

BURGMANN PACKINGS GROUP GMBH
BURGMANN PACKINGS GMBH
BURGMANN PACKINGS LTD.
BURGMANN SEALING MATERIALS CO., LTD. CIXI
BURGMANN PACKINGS END.SIZ.

GENERAL TERMS OF PAYMENT AND DELIVERY

I. Scope and general provisions

1. These General Terms and Conditions of Payment and Delivery apply to all business relations between Burgmann Packings Group GmbH, Germany, Burgmann Packings GmbH, Germany, Burgmann Packings Ltd., Ireland, Burgmann Sealing Materials Co., Ltd. Cixi, China and Burgmann Packings End.Siz., Turkey ("Supplier") and the purchaser ("Customer"). These provisions only apply if the customer is an entrepreneur (§ 14 BGB [Civil Code]), a legal entity under public law or a special fund under public law.
2. The General Terms of Payment and Delivery in particular apply to contracts for the sale and/or delivery of movable goods ("goods"), irrespective of whether the goods are manufactured by the Suppliers themselves or are purchased from suppliers (§§ 433, 650 BGB [Civil Code]). Providing nothing to the contrary has been agreed, these terms and conditions are also valid in the version valid at the time of the customer's order or in any case in the version last notified to him in text form as a framework agreement for similar types of future contracts, without the Supplier needing to refer to them again in each individual case.
3. These General Terms of Payment and Delivery apply exclusively. Deviating, conflicting or supplementary general terms and conditions from the customer shall only become part of the contract if and insofar as the Supplier has expressly agreed to their validity. This requirement for consent applies in all cases, for example even if the Supplier, being aware of the Customer's general Terms & Conditions, executes delivery to this party without reservation.
4. Individual agreements made with the Customer in individual cases (including secondary or side agreements, collateral supplements and amendments) in any case take precedence over these provisions. Under the reservation of evidence to the contrary, a written contract or the Supplier's written confirmation is definitive for the content of such agreements.
5. Insofar as the contract or these General Terms and Conditions of Payment and Delivery contain legal loopholes, the legally effective provisions which the Customer and the Supplier would have agreed in accordance with the economic objectives of the contract and the purpose of these General Terms and Conditions of Payment and Delivery, if they had been aware of the loophole, shall be deemed to have been agreed to fill these loopholes.

II. Offer and concluding the contract

1. Offers (*proposals*) made by the Supplier are non-binding and are subject to confirmation. This also applies if he has provided the customer with catalogues, technical documentation (e.g. drawings, plans, computations, calculations, references to DIN standards), other product descriptions or documents - also in electronic form - to which the supplier reserves the rights of ownership and copyrights. The Customer may not make these objects accessible to third

parties either as such or in terms of content, disclose them, use them himself or through third parties or reproduce them without the express consent of the Supplier. At the Supplier's request, he must return these objects to the Supplier in their entirety and destroy any copies which may possibly have been made, if they are no longer required by him in the normal and proper course of business or if negotiations do not lead to a contract being concluded.

2. Information provided by the Supplier regarding the object of the delivery or service (e.g. weights, dimensions, values during use, load-bearing capacity, tolerances and technical data) as well as its representations (e.g. drawings and illustrations) are only approximate, unless the usability for the contractually intended purpose sets exact conformity as a precondition. These are not guaranteed characteristics, but descriptions or markings of the delivery or service. Deviations customary in the trade and deviations which occur due to legal regulations or which represent technical improvements, as well as the replacement of components with equivalent parts, are permissible provided that they do not impair the suitability for the contractually intended purpose.
3. The customer's order for goods is regarded as a binding contractual offer. Provided nothing to the contrary is evident from the order, the Supplier is entitled to accept this contractual offer within 14 days of its delivery to the Supplier.
4. Orders only become binding with an order confirmation from the Supplier or upon delivery of the goods to the Customer.

III. Prices, price adjustments and payment

1. Prices are valid for the the scope of services and deliveries listed in order confirmations. Additional or special services will be charged separately. The prices are effective as ex works excluding freight, customs, import or export duties and packaging, plus VAT at the statutory rate.
2. In the case of sales delivery to a destination, the Customer bears the transport costs ex warehouse and costs of any transport insurance requested by the customer if necessary. The Supplier is entitled to invoice transport costs actually incurred in each individual case. Any customs duties, fees, taxes and other public charges must be borne by the Customer.
3. All payments must be made in EURO's plus Value Added Tax, packaging, freight, postage and insurance and must be paid exclusively to the Supplier. The purchase price is due and payable without deductions within 14 days of invoicing and delivery or of acceptance of the goods. However, the Supplier is entitled at any time, even within the framework of an on-going business relationship, to make a delivery in whole or in part only on receipt of advance payment. He will declare a corresponding reservation at the latest with the order confirmation.
4. Cheques or bills of exchange will only be accepted with express, prior written agreement and only on account of payment and subject to discountability. Discounting charges are charged from the due date of the amount invoiced. A guarantee for timely presentation of the bill of exchange and cheque and for raising a bill protest is excluded.
5. The Customer enters into delay if the prevailing payment period is allowed to expire culpably. Interest must be paid on the purchase price at the statutory rate for interest in arrears in each case applicable at the time. The Supplier is entitled to charge a lump sum for arrears amounting to EUR 40.00 (chargeable as expenses for prosecution) and reserves the right to assert further claims for damages caused by delay. In the event of payment arrears, the Supplier is authorised, after notifying the Customer in writing, to suspend performance of its obligations until payment has been received. The Supplier's claim against merchants for commercial default interest (§ 353 HGB [*Commercial Code*]) remains unaffected.
6. In the case of new orders, the Supplier is not bound by previous prices from other orders.

7. The Customer is only be entitled to rights for off-setting or retention to the extent that his claim has been legally established or is uncontested, or for claims which are reciprocal to Supplier claims. In the event of defect in delivery, the Customer's counterclaims continue to exist, in particular pursuant to VI. Number 5, lett. a 2. Indent, clause 2.
8. Repeated non-compliance with terms of payment or circumstances which give rise to serious doubts about the Customer's creditworthiness entitle the Supplier to demand immediate payment of all claims. Furthermore, in this case the Supplier is entitled to demand advance payments for outstanding deliveries and to withdraw from the contract once a reasonable period has expired without success.
9. If it becomes apparent after the concluding the contract (e.g. through an application to open insolvency proceedings) that the claim to the purchase price is at risk due to the Customer's lack of ability to pay, the Supplier is entitled to refuse performance in accordance with statutory provisions and - if it proves necessary after setting a deadline - to withdraw from the contract (§ 321 BGB [*Civil Code*]). In the case of contracts for the manufacture of unjustifiable items (custom-made items), the Supplier may declare withdrawal from the contract immediately; statutory provisions on the dispensability of setting a deadline remain unaffected.

IV. Obligations for delivery and acceptance, force majeure

1. Delivery times are generally non-binding, unless a fixed delivery date is expressly stated in the order confirmation or a fixed delivery date has been specially agreed. In any case, the delivery period does not commence until the Customer has duly and entirely fulfilled the cooperation transactions due from him, in particular has provided the technical data, documents, approvals and releases he must obtain and has made agreed down payments.
2. Delivery takes place ex warehouse at the Supplier's headquarters. This is also the place of fulfilment for delivery and any possible subsequent performance. Goods declared ready for despatch must be accepted by the Customer without delay. At the Customer's request and expense, goods will be shipped to another destination (despatch purchase). Unless otherwise agreed, the Supplier is entitled to determine the type of despatch (in particular the transport company, despatch route, packaging) himself.

The notification of readiness for despatch or collection by the Supplier is definitive for compliance with the delivery date or delivery period. This also applies to cases of delay and impossibility of delivery for which the Supplier is not responsible. Compliance with the delivery date or delivery period presupposes fulfilment of the Customer's contractual obligations.

3. The risk of accidental loss and accidental deterioration of goods transfers to the Customer at the latest when the goods are handed over. In the case of despatch purchases (*with delivery to a destination*), however, the risk of accidental loss and accidental deterioration of goods as well as the risk of delay already transfers to the Customer upon handing the goods over to the freight forwarding agent, carrier or any other person or institution appointed to complete the shipment. If acceptance has been agreed, this is decisive for the transfer of risk. The handover or acceptance shall also be deemed to have taken place if the purchaser is in default of acceptance.
4. If, for reasons for which the Supplier is not responsible, the Supplier does not receive deliveries or services from its sub-suppliers or sub-contractors, or does not receive them correctly or in good time despite proper coverage, or due to force majeure events occurring, then the Supplier must inform its Customers in good time in writing. In this case, the Supplier shall be entitled to postpone the delivery or service for the duration of an only temporary obstacle or, in the case of a significant hindrance lasting not just for a temporary period, to withdraw from the contract in whole or in part because of the part not yet fulfilled, provided the Supplier has fulfilled the obligation above, to inform the Customer and has not taken on the procurement risk or manufacturing risk. Force majeure also includes other events not foreseeable when the contract was concluded, such as strikes or lockouts conducted lawfully,

official interventions, shortages of fuel and raw materials, transport bottlenecks through no fault of the Supplier, operational obstacles through no fault of the Supplier, e.g. due to fire, flood, water and mechanical damages, and all other obstacles which, from an objective point of view, were not caused through any fault of the Supplier. If the delivery or service is delayed by more than one month as a result of one of the cases mentioned in sentences 1 and 3 above, then both the Supplier and Customer are entitled - without prejudice to the requirement for the Customer to set a deadline and excluding any claims whatsoever for damages - to withdraw from the contract with regard to the quantity affected by disruptions to delivery. The Customer is entitled to withdraw from the entire contract if accepting partial delivery is unreasonable.

5. The commencement of a delivery delay is determined in accordance with statutory provisions. In any case, a reminder is required from the Customer.
6. In the case of call-off orders without any agreed duration, agreed sizes for production batches and acceptance dates, the Supplier may demand these be set with binding effect no later than three months after order confirmation. If the Customer does not comply with this request within three weeks, the Supplier reserves the right to withdraw from the contract. In the case of call-off orders with an agreed or binding size of production batches, the Supplier is entitled to procure material for the entire order and to manufacture the entire order volume immediately.

Additional costs caused by a delayed call-off or subsequent changes to the call-off by the Customer with regard to the time or quantity shall be borne at his expense, unless the Customer is not responsible for the delay or subsequent change.

7. If the Customer is in default for acceptance, if he fails to cooperate or if the delivery is delayed for other reasons the Customer is responsible for, then the Supplier is entitled to demand compensation for resultant damages including additional expenses (e.g. storage costs). The Supplier charges a flat-rate of compensation for this amounting to 0.25 % of the amount invoiced for the stored goods per calendar week commenced, starting with the delivery period or - in the absence of a delivery period - with notification that the goods are ready for despatch. The proof of higher damages and the Supplier's statutory claims (in particular reimbursement of additional expenses, reasonable compensation, termination) shall remain unaffected; however, the lump sum must be offset against further monetary claims. The Customer is entitled to prove that the Supplier incurred no damages at all or only considerably smaller damages than the flat rate above.
8. If the Customer does not fulfil his obligations for acceptance, then the Supplier is not bound by the regulations of self-help purchases, notwithstanding other rights, but rather may sell the delivery item freely after prior notification of the Customer.
9. At the written request of the Customer, goods will be insured at his expense against risks he must describe.
10. The Supplier is only entitled to make partial deliveries, which may be invoiced separately, if
 - the partial delivery can be used by the Customer within the scope of the purpose of the contract,
 - the delivery of remaining goods ordered is ensured and
 - the Customer does not incur any significant additional costs or expenses (unless the Supplier agrees to bear such costs).

V. Retention of Title

1. Until all present and future claims from the Supplier against the Customer arising from the sales contract and/or an on-going business relationship - on whatsoever legal grounds - have been met in full (secured claims), the Supplier retains title to the goods sold.

2. The Customer undertakes to treat goods under retention of title with care, to carry out inspections and maintenance work necessary on them at his own expense and to protect them against external influences which may reduce the value of goods under retention of title. The Customer also undertakes to insure goods under retention of title sufficiently at his own expense against fire, flood, water and theft for the replacement value and to inform the Supplier of the condition of the goods at any time upon request, and to inform the Supplier of the storage place of the goods.
3. Goods subject to retention of title may not be pledged to third parties nor transferred by way of security until secured claims have been paid in full. The Customer must notify the Supplier immediately in writing if an application is filed to open insolvency proceedings or if the Supplier's goods are accessed by third parties (e.g. seizures). In the latter case, the Customer must draw attention to the Supplier's retention of title and will be liable to the Supplier for any judicial or extrajudicial costs incurred in enforcing rights of ownership, insofar as the third party is not in a position to reimburse such costs to the Supplier.
4. In the event of behaviour by the Customer constituting a breach of contract, in particular non-payment of the purchase price due and payable, the Supplier is entitled to withdraw from the contract in accordance with statutory provisions and/or demand return of the goods on the basis of retention of title, or to seize them. The request to surrender goods or application for an attachment order does not at the same time include the declaration of withdrawal; rather, the Supplier is only entitled to demand the return of goods or to attach them and reserve the right to withdraw from the contract. If the Customer does not pay the purchase price due and payable, the Supplier may only assert these rights if he unsuccessfully set the Customer a reasonable deadline for payment beforehand, or if setting such a deadline is superfluous according to statutory provisions.
5. The Customer is entitled, until withdrawal in accordance with provision (c) below, to resell and/or process the goods subject to retention of title in the correct and proper course of business. In this case, the following provisions apply additionally.
 - (a) Retention of title extends to the full value of products resulting from processing, mixing or combining the Supplier's goods, whereby the Supplier shall be deemed to be the manufacturer. If the ownership rights of third parties remain in force during processing, mixing or combination with third party goods, the Supplier acquires co-ownership in the ratio of the invoice values (final invoice totals including Value Added Tax) of the processed, mixed or combined goods. If the Customer's item must be regarded as the main item as a result of mixing, the Supplier and the Customer agree that the purchaser will assign co-ownership of this item to the Supplier pro rata; the Supplier herewith accepts the assignment. Otherwise, the same shall apply for the resulting product as for the goods delivered under retention of title. The Customer must keep property or co-owned property in safe custody for the Supplier.
 - (b) The Customer hereby assigns to the Supplier by way of security all claims against third parties arising from the resale of goods or product or on other legal grounds (insurance, tortious act) in respect of goods under retention of title with all ancillary rights (including all current account balance claims), or to the amount of any co-ownership share of the Supplier in accordance with the preceding paragraph. The Supplier accepts this assignment. The Customer's obligations stated under Number 3 also apply with regard to assigned claims. Nor is the Customer entitled to assign these claims for the purpose of acquiring a claim by way of factoring, unless the factor's obligation to effect counterperformance is at the same time substantiated for the total of the claims directly to the Supplier, as long as the Supplier's claims against the Customer continue to exist.
 - (c) In addition to the Supplier, the Customer remains entitled to collect the claim up until withdrawal. The Supplier undertakes not to collect the claim as long as the Customer meets his payment obligations towards him, there is no flaw in his ability to pay and the Supplier does not assert retention of title by exercising a right in accordance with Number 4. If this is the case, however, the Supplier may demand that the Customer informs the Supplier of assigned claims and debtors, provides all information necessary for collection, hands over

relevant documentation and informs the debtors (third parties) of the assignment. In this case, the Supplier is also entitled to revoke the Customer's authority to sell goods on and further process goods subject to retention of title.

(d) If the value of the securities which can be realised exceeds the Supplier's claims by more than 10%, the Supplier shall release securities of its choice at the Customer's request.

VI. Liability for defects of quality and title

1. The Customer's claims for defects presuppose that he or a third party designated by him has fulfilled his statutory obligations for inspection and reporting defects (§§ 377, 381 HGB [*Civil Code*]) with the following provisos:
 - a) If a defect becomes apparent during the inspection or at a later time, then the Supplier must be notified of this immediately in writing. This notification shall be deemed to be immediate if made within two weeks, whereby the timely despatch of the notification shall suffice to comply with the deadline. Irrespective of this obligation for inspection and reporting defects, the Customer must notify the Supplier in writing of obvious defects (including incorrect and short delivery) within two weeks of delivery, whereby here too timely despatch of the notification is sufficient for meeting this deadline. If the Customer neglects to inspect the goods correctly and properly and/or notify the Supplier of any defects, the Supplier's liability for the defect not reported is excluded.
 - b) If an acceptance of goods or inspection of an initial specimen sample was agreed, reporting of defects which the Customer would have been able to ascertain with careful acceptance or inspection of the initial sample is excluded.
 - c) Correct and proper reporting of defects must indicate the willingness of the Customer to return the goods complained about at the Supplier's request with freight paid. The regulation on costs according to VI number 5 b) shall remain unaffected.
2. The Customer's rights in the event of material defects and defects of title (including incorrect and short delivery as well as improper assembly or defective assembly instructions) shall be governed by statutory provisions, unless something to the contrary is determined above or below.
3. The Supplier's liability for defects is based on the agreement reached on the quality of goods. If the quality has not been agreed, an assessment must be made according to the statutory regulation of whether a defect is present or not (§ 434 Section 1 Lines 2 and 3 BGB). However, the Supplier accepts no liability for statements made to the media by the manufacturer or other third parties (e.g. advertising statements). The reference to technical standards serves as a description of the performance and must not to be interpreted as a guarantee of quality. Customary tolerances in the industry apply. Production is carried out with materials customary in the industry without any special written agreement and in accordance with agreed manufacturing processes or, in the absence of such an agreement, in accordance with known manufacturing processes.
4. Irrespective of the above and following provisions, the statutory provisions apply in any case
 - (a) in the event of intentional actions on the part of the Supplier;
 - b) in the event of damages resulting from injury to life, limb or health;
 - c) in the case of claims under the Product Liability Act;
 - d) insofar as guarantees taken on by the Supplier conflict with deviating regulations.
5. In all other respects, the following special features apply to the Customer's rights in the event of material defects and defects of title:
 - (a) Subsequent performance

- If the item delivered is defective, the Supplier may initially choose whether to effect subsequent performance by resolving the defect (subsequent improvement) or by supplying a defect-free item (replacement delivery).
- The Supplier is entitled to make subsequent performance owing dependent on the Customer paying the purchase price due. However, the Customer is entitled to retain a reasonable part of the purchase price in proportion to the defect.
- The Customer must give the Supplier the time and opportunity required for subsequent performance, in particular to hand over rejected goods for inspection purposes. If goods complained about have already been installed in another object or attached to another object directly in the Customer's premises, the Supplier must however, be granted the time and opportunity required to remove the goods complained about himself and to reinstall or attach the repaired or subsequently delivered goods himself, insofar as this is reasonable for the Customer. This applies irrespective of whether the Supplier was originally obliged to complete instalment in addition to delivery; the installation or assembly does not additionally become part of subsequent performance through this process.
- If the Customer has already resold goods delivered by the Supplier, the Customer must also give the Supplier the time and opportunity necessary for subsequent performance owed, if the Customer for his part had to take the goods back from his customer as a result of the defect, or the Customer's customer had reduced the purchase price.
- The Supplier's right to refuse subsequent performance under statutory conditions remains unaffected in each of the aforementioned cases.
- In the event of a replacement delivery, the Customer must return the defective item to the Supplier in accordance with statutory provisions.
- In urgent cases, e.g. if operational safety is endangered or to prevent disproportionate damages, the Customer is entitled to remedy the defect himself and to demand compensation from the Supplier for expenses which are required objectively. The Supplier must be informed immediately, if possible in advance, of any such self-undertaking. The right to self-remedy does not exist if the Supplier would be entitled to refuse corresponding subsequent performance in accordance with statutory provisions. Unauthorized reworking and improper actions shall result in the loss of all claims for defects, if defects may be attributed to incorrect and improper reworking or improper handling.

b) Reimbursement of expenses for subsequent performance

- The expenses necessary for inspection purposes and for subsequent performance, in particular transport, travel, labour and material costs, must be borne by the Supplier if a defect actually exists. Otherwise, the Supplier may demand reimbursement from the Customer for costs incurred as a result of the unjustified request to remedy a defect (in particular testing and transportation costs), unless the Customer was unable to recognize the lack of deficiency. Reimbursement of costs is excluded if the expenses increase because the goods have been moved to another location following delivery, unless this corresponds to the intended use of the goods.
- Contrary to the preceding indent, the Supplier must bear the costs of dismantling and installation directly at the Customer's premises, insofar as such costs have become necessary for the purpose of subsequent performance, only if dismantling and/or installation by the Supplier himself has either failed or is unreasonable for the Customer, and otherwise only if a reasonable deadline which must be set by the Customer for completing this has expired without success.

- Expenses for dismantling and installation which become necessary for the purpose of subsequent performance only once in the premises of a direct customer of the Customer or in the premises of a further customer in the supply chain, must only be borne by the Supplier, according to the extent of VII.
- The aforementioned peculiarities regarding dismantling and installation costs do not apply for the delivery of newly manufactured goods by the Supplier, which are sold on by an entrepreneur to a consumer at the end of the supply chain in an unprocessed condition, even if the latter has further processed them (claims from § 478 BGB [*Civil Code*]- recourse of the entrepreneur). Further processing within the spirit of this provision shall be deemed to exist in particular if the goods are incorporated into another product.

c) Withdrawal and Reduction

If supplementary performance has failed or a reasonable period which must be set by the Customer for supplementary performance expired without success, or is dispensable according to statutory provisions, the Customer may withdraw from the purchase contract or reduce the purchase price. In case of an insignificant defect, however, there is no right of withdrawal.

d) Damages and compensation for futile expenses

Customer's claims for damages or reimbursement of futile expenses only exist in accordance with the extent of VII, even in the case of defects, and are otherwise excluded.

6. In the cases of delivery of newly manufactured goods by the Supplier to the Customer, which are sold unprocessed at the end of the supply chain by an entrepreneur to a consumer in a further sale, even if the latter has further processed them, the following peculiarities continue to apply for the Customer's rights:
 - Customer claims arising from § 445a in conjunction with §§ 437, 439, 478 BGB [*Civil Code*] are excluded insofar as the defect is based on statements in advertisements or other contractual agreements, which do not originate from the Supplier, or if the Customer, his direct customer or another customer in the supply chain has granted a special guarantee to the end user.
 - These claims shall also be excluded if the Customer, his direct customer or another customer in the supply chain itself was not obliged in law to exercise warranty rights vis-à-vis the end user or did not make this complaint vis-à-vis a claim made to him. This also applies if the Customer, his direct customer or a further customer in the supply chain has taken on warranties towards the end user, which go beyond statutory provisions.
 - The Customer's claims arising from § 445a in conjunction with §§ 437, 439, 478 BGB are excluded in their entirety, if the Customer fails to comply with his statutory obligations correctly and properly for inspection and reporting defects in accordance with the more detailed provisions of VI. number 1.

VII. Other Liability

1. Insofar as nothing to the contrary arises from these General Terms & Conditions of Payment and Delivery including the following provisions, the Supplier is liable in the event of a breach of contractual and non-contractual obligations in accordance with the statutory provisions.
2. The Supplier is liable for damages - irrespective of the legal grounds - within the framework of liability for culpability in cases of intent and gross negligence. In the event of mere negligence, the Supplier is only liable, subject to a reduced measure of liability in accordance with statutory provisions (e.g. of due care in his own affairs)

- a) for damages resulting from injury to life, limb or health,
 - b) for damages arising from a not inconsiderable violation of an essential contractual obligation (an obligation, fulfilment of which is essential for correct and proper execution of the contract, and for which the Customer regularly relies it is kept to and may rely on); in this case, however, liability is limited to compensation for foreseeable damages, occurring by typical means.
3. The limits to liability resulting from Section 2 shall also apply to breaches of duty by or on behalf of persons whose fault the Supplier is responsible for, in accordance with statutory provisions. These do not apply if the Supplier maliciously concealed a defect or took on a guarantee for the quality of goods and Customer claims under the Product Liability Act.
 4. Customer claims for reimbursement of futile expenses according to § 284 BGB [*Civil Code*] are waived if, and to the extent that a claim for reimbursement of damages instead of performance has been effectively approved according to the aforementioned.
 5. Due to a breach of duty which does not constitute a defect, the Customer may only withdraw or terminate the contract if the Supplier is responsible for the breach of duty. A free right of termination for the Customer (in particular according to §§ 650, 648 BGB) is excluded. Otherwise, the statutory requirements and legal consequences apply.

VIII Limitation of Claims

1. Contrary to § 438 Section 1 No. 3 BGB [*Civil Code*], the general period of limitation for claims arising from material defects and defects of title, including claims for reimbursement of expenses in the supply chain in accordance with § 445a Section 1, Section 3 BGB is one year from delivery. If acceptance has been agreed on hand-over, the period of limitation commences upon acceptance.
2. If, however, the delivered goods are a built structure or an object which has been used for a built structure in accordance with its normal method of use, and which has caused its deficiency (building material), the period of limitation shall be 5 years from delivery in accordance with the statutory regulation (§ 438 Section 1 no. 2 BGB). Other special statutory regulations regarding the statute of limitations (in particular § 438 Section 1 No. 1, Section 3, §§ 444, 445b BGB) shall also remain unaffected, unless something to the contrary is expressly determined below.
3. Notwithstanding § 445b Section 2 sentence 2 BGB [*German Civil Code*], if goods delivered by the Supplier are resold by the Customer, the suspension of expiry of the statute of limitations with regard to limitation of Customer claims for defects against the Supplier ends as early as three years after delivery of the goods.
4. The above provisions on the limitation period also apply to contractual and non-contractual claims for damages by the Customer based on a defect in the goods, unless applying the regular statutory limitation period (§§ 195, 199 BGB) would lead to a shorter limitation period in individual cases. For claims for Customers' damages in accordance with VII no. 2 clause 1 and clause 2 a) and b), as well as with defects maliciously concealed in the case of a warranty taken on for the quality of goods, as well as claims for damages under the Product Liability Act, the statute of limitations shall be limited exclusively to statutory limitation periods. The shortening of the limitation period or the suspension of expiry will also not apply if we are concerned with a case of delivery of goods by the Supplier which are sold to a consumer at the end of the supply chain in an unprocessed state by an entrepreneur (recourse of the entrepreneur - § 478 BGB).

IX. Confidentiality

1. Each customer must only use all documents (including samples, models and data) and knowledge received from the business relationship for jointly pursued purposes, and must keep them secret from third parties with the same care as their own documents and knowledge, if the Supplier designates them as confidential or has an obvious interest in keeping them secret and confidential.
2. This obligation begins from the first receipt of documents or knowledge and ends 36 months after the end of the business relationship.
3. The obligation does not apply to documents and knowledge which are generally known or which were already known to the Customer upon receipt, without the Customer being obliged to maintain secrecy, or which are subsequently transmitted by a third party entitled to pass them on, or which are developed by the receiving Customer without the use of documents or knowledge which the Customer must keep secret and confidential.

X. Drafts / Documents

1. The Supplier retains the sole right of implementation and copyright to drafts, documents, illustrations, drawings and other documents of the Supplier. If the Customer provides templates and ideas, the Supplier shall be granted a joint copyright to the extent that the template or design was designed by the Supplier.
2. If no order is placed, the Customer is obliged to return all documents handed over to him to the Supplier without delay, including any copies made. Digital reproductions must be finally destroyed.
3. When providing templates, plans, drawings and ideas, the Customer must indemnify the Supplier against any claims whatsoever by third parties asserting rights thereto.
4. Drafts, final drawings and suchlike prepared by the Supplier remain the property of the Supplier, even if the Customer has been charged for manufacturing costs.

XI. Industrial property rights and documents

1. If the Supplier must make deliveries according to drawings, models, samples or using parts provided by the Customer, then the Customer is responsible for ensuring that third party industrial property rights in the destination country for the goods are not thereby infringed. The Supplier must inform the Customer of rights he is aware of, however is not obliged to carry out his own research. The Customer must indemnify the Supplier from claims by third parties upon first demand, also against illegitimate claims and must pay compensation for damages incurred. If the Supplier is prohibited from manufacturing or delivering by a third party with reference to a property right belonging to it, then it shall be entitled - without examining the legal situation - to suspend work until the legal situation has been clarified by the Customer and the third party. Should the Supplier no longer be able to reasonably continue with the order due to the delay, he is entitled to withdraw from the contract.
2. Drawings and samples provided to the Supplier which did not lead to an order must be returned on request; otherwise the Supplier is entitled to destroy these three months after submitting the offer. This obligation applies to the Customer correspondingly. The party entitled to destroy them must inform the Customer of its intention to destroy in good time beforehand.
3. The Supplier is entitled to the property rights, copyrights and, if applicable, industrial property rights, in particular to all rights of use and exploitation for models, moulds and devices, drafts and drawings designed by the Supplier or by third parties on the Supplier's behalf. The Customer must return paper documents, documents, moulds, samples or models on request, including any copies made, to the Supplier without delay.

XII. Place of performance, place of jurisdiction, jurisdiction and applicable law

1. Insofar as nothing to the contrary results from the order confirmation, the Supplier's place of business shall also be the place of performance.
2. If the Customer is a businessman in the spirit of the Commercial Code, a legal body constituted under public law, or a special fund under public law, the exclusive - also international - place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship is the Supplier's registered headquarters in Waldenburg. The same applies if the Customer is an entrepreneur in the spirit of § 14 BGB [*Civil Code*]. In all cases, however, the Supplier is also entitled to raise an action at the place of performance of the delivery obligation in accordance with these General Terms and Conditions of Payment and Delivery, or an overriding individual agreement or at the Customer's general place of jurisdiction. Overriding statutory provisions, in particular regarding exclusive responsibilities, remain unaffected.
3. If the Customer's domicile is outside the Federal Republic of Germany, the Supplier is also entitled, at his discretion, to have all claims, disputes or differences of opinion arising from business relations with the Customer finally and bindingly decided in accordance with the Arbitration Rules of the Chamber of Commerce and Industry of the Stuttgart Region (*IHK Region Stuttgart*), under the exclusion of ordinary legal proceedings. The arbitration tribunal must have its headquarters in Stuttgart. Arbitration proceedings are held in German unless the customer requests English as the language for the proceedings.
4. These General Terms and Conditions of Payment and Delivery and the contractual relationship between the Supplier and Customer, including the above arbitration agreement, are governed exclusively by the laws of the Federal Republic of Germany, to the exclusion of international uniform law, in particular the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 (CISG - "Vienna Sales Convention").