

GENERAL PURCHASING TERMS

§1

General Terms – Application

1) Our Terms of Purchasing and Delivery of Works and Services shall apply exclusively. We do not accept terms of suppliers that collide with or differ from our terms, unless we had explicitly acknowledged the suppliers terms in writing. Our Terms of Purchasing and Delivery of Works and Services shall also apply if we, regardless of having been aware of suppliers terms that collide with or differ from our Terms of Purchasing and Delivery of Works and Services, accepted the delivery of the supplier without reservation.

2) Agreements between us and the supplier for the purpose of performance of this agreement are valid only if specified in writing in this agreement.

3) Our Terms of Purchasing and Delivery of Works and Services shall apply only towards companies as defined in §14 BGB (German Civil Code).

4) Our Terms of Purchasing and Delivery of Works and Services shall also apply to all future business transactions with the supplier.

§2

Quotations – Documentation for Quotations

1) The supplier is obliged to acknowledge our order in writing within one week.

2) We reserve the property and copyright titles in all illustrations, drawings, calculations and other documents. The supplier must not disclose them to third parties without our explicit written consent. He may use them only for production according to our order. After completion of our order, he has to return all such documents to us without having to be reminded. He has to keep all such documents secret from third parties.

§3

Prices – Payment Terms

1) The price listed in the order is binding. Unless otherwise agreed in writing, the price includes delivery "free site" packaging included. Return of packaging is subject to special agreement.

2) We can handle invoices only if they indicate our order number as specified in our order.

3) Unless otherwise agreed in writing, we pay the purchasing price within 14 days after delivery and receipt of the invoice with 3% cash discount, or net within 90 days after receipt of the invoice. Our settling of payments is not a waiver of complaints for defects or warranty claims. We are entitled to legally defined rights of setting off and withholding.

§4

Delivery Time

1) The delivery time stated in our order is binding.

2) The supplier is obliged to inform us immediately in writing if events occur, or get known to him, which might cause a delay of the agreed delivery time. The supplier has to follow any new instructions we might make for quantities not yet delivered.

3) In case of delivery default, we are entitled to the legally defined claims, even if we had accepted belated deliveries in the past.

§5

Passage of Risks – Documents

1) Unless otherwise agreed in writing, deliveries have to be made "free site". The supplier has to compensate all damages caused by insufficient packaging.

2) The supplier is obliged to state our order number on all shipping documents and delivery notes. If he fails to fulfil this obligation, delays in handling will be unavoidable, and we shall not be liable for such delays.

§6

Investigation of Defects

Unless otherwise agreed, screws, nuts, threads and formed parts, or similar items have to be delivered according to the technological delivery terms of DIN-ISO and European Norms. We are obliged to inspect the goods within a suitable time for any defects in quality or quantity. Complaints are considered in time if received by the supplier within ten working days after receipt of goods.

§7

Warranty

The warranty period is 36 months, beginning with the passage of risks. The time-limit shall remain unprejudiced. As long as claims for warranty and compensation asserted by our customers have not been completed, otherwise settled, or legally decreed, the supplier shall waive the objection of claims for warranty and indemnification being time-limited.

§8

Product Liability – Indemnification - Liability Insurance Cover

1) If the supplier is responsible for a product damage, he is obliged upon our first request to indemnify us against the claims of third parties in as far as the cause for the damage lies in his control and organization, and he is liable in the external relationship.

2) In these limits, the supplier shall also be obliged to refund all our expenses according to §§683, 670 BGB (German Civil Code), which result from or in relation to a call-back action we may have to make. We shall inform the supplier – in as far as possible and reasonable – about contents and volume of the pending call-back action, and shall give him opportunity to comment.

3) The supplier shall be obliged to underwrite and maintain product liability insurance with a flat cover of € 2 million per personal damage/material damage. If we are entitled to higher indemnification claims, these shall remain unprejudiced.

§9

Protective Rights

1) The supplier shall warrant that his delivery infringes against no rights of third parties within the member states of the European Union.

2) If we are claimed by a third party, the supplier is obliged to indemnify us against these claims upon our first written request.

3) The supplier's obligation to indemnify us relates to all expenses we necessarily have from or in relation to the third party's claim.

§10

Secrecy Clause

The supplier is obliged to keep all illustrations, drawings, calculations and other documents and information strictly secret. He may disclose them to third parties only with our explicit and prior consent. The secrecy obligation shall survive the completion of this agreement. It shall expire when, and in as far as, the production knowledge comprised in the delivered illustrations, drawings, calculations and other documents has become public knowledge.

§11

Place of Jurisdiction and Place of Performance

1) If the customer supplier is a proper businessman, the place of our registered business shall be the place of jurisdiction. However we are also entitled to take action against the customer before the court having jurisdiction over his place of residence.

2) Unless otherwise specified in the order acknowledgement, our place of registered business shall be the place of performance.

§12

Governing Law

1) All legal relationships between the parties are explicitly governed by German law. The parties herewith explicitly exclude application of the Vienna Treaty on International Trade and Commerce.

2) The INCOTERMS as last amended shall apply as supplement.

§13

Final Clause

If one of the above terms is invalid for what reason so ever, the other terms shall remain in force. The invalid terms shall be replaced by the regulation that best suits the economic interest of the parties.

Hamburg, December 10th, 2007