

## General Conditions of Purchase (Issued: July 2006)

### 1. General information

These General Conditions of Purchase apply exclusively. Any divergent conditions stipulated by the supplier are not recognised by the purchaser unless the purchaser expressly sets out his acceptance of such conditions in writing. If the purchaser accepts the supply of goods or services without any express objection, such acceptance cannot under any circumstances be deemed to constitute acceptance of the supplier's terms and conditions of delivery. These General Conditions of Purchase also apply to all future contractual relationships with the supplier.

### 2. Placement of orders

The details of verbal agreements, conclusions of contracts and orders must be confirmed by the parties in writing. They are only binding for the purchaser if they have been confirmed by the purchaser in writing. Declarations made by persons who are authorised in accordance with the law or the principles of agency by estoppel or apparent authority to represent the purchaser in the placement of orders without restriction or with representation that cannot be restricted externally, shall remain unaffected.

### 3. Date of delivery / delay in delivery

a) The delivery period starts from the date on which the order is placed. The agreed delivery dates are binding. Whether or not the delivery date or the delivery period has been complied with shall be determined by the date on which the goods are received at the point of receipt or application as designated by the purchaser. In the case of plant and machinery, capital goods and services the completeness of the services to be provided shall be decisive. The supplier is not entitled to provide partial performance.

b) If the supplier is unable to comply with the agreed date, he is required to notify the purchaser of this without delay and in writing, stating the reasons for such non-compliance and the estimated period of delay. The supplier is required to demand the documents to be provided by the purchaser for execution of the order in good time. If delivery is delayed beyond the agreed delivery date for a reason for which the supplier is responsible, the supplier is obliged to pay the purchaser compensation. If the supplier fails to comply with the agreed delivery date, the purchaser is entitled, after a reasonable extension of time granted by the purchaser has expired without effect, to withdraw from the contract and, if the supplier is responsible for the delay, to demand compensation instead of performance or reimbursement for fruitless expenditure. The statutory provisions relating to dispensing with granting an extension of time or with issuing a reminder shall remain unaffected.

c) The claim to performance arising from the supply contract shall not expire until the right to compensation instead of performance has been expressly asserted in writing, with abandonment of the performance being declared; until the claim for compensation instead of performance has been enforced by legal action; until compensation has been paid; or until the supplier has declared that he recognises and will meet the claim for compensation.

d) In the event of delay in delivery the purchaser is entitled to demand that the supplier pays standard damages for delay amounting to 0.15 % of the order total for each working day of delay, but not exceeding 5 % of the order total. Furthermore the purchaser reserves the right to assert an additional claim for compensation for any damage incurred as a result of the delay that is in excess of the contractual penalty. Any exceeding of the contractually agreed delivery date is deemed to be delay. The purchaser reserves the right to assert further rights and claims on account of delay in delivery. The supplier is entitled to prove that as a result of the delay no damage has been incurred, or that the damage incurred was significantly lower than that claimed by the purchaser.

### 4. Prices, dispatch / packaging

The agreed prices for contracts of sale and contracts of manufacture/work and labour are fixed prices and include the costs for packaging and transportation to the specified destination and exclude supplementary claims of all kinds. In cases where prices are quoted "ex works", the supplier is required to ensure that the most reasonable and suitable method of transportation is chosen, unless the purchaser himself collects the goods or arranges for the goods to be collected by a carrier. The supplier shall meet any additional costs that have not been agreed. The supplier is required to comply with the relevant national and international regulations relating to packaging, labelling and transport. A detailed delivery note with information relating to the order must be enclosed with the delivery. The supplier shall meet any disposal costs for product packaging delivered.

### 5. Transfer of risk

The risk shall be transferred to the purchaser on acceptance or delivery of the goods.

### 6. Warranty, product liability

a) The supplier guarantees that the nature of the goods is as contractually agreed or otherwise presupposed and that the issued warranties will be fulfilled. The purchaser shall examine the goods on receipt and notify the supplier of any apparent defects without delay, and within five working days at the latest. The purchaser is required to notify the supplier of any hidden defects immediately on discovering the said defects, and within five working days at the latest.

b) The purchaser is entitled to the full statutory warranty rights (subsequent performance, revocation of the contract, reduction of the purchase price, compensation). In each case of there being a defect, the purchaser is entitled, at his option, to demand rectification of the defect or substitute delivery (post-performance) from the supplier. The purchaser is entitled to return the goods for which a notice of defect has been issued to the supplier at the latter's expense. If a reasonable period set by the purchaser for post-performance has expired without effect, the purchaser shall be entitled to remedy the defects himself, to have them remedied by a third party or to obtain replacement of the defective performance and to demand that the supplier reimburses the purchaser for the expenditure and costs incurred as a result, unless the supplier is entitled to refuse post-performance. The purchaser has the right to remedy defects even without granting a reasonable extension of time if, in cases of particular urgency, there is a threat of greater damage in relation to the defect and if the purchaser notifies the supplier that he will be remedying the defect himself.

In cases of defects relating to goods that are resold by the purchaser, processed for resale or processed, mixed or compounded with other items and goods to produce goods to be resold (for example raw materials and consumables), the purchaser may, instead of demanding post-performance free of charge, assert his further statutory warranty rights without delay and without granting any further extension of time, in other words to withdraw from the contract, to have the purchase reduced and for compensation to be paid.

The supplier is required to meet all the costs incurred for the purpose of post-performance.

c) The warranty period is three years, unless the warranty claims and rights expire at a later time by act of law. With regard to replacement items or services provided by the supplier within the scope of post-performance on account of a defect, the limitation period starts to run again from the beginning on replacement unless the supplier disputes the defect and is expressly rendering performance only as a gesture of goodwill. This applies accordingly in the event of the defect in goods or services being remedied, although the limitation period only starts to run again from the beginning with regard to the same defect or the consequences of defective remedy.

d) Any claims brought against the purchaser and arising from product liability regulations shall be forwarded to the supplier in so far as such claims are due to products delivered by the supplier. Within this context the supplier is also required to reimburse the purchaser in accordance with sections 683 670 BGB (German civil code) for any expenditure incurred as a result of or in connection with a recall campaign undertaken by the purchaser as a precautionary measure.

### 7. Invoice / payment

Invoices must be submitted to the purchaser separately and in due form in duplicate, together with all the associated documents and data, after delivery has been effected. Invoices must correspond to the order in terms of the sequence of the items and prices, with the item numbers being quoted on the invoice. Invoices that are not properly completed shall not be deemed to have been received until they have been correctly submitted. Payment shall be effected in the manner customary within the industry, either within 14 days with 3 % discount or 30 days net after provision of the goods/services and receipt of invoice. In the event of defective delivery, the purchaser shall be entitled to retain a percentage of the payment corresponding to the value in question until due delivery has been effected.

### 8. Reservation of title

The purchaser recognises only the simple reservation of title. The regulation of an extended reservation of title is excluded.

### 9. Place of performance / legal venue

Unless otherwise agreed, the place of performance for the obligation to supply is the address for shipment or point of application as specified by the purchaser; for all other obligations of both parties the place of performance is Minden. The legal venue is Minden. However, the purchaser is entitled to institute legal proceedings against the supplier at the latter's place of general jurisdiction. German law applies exclusively.

### 10. Industrial property rights

If and in so far the delivery and use of the item or service supplied infringes industrial property rights or other third-party rights within the Federal Republic of Germany or, in so far as the supplier is aware of this, in the country of destination, the supplier shall be required to compensate the purchaser for any damage and to indemnify him from third-party claims in so far as the supplier is responsible for the legal infringement. The purchaser is entitled to demand that the supplier obtains, at the latter's expense, the required approval for delivery, commissioning, utilisation, resale or other use and application of the item or service delivered, as intended within the scope of the order from the relevant owner of the infringed industrial property or other rights, unless it would be unreasonable to expect the supplier to obtain such approval on account of the cost involved. Acceptance or approval of drawings and samples submitted by the supplier does not affect the supplier's responsibility.

### 11. Confidentiality, data storage

The supplier is required to treat the conclusion of the contract, the order and all associated commercial and technical details as confidential and may only refer to business connections with the purchaser subject to the latter's written permission having been obtained. The supplier undertakes to treat all non-evident technical or commercial details that come to his knowledge as a result of the business relationship as trade secrets. This confidentiality requirement continues beyond the term of the applicable contract. The supplier is required to impose the same obligation on his sub-contractors and employees. The purchaser will treat the supplier's personal data in accordance with the requirements of the German data protection act.

### 12. Documents, drawings etc.

a) Documents, drawings, data, software, materials and items such as samples, models and tools, with which the purchaser provides the supplier for the purpose of executing the order shall remain the property of the purchaser. They must be handed over to the purchaser immediately on demand, and any copies made by the supplier must be destroyed without delay.

b) Documents, drawings, data, software, materials or items such as samples, models and tools, which are the property of the purchaser in accordance with the preceding paragraph or which the supplier prepares on the basis of the supplier's information, documents or calculations may only be used for another purpose, copied, utilised or made accessible to third parties with the purchaser's prior written consent.

### 13. Contractual penalty

In the event of culpable non-compliance with the obligations arising from the confidentiality provisions set out in section 11 and the ban on the use, utilisation and distribution set out in section 12 b) of these General Conditions of Purchase, the purchaser is entitled to demand that the supplier pays a contractual penalty of 1 % of the order total, not exceeding 5 % of the order total overall. Furthermore the purchaser reserves the right to assert an additional claim for compensation for any damage resulting from non-compliance and in excess of the contractual penalty.

### 14. Environmental protection

The supplier assures the purchaser that all environmental laws and regulations will be observed when procuring and/or manufacturing the delivery items.

### 15. Termination

The purchaser may terminate the contract at any time in whole or in part. If the supplier is not responsible for the reasons of termination, the purchaser shall reimburse the supplier for the proportion of work that has demonstrably been carried out, including any expenses not included in the remuneration but demonstrably incurred by the supplier up until the date of termination of the contract. The supplier is not entitled to any further claims to performance or claims to compensation arising from termination of the contract.