for the purchaser the right to use the supplied article or
 - b) design the supplied article to be free of protective rights or
 - c) replace the supplied article by another article of equivalent efficiency that does not infringe any protective rights or
 - d) take back the supplied article against reimbursement of the purchase price.3.) If the purchaser makes modifications to the supplied article, installs additional equipment or combines the supplied article with other equipment or devices, and if as a result protective rights of third parties are infringed, the liability of the supplier shall be invalidated.
- 4.) The supplier shall also not be liable for the infringement of third-party protective rights for a supplied article made according to drawings, designs or other information from the purchaser. The purchaser shall in this case exempt the supplier from any claims of third parties.
- 5.) The purchaser shall not be entitled to wider-reaching or other claims arising from the infringement of the protective rights of third parties. In particular, the supplier shall not compensate for consequential damage such as loss of production, and profits. These liability restrictions shall not apply if liability is mandatory for damage that is predictable and typical for the contract in cases of intent, gross negligence, infringement of essential contractual obligations or the absence of assured properties. The right of the purchaser to rescind the contract shall remain unaffected.
- 6.) The purchaser shall not acquire claims for the use of protective rights available to the supplier that relate to the interaction of the supplied article with other articles.

XI. Liability / compensation

- 1.) In accordance with legal provisions, we have unlimited liability for damage to life, limb and health resulting from a negligent or intentional violation of obligations by us, our legal representatives or agents as well as for damage for which we are liable according to the product liability laws. For damage which is not covered by the first paragraph and is a result of intentional, gross contract violation as well as maliciousness by us, our legal representatives or agents we are liable according to the legal provisions. In this case, our liability for compensation is limited to damage which is foreseeable or can typically arise provided that we, our legal representatives or agents have not acted intentionally. Included in the scope of this warranty is our liability for the quality or durability of the goods or parts thereof but only to the extent to which we have given a guarantee. However for damage caused by the lack of the guaranteed quality or durability but which are not immediately resented in the goods, we are only liable when the risk of such damage is clearly included in the quality and durability guarantee.
- 2.) We are also liable for damage caused by simple carelessness insofar as the carelessness concerns the violation of such contract responsibilities; the fulfillment of which are of special significance for achieving the purpose of the contract (cardinal responsibilities). However we are only responsible insofar as the damage is typically associated with the contract and can be anticipated.
- 3.) Further liability irrespective of the legal nature of the asserted claim is excluded. This applies particularly to delict claims or claims for compensation for futile applications instead of performance. This does not affect our liability in accordance with Section IX of these General Terms and Conditions. Where our liability is excluded or limited, this is also valid for the personal liability of our white-collar staff, workers, employees, representatives and agents.
- 4.) We accept no liability whatsoever when components supplied by us are built into flying objects. The purchaser of such parts is obliged to indemnify the supplier as soon as possible against claims of any sort from third parties.

XII. Place of performance, legal venue and applicable law

- 1.) The place of performance of all obligations arising from the contractual relationship shall be the head office of the supplier.
- 2.) If the purchaser is a businessman, the registered office of the supplier shall be the exclusive legal venue; the supplier shall however also be entitled to take legal action against the purchaser at the court of his habitual residence. The place of performance shall also be agreed as the legal venue when the purchaser has no general legal venue in Germany.
- 3.) The contractual relationship shall be subject exclusively to the laws of the Federal Republic of Germany.
- 4.) The contractual partners agree in respect of all legal relationships arising from this contractual relationship on the application of German law to the exclusion of the UN convention on the international sale of goods (CISG). In border-crossing transactions too German law shall apply.

XIII. Escape clause

- 1.) Should individual provisions of these terms or of the delivery contract or of the further agreements concluded be or become ineffective, this shall not affect the validity and binding nature of the remaining provisions or of the contract as such. The contractual partners shall be obligated to replace the ineffective provisions or to reformulate them such that the originally intended or similar legal and economic purpose is achieved, and that they are replaced by a legally effective arrangement coming as close as possible to them. This shall apply similarly if during performance of the contract a lacuna therein becomes obvious and requires amendment. The contractual parties undertake to amend the ineffective provisions without delay by legally effective agreements, to alter or reformulate the provisions to become effective and/or to close the contractual lacuna.
- 2.) Should one or more provisions of these terms be ineffective and not capable of being made into effective terms by means of amending or reformulating the contract such that with them the originally intended legal and economic purpose is achieved, the statutory regulations shall be deemed as agreed. If there is a lacuna in the contract that cannot be closed by the contractual parties, the statutory regulations shall be deemed as agreed here too.



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District Court - Registration Court: Mannheim, Germany HRA 570277
Liabe Partner: mbo Osswald Verwaltungs-GmbH
Registered Place of Business: 97900 Kuelshheim-Steinbach, Germany
District Court - Registration Court: Mannheim, Germany HRB 570358
Legal Representatives: Dr. Manfred Osswald, Rainer Osswald

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