

1 General

1.1 Our conditions of sale apply exclusively; we do not accept conditions of sale which conflict with these, or customer's general business conditions which deviate from these, unless we have explicitly agreed to their validity in writing. Our conditions of sale apply even if we make deliveries without reservation and are aware of customer conditions which conflict with or deviate from our conditions of sale.

1.2 Our conditions of sale only apply with respect to enterprises within the meaning of § 14 German Civil Code (hereinafter: "BGB"), if the contract is part of the operations of such enterprise, and against legal persons under public law or a separate property under public law within the meaning of § 310 para. 1 BGB.

1.3 Our conditions of sale also apply to all future transactions with the customer.

1.4 If we also take on assembly work, then to this extent our special conditions for assembly work will apply.

2 Quotations and Quotation Documentation

2.1 Our quotation is non-binding until a definitive order confirmation has been issued by us.

2.2 The purchase order from the customer is a binding offer. We are entitled to accept this offer within two weeks by sending an order confirmation or by sending the ordered goods to the customer within this period.

2.3 The technical data in our catalogues, lists and drawings (including weight and dimensional details) are carefully compiled; errors excepted. The same applies to all data in our sales documentation. Such data, however, do not represent any warranties; in every case, warranty promises require an express confirmation by us.

2.4 We reserve the right to make any changes to the products delivered by us in the interest of technical progress even after the order confirmation.

3 Prices and payment conditions

3.1 Unless stated otherwise in the order confirmation, our prices are ex-works including loading at the factory, but excluding packaging, freight, transfer, insurance, customs duty, assembly and any legally applicable sales tax.

3.2 F or belts and tapes delivered pre-tensioned, the geometric operating length serves as a basis for invoicing.

3.3 We reserve the right to increase our prices correspondingly 4 months after the conclusion of the contract, if cost increases are incurred after such date, particularly due to collective bargaining agreements or price increases in raw materials. We shall prove such increases to the customer on demand.

3.4 Unless stated otherwise in the order confirmation, the purchase price is due any payable immediately and without any deduction whatsoever. The deduction of any cash discounts for early payment requires a special written agreement.

3.5 Unless other payment dates have been agreed, payments will be considered late 30 days after invoicing. Late payment interest will be calculated at 8 percentage points per annum above the base interest rate of the European Central Bank. The assertion of further claims for damages is not excluded hereby. We are not obligated to make any further deliveries under any running contract with the customer until payment of any invoiced amount due, including late payment interest thereon has been received in full.

3.6 Bills of exchange and cheques will only be accepted by special agreement and only for purposes of payment; any costs of discounting and collection shall be borne by the customer. In case of acceptance of bills of exchange, we shall be entitled to give these back if discounting thereof is refused by the state central bank.

3.7 The customer has the right to offset payments only if his counterclaims are legally ascertained, undisputed, or accepted by us. Furthermore, the customer is entitled to exercise a right to withhold payment only to the extent to which his counterclaims are based on the same contractual relationship. The customer does not have a right to withhold payments due to partial performance pursuant to § 320 para. 2 BGB.

3.8 If after the acceptance of an order facts become known to us which give rise to doubts as to the customer's ability to pay, we are entitled to demand full payment or the provision of corresponding securities prior to delivery; alternatively, we have the right to rescind the contract if a payment deadline set by us has not been respected. In addition to delays in payment which have already occurred, information given by a bank, a credit-reference agency, another company with a business relationship with the customer or similar and corresponding to the care taken by a respectable business person, will count as proof of an essential deterioration in assets.

If delivery has already been made, then the invoice amounts in question will become due for payment in full immediately, irrespective of any payment conditions agreed otherwise.

4 Delivery Dates and Delays of Delivery

4.1 Unless expressly agreed otherwise, all delivery dates are to be considered as non-binding.

4.2 All delivery periods shall begin on the date of the order confirmation, but not prior to the timely and proper fulfillment of the obligations of the customer, particularly not prior to the furnishing of the documentation, approvals or clearances to be provided by the customer and also not prior to receipt of any agreed down-payment.

4.3 The delivery period shall be deemed to have been adhered to if the merchandise has left the factory or the shipment warehouse on or prior to the expiry of such period or notification of readiness for shipment of such merchandise has been given to the customer. The foregoing does not apply if inspection and approval is contractually stipulated or if an obligation for assembly has been agreed.

4.4 In the event of acts of God or other unforeseeable extraordinary events beyond our control, such as e.g. plant malfunction, strikes, lock-outs, interventions by the authorities, interruptions of power supply, late or incorrect delivery of raw materials, semi-finished parts or finished products needed for the manufacture of the merchandise to be supplied, the delivery period will be extended by the duration of such obstruction and a suitable lead time if we are prevented thereby from performing our obligations at the proper time. The foregoing also applies if the aforementioned events occur at any sub-suppliers. In important cases, the customer will be informed by us soon as possible of the beginning and the end of such events.

If due to any of the above-named events the delivery or service becomes impossible or unreasonable, we shall be released from the

obligation to supply. If the delivery period is extended or if we are released from the obligation to supply, the customer shall not have any claims for damages as a result hereof. To the extent we are released from the obligation to supply, we shall reimburse any initial payments made by the customer.

4.5 The statutory right of the customer to rescind the contract remains unaffected, provided that we are responsible for the delay. The customer is obligated, on demand from us, to declare within an appropriate period whether, after the expiry of such period, he will rescind the contract due to the delay in the delivery and/or seek damages instead of the delivery or compensation for expenditures incurred, or whether he will be insisting on delivery as agreed.

4.6 If delivery is delayed at the request of the customer, we shall charge the warehousing costs incurred - beginning one month after notification of readiness for delivery. Upon the expiry of an appropriate period set by us, and following reasonable advance notice, we are entitled to dispose of the merchandise in any other way and/or to deliver the merchandise to the customer with a suitably extended delivery period.

5 Delivery, Passing of Risk, Shipment

5.1 Partial shipments are permissible to the extent this is reasonable.

5.2 All risks shall pass to the customer when the shipment has been handed over to a forwarding company or a carrier, at the latest, however, upon leaving the factory or the warehouse. This also applies if a "carriage paid" delivery is agreed. Shipment is made on behalf of the customer.

5.3 If shipment is delayed by circumstances which can be attributed to the customer, then all risks are transferred to the customer upon notification of readiness for shipment. At the request and expense of the customer, we shall arrange for any insurance coverage requested by the customer.

5.4 At the request of the customer, shipments will be insured by us, at the cost of the customer, against theft or breakage, and also against transport fire or water damage, and against other insurable risks. The timing of the passing of risk pursuant to Clause 5.2 remains unaffected.

6 Retention of Title

6.1 We reserve title to the goods delivered until we have received full payment of all amounts arising from our business relationship with the customer. In case of a breach of contract by the customer, in particular a delay in payments, we are entitled to request the return of the delivered goods. Such request and the assertion of the retention of title, respectively, does not require a rescission of the contract by us. The taking of any of these actions or the garnishment of the goods delivered by us does not imply a rescission of the contract unless we have expressly declared such rescission in writing. Upon the return of the delivered goods, we are entitled to utilize them. The proceeds from such utilization - less appropriate utilization costs - will be credited against the liabilities of the customer. The customer is obligated to treat the delivered goods with care and, at our request, to insure them adequately against damage for the entire duration of the retention of title. The customer hereby assigns to us any claims which he may have under such insurance.

6.2 The customer is obligated to inform us in writing and without undue delay about any garnishments or other interferences by third parties so that we can institute proceedings pursuant to § 771 German Code of Civil Procedure (hereinafter: "ZPO"). Insofar as such third party is not in a position to reimburse us for the court and out-of-court costs for such proceedings, the customer accepts liability for the loss incurred by us.

6.3 The customer is entitled to resell the delivered goods in the ordinary course of business. However, the customer hereby assigns to us all receivables from his customer or a third party which accrue to him from such resale, up to the total amount invoiced (including sales tax), regardless of whether the goods delivered were resold before or after processing.

The customer is authorized to collect these receivables even after assignment to us, provided that our right to collect these receivables remains unaffected. However, we undertake not to make such collection as long as the customer is properly meeting his payment obligations from the revenues collected, is not in arrears with payments and particularly no application for the opening of insolvency proceedings has been filed or the customer has not stopped making payments. Whenever our obligation not to collect ends, we can demand that the customer provide us with information about the receivables so assigned and the respective debtors, give all details required for the collection, hand over the relevant paperwork and inform the debtors of the assignment.

6.4 We undertake, at the request of the customer, to release the collateral we are entitled to, to the extent that the realisable value thereof exceeds the amount of receivables being secured by more than 10%; the choice of the collateral to be released is at our discretion.

6.5 Where any law to whose jurisdiction the delivered goods are subject does not permit a retention of title, the customer shall ensure that we shall be able to exercise all rights which a seller can reserve in the goods under the applicable law. The customer is obliged to co-operate in any action which we wish to take in order to protect our property rights or, in lieu thereof, some other right to security.

7 Material and legal defects

7.1 We supply our products and services with the due care customary in the industry in accordance with the technical specifications documented and applicable at the time and in line with recognised technical practice. The customer is responsible for checking any other legal, official, or technical requirements relating to the specific application and must inform us in detail of such.

7.2 Where one of our products shows a defect in material or workmanship or a defect in title (hereinafter: a "Defect") within the limitation period whose cause was already present at the time of the passing of risk, the customer shall be entitled to a repair or re-delivery of such product, at our discretion. We shall only bear the expenses necessary for such repair or replacement, such as e.g. wages, material, transport and travelling costs, to the extent that such expenses are not increased as a result of a product having subsequently been removed to a location other than the headquarters of the customer, unless such removal is in accordance with the intended use of such product. Replaced parts shall be our property and are to be returned to us.

7.3 Should our efforts to repair a defective product fail, the customer shall be entitled, at his sole option, - irrespective of any claims for damages and reimbursement of expenses pursuant to Clause 8 -

either to a reduction of the purchase price - where our breach is material - to a rescission of the contract.

7.4 Any liability for Defects shall require that

a) none of the following circumstances prevail: Dimensional deviations and manufacturing tolerances, within specifications, data sheets etc., normal ageing, wear and tear, in particular those which are described in the respective technical data sheets, unsuitable or improper use, faulty assembly or commissioning by the customer or third parties, normal wear, faulty or careless treatment, unsuitable operating materials, replacement materials, defective construction work, chemical, electrochemical or electrical effects.

b) the customer has properly complied with his statutory obligations with regard to investigation and reporting of complaints. Defects must be notified to us in writing and substantiated in detail, by giving details of the type and extent thereof within 10 days from arrival of the delivered product at the destination, or, if such Defects were not evident upon proper inspection, within 10 days after discovery thereof.

c) the customer - taking into account an appropriate withholding amount in accordance with Item 7.8, - is not in arrears with his payments.

7.5 The customer, upon consultation with us, has to allow for the time and opportunity required to undertake all repairs and replacement deliveries which appear necessary in our reasonable discretion. Otherwise, we shall not be liable for any damages arising as a result of the customer not allowing us the time and opportunity to undertake the necessary repair measures or replacement deliveries, as the case may be.

7.6 Claims for Defects shall be subject to a limitation period of 12 months after shipment or notification of readiness for shipment, as the case may be. The foregoing does not apply where a Defect is caused by intentional behavior attributable to us and where the mandatory law requires longer limitation periods in accordance with §§ 438 para. 1, No. 2 (Items for building structures), 479 para. 1 (Entitlements to remedies), 634 para. 1, No. 2 (building defects) BGB. We accept liability for replacement items or repairs up until the expiry of the limitation period applicable to the product originally delivered.

7.7 The customer shall be entitled to any recourse against us only to the extent that the customer has not entered into any agreements with his customers which go beyond the statutory remedies for Defects. Clause 7.2 sentence 2 shall apply mutatis mutandis to the scope of any such recourse claim. If a recourse claim is brought by the customer on account of a Defect raised by any of his customers with regard to a newly manufactured product, he is obliged to inform us hereof without delay. We reserve the right to satisfy claims brought against the customer by stepping in ourselves. In this case, any satisfaction of the claims of the customer's customer shall be deemed as a satisfaction of the recourse claims of the customer.

7.8 In the event of complaints of Defects, the customer shall have the right to retain payments to the extent that they are in a reasonable proportion to the damages incurred by the customer. If a complaint regarding a Defect proves to be unjustified, we shall be entitled to demand reimbursement of the expenses incurred by us from the customer.

8 Claims for Damages and Expenses

8.1 We accept liability in accordance with the statutory requirements insofar as the customer asserts claims for damages or reimbursement of expenses (hereinafter: Claims for Damages), which are caused by the intentional misconduct or gross negligence of our agents or auxiliary persons. We also accept liability in accordance with the statutory requirements if we are guilty of breaching an essential obligation under the contract, and also in the event of injury to life, body or health, and to the extent that we have taken on warranty obligations.

8.2 Any compensation for damages arising out of a breach of an essential obligation under the contract is limited to the reasonably foreseeable, typically occurring damage, where there is no intentional misconduct or gross negligence and where no liability exists for injury to life, body or health, or under any warranties given by us. Any such Claims for Damages shall be subject to a limitation period of 12 months.

8.3 For the rest, liability for damages - irrespective of the legal nature of the claim asserted - is excluded, in particular, we shall not be liable for any damage which has not occurred on the product itself such as e.g. production stoppages, loss of use, or loss of profit.

8.4 The mandatory provisions of the German Product Liability Act remain unaffected.

8.5 Claims for reimbursement of expenses by the customer are limited to the interest he has in the fulfillment of the contract.

8.6 The foregoing limitations of liability also apply to the personal liability of our employees, representatives, agents and auxiliary persons.

9 Technical Application Notes

9.1 Our instructions for use represent only general guidelines. Due to the wide variety of purposes of use of the individual products and due to the special circumstances of each such use, the customer is responsible for carrying out his own trial runs.

9.2 Where we provide technical applications support to the customer, the customer shall be solely responsible for the successful operation of his plant and equipment. Any claims by the customer under Clause 8 remain unaffected.

10 Place of Performance, Venue, Applicable Law

10.1 The place of performance for the delivery is the manufacturing plant or our delivery warehouse, as the case may be. The place of performance for payments shall be at our corporate headquarters.

10.2 The venue shall be at our corporate headquarters. However, we are entitled to institute proceedings against the customer at any other competent court.

10.3 The contract is subject to the requirements of the UN Convention on the International Sale of Goods ("CISG"). To the extent that the CISG remains silent, German Law shall apply, with the exclusion of the rules on conflicts of laws.

10.4 Should any provisions in these general conditions of sale or other contractual agreements be or become completely or partly ineffective, the remaining conditions shall remain unaffected hereby.