

**General conditions of sale**

Unless otherwise agreed upon in writing, the following conditions exclusively apply to all current and future sales and deliveries. Customer's terms of business apply only to the extent approved by us in writing. Supplementary Agreements, especially delivery dates which are separately agreed on, apply only if confirmed by us in writing.

1. Our quotations are **offers without engagement**. Contracts come into effect only by our written confirmation of the order or by delivery. Slight deviations from our statements regarding size, weight, composition, quality and quantity, as well as deviations in quantity up to  $\pm 10\%$  are possible.
2. **Periods of delivery** are only approximate unless we have declared them to be binding in writing. The delivery period shall commence upon sending the order confirmation, however, not prior to the clarification of all details of order execution and technical issues as well as the receipt of an agreed advance payment. If goods are delivered late and ordinary negligence is involved our liability shall be limited to 5% of the value of the goods delivered late. Compensation in damages according to Item 13 remains unaffected.
3. We are entitled to effect **partial deliveries** in reasonable amounts. Each partial delivery may be invoiced separately. Deliveries **on call** must be called forward at least two weeks prior to the required delivery date.
4. The delivery of article of merchandise is subject to the **reservation of us obtaining correct delivery in time** from our suppliers.
5. **Acts of God**, interruption of operations, strikes or other unanticipated unavoidable circumstances beyond our or our suppliers' control, free us from the obligation to deliver for the duration of the disturbance and of its aftereffects. The delivery deadline will be extended by the length of the disturbance and its aftereffects. Should delivery be delayed by more than two months, the customer may set a reasonable final deadline for delivery. Should delivery not take place during this deadline, the customer has the right to withdraw from the contract. No claims for damages arise from this failure to deliver on time.
6. The goods are **shipped** by means of our choice. Deliveries are effected ex works or ex supply depot.
7. The **risk of loss or damage** passes to the customer as soon as we handed over the goods to the carrier or – if shipment is delayed through no fault of ours – we have advised that goods are ready for shipment.
8. **Prices** are stated ex works or ex supply depot exclusive of packaging and value added tax. We reserve the right of adjusting prices in accordance with price changes of alloy metals occurred during the period prior to delivery; extra charges due to an increase in the cost of silver ("AgTZ") are determined by the price for which we had to purchase the fine silver. Should at the period between conclusion of the contract and delivery to the customer our manufacturing expenses increase or decrease due to changes in prices for material, energy or labour, we may increase or decrease our prices appropriately.
9. Our **invoices** are payable within 10 days from the date they are sent with a 2% discount or within 30 days from the date they are sent net. Payments are only considered to be made to the extent that we can freely dispose of them at a bank. Payments by check or draft are not considered payments until the check or draft is honoured by a bank; we reserve the right to reject drafts; discounts and charges are charged to the customer and are due immediately. An interest of 8 percentage points above the basis interest rate (§ 247 BGB) will be charged on overdue payments without further warning. In addition, we have the right to withhold outstanding deliveries until all due invoices are paid in full. If there is reasonable doubt as to the solvency of the customer or if an insolvency petition is made against its property, we are entitled to require that the customer pays in advance or furnishes collateral. The customer may offset only those counterclaims that are uncontested or legally binding. The customer is not entitled to withhold or reduce due payments for disputed complaints about the goods.
10. We retain **title** to the delivered goods until the customer has paid all claims resulting from his business relations with us and all checks and drafts accepted in the course of business relations with the customer have been credited irrevocably. Should an open account relationship with the customer exist, we retain title for the amount of the recognized balance. Handling and processing of the goods to which we retain title take place for us as manufacturer, but without our incurring any obligation. Should the goods to which we retain title be mixed or joint with other goods, we acquire joint ownership of the new goods in the ratio of the market value of the goods to which we retain title at the time of their mixing/processing to the value of the other materials. The customer may only sell the goods to which we have reserved title in the ordinary course of business and may in particular neither pledge nor transfer title to these goods as security. The customer must inform us without delay about any seizure by a third party. The customer must insure the goods to which we have retained title against loss and damages at his own expense; hereby assigning his claims arising from the insurance contracts to us in advance. To protect our claims, the customer assigns all of his claims arising from the resale or reuse of the goods to which we retain title to us in advance. If the customer uses the goods to which we have retained title to fulfil a contract for work and services or a contract for work and materials, then the assignment applies for claims arising from this contract. The customer may collect these claims as long as he fulfils his payment obligations to us. If customer fails to meet its payment obligation, we shall be able to revoke the authorization for resale and reuse, and request, that customer either facilitate our withdrawal of the conditional goods or notify its buyers of the assignment of claims and provide us with all information and documents required to collect such claims. The repossession of goods to which we retain title shall not be regarded as withdrawal from the contract. Should we withdraw from the contract, we may sell the goods on the open market. Should the value of the collateral exceed our claims by more than 10% and the customer so request, we will release collateral of our choice to the extent necessary.
11. **Confidentiality:** Illustrations, drawings, samples or any other documents and materials which we hand out to the customer in connection with the business relation shall - without our prior written consent - not be made available to any third party. On our request, they must immediately be returned to us. The information obtained from our customer in connection with the business relation is not deemed to be confidential, unless otherwise agreed in writing.
12.
  - a) We shall be informed immediately in writing of **defects** of delivered goods at the latest 8 days after the receipt of the goods and in case of hidden defects latest 3 days after their discovery. If these periods are exceeded, all warranty claims and rights lapse. Warranty claims for movable objects cease after 12 months after delivery if we have not infringed our duties intentionally or in gross negligence or have concealed the defect in a malicious manner. Materials used in a building in accordance with their usual use cease according to law.
  - b) Until the customer's complaint has been clarified, the goods which are alleged to be defective may not be further processed. We must be given the opportunity to examine these goods at the location at which the defect was discovered.
  - c) Should the complaints be justified, we will at our discretion repair or replace the defective goods. Should we fail to repair the defect or should the replacement goods also be defective, the customer – after the fruitless expiry of a reasonable period of grace - has the right to demand a reduction in price or – in case of not insignificant defects – to withdraw from the contract and demand damages instead of performance according to Item 13.
  - d) In case of defects of article of merchandise delivered by us, we are entitled to limit our liability, at first, to the assignment of the warranty claims and rights to which we are entitled against our supplier of the article of merchandise, unless the satisfaction of the assigned claims or rights fails or cannot be enforced for other reasons. In this case the customer is again entitled to the rights of Item 12 c).
  - e) Technical assistance is provided to the best of our knowledge but without incurring liability. Technical assistance does not release the customer from his responsibility to examine the goods for suitability for use.
13. **Claims for damages** of any kind against us are excluded when we, our lawful representatives, or our vicarious agents have acted with ordinary negligence. This exclusion of liability does not apply to bodily injury, when guaranteed characteristics are missing, or when we have violated substantial contractual obligations in a way that endangers the fulfilment of the contract. In such cases, our liability is limited to the extent of the guarantee, or, should substantial contractual obligations have been violated, to customary and foreseeable damages. Claims arising from product liability law are not affected by this Item.
14. **Place of performance** for delivery shall be our plant or our supply depot; place of performance for all other services shall be our place of business. **Place of jurisdiction for all disputes arising from the contract shall be Freiburg/Breisgau.** However we shall also be entitled to file action at the customer's place of business. German laws shall apply. The UN Convention on Contracts for the International Sale of Goods (CISG) dated April 11, 1980 is excluded.

