

I. Binding force of terms of trade and of the agreement:

1. Our terms below shall apply exclusively in respect of all business relations with customers who are merchants according to the Commercial Code (HGB), legal entities governed by public law or special public law funds. Any other terms to the contrary in letters of confirmation or other correspondence etc. shall be deemed nullified, even if there is no explicit objection to them on our part. Divergences from this shall only be legally valid if confirmed by us in writing in due proxy.
2. German law shall apply exclusively to business relationships.
3. Deliveries outside Germany and Austria shall be governed by individually agreed conditions.

II. Offer and conclusion of agreement:

1. The order shall only be deemed accepted once it has been confirmed by us in writing. Until then, our offer shall be considered non-binding and subject to alteration. Any supplements, alterations or ancillary agreements that are made by telegram, telephone or verbally for the purpose of performing the agreement shall also require our written confirmation in order to be effective. Offers shall be submitted free of charge. They shall only be valid for a reasonable period subject to acceptance of the quantities indicated, and shall be without engagement.
2. We reserve all copyrights and protective rights in respect of all documents, drawings, etc. that are surrendered, whereby documents etc. may not be made accessible to other persons without our express permission.
3. Representatives shall be entitled and authorized to take orders but not to confirm orders.

III. Extent of obligation to deliver and delivery periods:

1. The scope of the delivery shall be determined by our written confirmation of order. We reserve the right to variations in colour and structure that are customary in the trade due to the materials in question.
2. The customer alone shall be liable for any instructions that it gives concerning the implementation of the agreement. It shall hold us non-actionable for any negative consequences and shall indemnify us for any infringements of copyright or other protective rights. This shall not apply if we are liable on the grounds of intent or gross negligence. In the case of simple negligence, our liability shall be restricted as ruled under Clause XIV.
We are not obliged to verify whether the customer's implementation instructions are in violation of copyright or other protective rights.
3. Delivery dates shall be adhered to as far as possible but shall never be binding unless they are explicitly indicated in writing as binding. We shall be entitled to make part-deliveries insofar as these are customary in the trade and are reasonable.
4. Adhering to agreed deadlines for deliveries shall be subject to timely receipt of all documents to be provided by the customer, of the necessary permits and releases, particularly of drawings, as well as being subject to the customer adhering to agreed terms of payment and other obligations. If these requirements are not met in time, deadlines shall be reasonably extended. This shall not apply if we are responsible for the delay.
5. If deadlines are not met due to force majeure, e.g. mobilization, war, disruption or similar events e.g. strike or lockout, the agreed deadlines shall be extended accordingly.
6. If we are in default, the customer may - insofar as it proves that it has incurred

damage as a result of this - claim compensation of 0.5 % for each full week of delay, to a maximum of 5 % of the delivery value for the part of the delivery which could not be put into operation or distributed appropriately because of the delay.

7. Claims for damages by the customer due to the delay in delivery as well as claims for damages instead of performance that extend beyond the limits specified in Clause XIV shall be excluded in all cases of delayed delivery even after expiry of any delivery period that might possibly have been set by the customer. This shall not apply where there is mandatory liability in cases of wilful damage or gross negligence. This shall not entail any change in the burden of proof that is prejudicial to the customer. The customer's statutory right of rescission shall remain unaffected. The customer may only withdraw from the agreement according to statutory provisions if we are responsible for the delay in delivery.

8. At our request, the customer shall be obliged to state within a reasonable period whether it is withdrawing from the agreement due to the delay in delivery and/or whether it is claiming damages instead of the performance or whether it is insisting on delivery.

9. Orders must be called forward at the latest within 12 months from the date of confirmation of order. After this date has expired, we shall be entitled to send the goods to the customer and charge for this, or else to charge for the materials stored with us together with our costs and markups. If the customer delays in taking delivery, we may demand performance and compensation on the grounds of delayed performance. In this case we must also set the customer a reasonable respite period with the warning that, after the respite period has expired, we shall withdraw from the agreement and/or shall require compensation instead of the performance.

IV. Modification of orders:

1. Deviations and modifications in performing the order shall be permissible if they are necessary for technical reasons and are reasonable to the customer.

2. Order modifications before or after receiving confirmation of order shall only be considered if the customer accepts to pay for any additional costs thereby incurred and agrees to the delivery period being adequately extended.

V. Passing of risk, shipment and packaging:

1. Unless otherwise agreed, we shall determine the method of shipment. Shipment shall be to the account and at the risk of the customer even if our own vehicles are used, which shall be possible subject to discretion, without it necessarily being the cheapest or safest method of shipment. Risk shall pass to the customer at the latest once the goods are dispatched or else once they are sorted out and made available.

2. Additional costs for express deliveries required by the customer shall be borne by the latter, together with packaging costs for all orders.

VI. Returned shipments, returned goods:

1. All returns must be properly packed and shipped free factory, whereby transport risk shall remain with the sender until the merchandise reaches our sphere of influence. Return shipments must be explicitly authorized by us.

2. Goods that are cut to measure, separate orders and individually designed items shall not be taken back.

3. If the reason for the goods being returned is not due to us, we shall, in compensation, be entitled to reduce the credit in each case by a flat rate of 15%. We shall reserve the right to further compensation. The customer shall be allowed the opportunity to prove

that the loss is less.

VII. Prices:

1. The currently valid price-lists shall apply to all shipments and performances. Prices shall apply ex works or warehouse and shall exclude packaging, freight and the statutory VAT amount. With net invoice values over € 300.00, delivery shall be free domicile. In the case of export shipments, the free domicile restriction shall be determined according to the specific country.
2. A flat rate shall be charged for transport packaging according to expenditure but to a minimum sum of €2.50 per shipment.
3. With orders below € 50.00 net, a processing fee of € 5.00 shall be charged. This shall also apply to orders for individual fittings, particularly with special sizes or special designs.
4. If the scheduled date of delivery is later than four months after the date of conclusion of contract, we shall be authorized to charge the customer for any increases in list prices that occur between the date of conclusion of contract and delivery. The customer shall however be entitled to withdraw from the agreement if the increase in price greatly exceeds the rise in general costs of living (as published by the Federal German Statistical Office) in the period between the date of ordering and delivery.
5. No right shall exist to any reductions or discounts, insofar as these are granted. This shall also apply in the event that reductions or discounts were granted in a number of cases in the past. The same shall also apply to one-off special discounts, bulk discounts and special offers.

VIII. Defects liability and obligation to return:

For material defects, we shall be liable as follows:

1. All deliveries and performances which show any material defect within the limitation period - regardless of the operating duration - must be rectified, replaced or refurbished free of charge as the customer chooses, subject to the ruling under items 5 and 6, insofar as the cause thereof already existed at the time of passing of risk.
2. Material defects claims shall become statute-barred in 12 months. This shall not apply if the law provides for longer periods in accordance with § 438 Clause 1 Item 2 (*Sachen für Bauwerke / Objects for buildings*), § 479 Clause 1 (*Rückgriffsanspruch / Right of recourse*) and § 634 a, Clause 1 Item 2 (*Baumängel / Building defects*) of the German Civil Code (BGB).
3. The customer must notify us in writing without delay of any material defects. The provisions of §§377 and 378 of the Commercial Code (HGB) shall apply in connection with any notice of defects, both for evident as well as non-evident defects and divergences, subject to the customer giving an exact description of all defects that might exist in respect of the goods. Concealed defects must also be notified in writing within 2 weeks as of the date of discovery, with an exact description of the defects. If, when requested, the customer does not immediately provide samples of the merchandise complained about, it shall lose its warranty rights in this respect.
4. In the event of notices of defects, the customer's payments may be withheld to an extent that is reasonable in relation to the material defects that have occurred. The customer may only withhold payments if a complaint is lodged about which there can be no doubt with regard to its justification. If the complaint is lodged inappropriately, we shall be entitled to call for the customer to reimburse the costs that we have incurred.
5. We must first always be given the opportunity of subsequent performance within a

reasonable period of time.

6. If subsequent performance fails, the customer can withdraw from the agreement or reduce payment, regardless of any compensatory rights.

7. No claim entitlements shall exist where there is only an insignificant deviation from the agreed quality, if usability is only insignificantly impaired, in the event of natural wear and tear or damage that occurs after the passing of risk as a result of incorrect or negligent handling, excessive demands, unsuitable operating resources, poor structural work, unsuitable structural base or that occur as a result of particular external influences which are not assumed according to the contract. If changes or repair work are not carried out properly by the customer or by third parties, no claim entitlements shall exist in respect of these and the resulting consequences.

8. Any claims by the customer on the grounds of the expenses required for subsequent performance, in particular transport routes, working and material costs shall be excluded, if the expenses increase because the delivery object has been taken to a different place from the customer's headquarters. This shall not apply if taking them there corresponds to its specified use.

9. The customer shall only have statutory rights of recourse against us insofar as the customer has not made any agreements extending beyond statutory warranty claims. Clause VIII Item 8 shall furthermore apply with regard to the extent of the customer's statutory rights of recourse.

10. With regard to claims for damages, Clause XIV shall be applicable (other claims for damages). Any further claims by the customer or claims other than the claims ruled under Clause VIII, against us or our vicarious agents, our legal representatives and company employees on the grounds of a material defect shall be excluded.

IX. Impossibility, adaptation of contract:

1. If delivery is impossible, the customer may require compensation unless we are not responsible for the fact that delivery is impossible. The customer's damage claim shall however be restricted to 10% of the value of the part of the shipment which cannot be operated or distributed appropriately due to delivery being impossible. This restriction shall not apply where there is mandatory liability in cases of wilful damage or gross negligence. The above rulings shall not entail any change in the burden of proof that is prejudicial to the customer. The customer's right to rescind from the agreement shall remain unaffected.

2. In the event of temporary impossibility, Clause III shall be applied accordingly.

3. Insofar as unforeseeable events in the sense of Clause III. Item 5 considerably alter the economic significance or content of the shipment or have a considerable effect on our operation, the agreement shall be suitably adapted, taking due account of good faith. If this is economically not feasible, we shall be entitled to withdraw from the agreement. If we wish to make use of this right of rescission, the notice of intention to withdraw from the contract must be issued immediately after finding out the significance of the event, even if an extension in the delivery period was initially agreed with the customer.

X. Terms of payment:

1. Our invoices shall be payable within 14 days with 2% discount or within 30 days net, in each case calculated from receipt of invoice. The refutable presumption is that the invoice arrives within 5 days from invoice date. Deduction of discount shall only be permissible if all invoices due for net payment have been paid. We are able to cancel any reductions, discounts or special terms that have been granted if the customer does

not adhere to the periods of payment.

2. If customers are unknown to us or if their creditworthiness is in doubt, we shall be entitled to deliver subject to advance payment or cash on delivery.

3. Bills of exchange and cheques shall only be accepted on account of performance. The costs of discounting and collecting these shall be borne by the customer.

4. If the customer defaults in payment, we shall be entitled to charge interest at 7% above the currently valid base interest rate according to §1 of the transitional discount law (*Diskontüberleitungsgesetz*).

5. If the customer is obliged to pay us in respect of several agreements, §§ 366 and 367 of the German Civil Code (BGB) shall be applicable.

6. Should a customer default in payment of an invoice, we shall be entitled to also immediately accelerate payment for accounts receivable from other invoices.

7. If the customer defaults in payment, we shall be entitled to charge dunning costs to the amount of the expenses that are due, but to at least € 5.00.

XI. Set-off and retention:

Set-off with payments or retention of payments on the grounds of possible counter-claims on the part of the customer shall be excluded unless the counter-claims are uncontested and established as final and absolute.

XII. Reservation of title:

1. Until all payments in respect of the delivery agreement are received, we shall reserve title to the delivered merchandise. In the event of the customer acting in breach of contract, particularly in the event of delay in payment, we shall be entitled to take back the delivered merchandise. The customer shall be obliged to surrender the merchandise. Our taking back the delivered merchandise shall not constitute rescission from the agreement unless we have specifically declared this in writing. Attachment of the delivered merchandise shall always constitute rescission from the agreement. In the event of attachment or other intervention by third parties, the customer must inform us immediately in writing in order that we may bring action according to §771 of the Code of Civil Procedure (ZPO). If the third party is unable to reimburse us with the costs of an action both in court and out of court according to §771 of the Code of Civil Procedure (ZPO), the customer shall be liable for any financial loss that we have incurred.

2. The customer shall be entitled to resell the delivered merchandise in the ordinary course of business. It shall however already now assign all accounts receivable to us to the sum of the invoiced end amount (including value-added tax) which accrue to it from reselling to its buyers or to third parties, irrespective of whether the delivered merchandise has been resold without processing or after processing. The customer shall be authorized to collect this debt even after assignment. Our authority to recover the debt ourselves shall remain unaffected by this. We shall however undertake not to recover the claim as long as the customer duly meets its payment obligations and does not default in payment. If this is the case, however, we may demand that the customer notify us of the assigned claims and their debtors, that it provide all information necessary for recovery of the debts, that it hand over the relevant documentation and disclose the assignment of claims to the debtor (third party).

3. The delivered merchandise shall always be processed or transformed for us by the customer. If the delivered merchandise is processed with other objects that do not belong to us, we shall become co-owners of the new object in the ratio of the value of the delivered merchandise to the other processed objects at the time of processing. For

the thing resulting from processing, the same shall also apply as for the conditional commodity.

4. If the delivered merchandise is inseparably joined or mixed with other objects that do not belong to us, we shall acquire co-ownership of the new thing in the ratio of the value of the delivered merchandise to the other joined or mixed objects at the time of joining or mixing. If the joining or mixing was done in such a way that the customer's thing must be considered the main thing, it shall stand as agreed that the customer transfers co-ownership to us proportionally. **The customer shall hold sole and joint ownership on our behalf.**

5. In order to safeguard our claims against the customer, the latter shall also assign any claims to us which it accrues in respect of a third party as a result of joining the delivered merchandise with a property.

6. Reservation of title shall also extend to the confirmed balance insofar as we post receivables from the customer to an open account (open account reservation).

7. We shall undertake to release the securities to which we are entitled at the customer's request, insofar as their value exceeds the debts to be secured by more than 20%, insofar as these debts have not yet been settled.

8. If, on conclusion of the agreement, the customer falls into pecuniary difficulties, it shall be invited to make the statutory declaration or, if it or a third party applies for insolvency proceedings to be initiated in respect of its assets, we shall then be entitled to demand security for our performance or to insist on winding up the contract contemporaneously. If, despite the request, the customer is not prepared to perform contemporaneously or provide a security, we shall be entitled to withdraw from the contract and take back the goods that we have supplied to the customer's business, corresponding to the value of the receivables still outstanding with us from the customer. We shall be entitled, without substantiation, to deduct a flat rate of 50% of the purchase price from the customer as costs for taking back and utilising the merchandise. Proof of higher costs shall not thereby be excluded.

XIII. Industrial property rights and copyrights, deficiencies in title:

1. Unless otherwise agreed, we shall be bound to furnish delivery free of industrial property rights and copyrights of third parties (hereinafter referred to as protective rights) solely in the country of the place of delivery. If a third party files justified claims against the customer on the grounds of infringement of protective rights as a result of deliveries furnished by us and used according to contract, we shall be liable to the customer as follows within the period specified in Clause XIII, item 2:

a) We shall, as we choose and at our own costs, either secure a usage right for the deliveries in question or modify them so that they are not in breach of protective rights or else shall replace them. If we cannot do this subject to reasonable terms, the customer shall be entitled to exercise its statutory rights of rescission or reduction.

b) Our obligation to pay damages shall be based on Clause XIV.

c) The above obligations on our part shall only exist if the customer notifies us immediately in writing of the claims asserted by third parties, that it does not acknowledge any infringement and that we reserve the right to all defensive action and conciliation proceedings. If the customer stops the consignment from being used for reasons of minimizing loss or other important reasons, it shall be obliged to indicate to the third party that stoppage of use is not associated with any acknowledgement of infringement of protective rights.

2. Claims by the customer shall be excluded insofar as the latter is responsible for the infringement of protective right.
3. Claims by the customer shall also be excluded insofar as the infringement of protective rights is caused by special requirements on the part of customer, or is caused by an application which could not be foreseen by us or is caused by the fact of the consignment being modified by the customer or being used together with products which were not supplied by us.
4. In the event of any infringement of protective rights, the provisions of Clause VIII, Items 4, 5 and 9 shall furthermore apply accordingly in respect of the customer's claims ruled in Item 1a).
5. In the event of any other infringements of protective rights, the provisions of Clause VIII shall apply accordingly.
6. Any further claims by the ordering party or claims other than the claims ruled under this clause, against us, our legal representatives, our vicarious agents, and company employees on the grounds of deficiency in title shall be excluded.

XIV. Other claims for damages:

1. Any further recourse to damages and expenses on the part of the customer (hereinafter referred to as damages claims), regardless of legal grounds, shall be excluded, in particular relating to infringement of obligations resulting from the contractual relationship and as a result of unauthorized action.
2. This shall not apply if liability is mandatory, e.g. according to the product liability act, in cases of wilful damage, gross negligence, where there is risk to life, body or health or where important contractual obligations have been violated. Damages claims for infringing against important contractual obligations shall however be restricted to contract-typical, foreseeable damage, unless it is a case of wilful damage or gross negligence or where there is liability due to injury to life, body or health. The above rulings shall not entail any change in the burden of proof that is prejudicial to the customer.
3. Insofar as the customer is entitled to any damages claims according to this clause, these claims for damages shall become statute-barred on expiry of the limitation period applicable for material defects claims in accordance with Clause VIII, Item 2.

XV. Tolerances, samples, special designs, printing errors:

1. Any differences in dimensions, colour tones, contents, weights, etc. due to the manufacturing process shall be admissible provided they are within the tolerances that are customary in the trade and comply with the provisions of the weights and measures act (*Mass- und Gewichtsgesetz*).
2. Samples used as a basis for a delivery shall be regarded as an approximate basis of the delivery and shall not contain any guarantee of characteristic properties of the merchandise, unless an explicit guarantee has been undertaken. We shall not replace samples or models etc. that are sent to us in the event that they are lost, damaged or broken.
3. The customer shall agree, insofar as this can reasonably be expected of it, to any technical modifications to our products which are always adapted to state of the art technology and usability.
4. In the case of items made to order according to the customer's data, drawings or designs, the latter shall bear sole responsibility for ensuring that the design is structurally correct, that the delivered parts are suitable in practise, and that they comply with patent,

utility model and design law, even if the customer has been advised by us on the development. We shall bear no liability for any consequences incurred in this context. The customer shall be obliged to release us from all claims of third parties. Tools, equipment, moulds, templates, models, etc. which have been produced by us for manufacturing individually designed items shall always remain our property and shall not be surrendered even if the customer has paid for part of the tool costs. These tools and forms shall be used exclusively for deliveries to the customer who has commissioned the item that has been made to order.

5. Information, data and technical advice regarding application and processing possibilities of our products shall not be binding and shall be given without any liability whatsoever, unless a guarantee has been given by us or in cases of intent or gross negligence. The rulings under Clause XIV shall apply accordingly.

6. Our **doorhandles** are legally protected, and any imitations of these shall be prosecuted, even if different materials are used.

7. All details of measurements and illustrations in catalogues shall be non-binding and must be confirmed by us in writing. We shall accept no responsibility for any printing errors in catalogues or price-lists.

XVI. Place of performance and jurisdiction:

1. Our company headquarters shall be the place of performance for all claims arising from the agreement.

2. Our company headquarters shall be the place of jurisdiction for all disputes relating to the agreement, as well as for any claims in respect of bills of exchange and cheques. We shall also be entitled to take action at the customer's registered office as well to use all other potential places of jurisdiction.

3. If a contracting party does not have a place of jurisdiction within the area of validity of the Federal Republic of Germany, our company headquarters shall be deemed the place of jurisdiction for all possible disputes relating to the contract.

XVII. Final provisions:

1. If any provisions of the above terms or of an agreement already concluded are or become invalid either entirely or in part, this shall not affect the validity of the remaining provisions. In this case, the parties shall be obliged to come to a legally valid substitute agreement which approximates as closely as possible to what the parties wanted or would have wanted according to the sense and purpose of the agreement, if they had been aware of the invalidity of the respective provision.

2. Any deviation from these terms, catalogues, price-lists, offers and other declarations of intent shall only be legally valid if they are confirmed by us in writing.