



General terms and conditions of the companies

Leicht + Müller Stanztechnik GmbH + Co. KG

Leicht + Müller Syscotec GmbH + Co. KG

I. Scope

1. These general terms and conditions are valid for all business dealings with the customer or ordering party (hereinafter referred to as "purchaser") even if no specific reference is made to the terms in later contracts.
2. Regulations to the contrary or conditions of the purchaser which deviate from our general terms and conditions are not accepted by us unless the validity of said conditions has been approved by us in writing. Our general terms and conditions are also valid if we are informed of conflicting conditions or conditions of the purchaser which deviate from our general terms and conditions and we execute the delivery without any reservation or do not expressly contradict said conditions.

II. Quotations, prices and procurement risk

1. Unless otherwise agreed, our quotations are always subject to change and are non-binding.
2. A contract is only finalised after the other party has received our order confirmation in writing. Changes or additions to contracts or other agreements also require our confirmation in writing to be effective.
3. Drawings, pictures, dimensions, weights, descriptions of characteristics or other data are only binding for the execution of the contract if expressly agreed in writing. Unless otherwise agreed, samples are only valid as approximate samples with regard to quality, optics or colour. We are not bound by obvious errors.
4. If we do not receive the order, we are entitled to demand reasonable remuneration from the purchaser for consultation, models, draft designs and calculations.
5. Unless otherwise agreed, all prices are valid ex works (EXW / INCOTERMS 2000) and are to be regarded as net prices excluding the respectively valid statutory sales tax (VAT) and excluding costs for packaging. Any assembly work is made only by special agreement.
6. Our prices are calculated on the basis of the material prices, labour costs, exchange rates, costs of outsourced services, etc. valid at the time of the order confirmation. We reserve the right to increase our prices for goods including goods to be delivered on demand to a reasonable extent without additional profit and in a way which is transparent for the purchaser in order to take into account the change of the aforementioned parameters. Deposits or payments made in advance by the purchaser do not change this. Orders not subject to an agreed fixed price are invoiced according to our prices valid on the day of delivery.



7. The procurement risk for indeterminate obligations or in general for guarantees in the sense of paragraph § 443 BGB of the German civil code requires agreement in writing.

III. Delivery times, delivery quantities

1. Times for delivery and execution are only valid and binding if they are expressly confirmed by us in writing.
2. The period of delivery begins when the order confirmation is sent, but not before the purchaser has supplied any necessary approvals, releases, materials, documents, etc. and also not before receipt of the agreed deposit, whereby the begin of the period of delivery is subject to prior clarification of all technical questions.
3. Our period of delivery and period for the performance is extended in any case by a reasonable period of time if the purchaser is not able to meet his obligations to us in the agreed time.
4. The period for delivery or execution is fulfilled if at the expiry of the period the goods to be delivered have left the factory or if notification of readiness for shipment has been made. In the case of an Act of God, i.e. in connection with measures for industrial disputes, in particular for strikes and lock-outs, material and energy shortages including unforeseen obstructions beyond our influence such as war, trade restrictions, malfunctions and delays in the supply of essential materials, the period of delivery is extended for the duration of such measures and obstructions. This is also valid when the circumstances occur with sub-suppliers in the case where we are behind schedule.
5. If we cannot deliver according to the agreed schedule, our liability in the case of slight negligence with regard to claims for compensation is limited to the compensation of foreseeable damage typical for the contract instead of the delivery performance.

In connection with claims for compensation due to delay of the delivery performance our liability in the case of slight negligence provided no other contractual obligation has been violated is limited to a flat rate compensation amounting to 1% for each completed week of delay but up to a maximum 8% of the value of the part of the delivery which cannot be used according to the contract and/or cannot be delivered. The purchaser is nevertheless entitled to provide evidence of higher damages caused by the delay in delivery. This presupposes, however, that a reasonable period of grace imposed on us by the purchaser has expired without delivery taking place.

The aforementioned limitation of liability is not valid if a commercial sale to be performed at a certain point in time was agreed or if due to the delay in delivery for which we bear the responsibility the purchaser can assert that his interest in fulfilment of the contract no longer exists.

6. If the purchaser withdraws from the order placed without due reason, we can demand 25% of the sales price of the goods to compensate for costs incurred in processing of the order and lost profits. The purchaser retains the right to prove lower costs were incurred and we retain the right to prove that higher costs were incurred.



7. Part deliveries are permissible and do not breach the contract.
8. For contracts for goods to be delivered on demand, approximately the same monthly volumes must be provided for orders to be delivered along with specifications provided there are no arrangements to the contrary. Contracts for goods to be delivered on demand are subject to the other respective regulations.

IV. Passing of risk / default of acceptance

1. At the latest the risk passes with shipment of the contract goods to the purchaser and also when part deliveries are made or we have accepted other costs, e.g. shipping or forwarding costs. On the request of the purchaser and at his cost deliveries from us can be insured against the usual risk of transportation.
2. If the shipping is delayed as the result of circumstances which are the responsibility of the purchaser, the passing of risk takes place on the day of notification of readiness for shipment.
3. If, after the goods are finished, we require acceptance of the delivery, the purchaser must accept delivery within 5 days. If this does not take place, acceptance is deemed to have taken place.
4. If the purchaser delays the acceptance, he must bear the resulting costs and at the least the storage charges to the amount of 0.5% of the order value per commenced month up to a maximum of 5% of the total value of the order.
5. Delivered goods must also be accepted by the purchaser if they have insignificant defects.

V. Terms of payment, defence of insecurity, right of retention

1. When the order is placed we are entitled to demand a reasonable advance payment or security.
2. Provided no other arrangements have been made, the price is due for payment without deductions within 14 days.
3. In the case of first orders we reserve the right to execute these only with cash on delivery or payment in advance.
4. If, due to a mutually agreed contract, we are bound to supply an initial performance, we can refuse to honour this obligation if after conclusion of the contract it is evident that our right to a service in return is at risk due to a lack of performance from the purchaser. We can then impose a reasonable period of notice on the purchaser during which, step by step, the purchaser can effect his performance against our performance as he sees fit or to provide security. If the period of notice expires without a result, we are entitled to withdraw from the contract.



As far as we have already executed our performance, we can fix a due date with immediate effect for receivables resulting thereof which are not yet due for payment. Otherwise are also entitled to withdraw from the contract.

5. Furthermore, we have the right to make receivables due for premature payment arising from the legal relationship if the purchaser delays payment on at least 25% of the outstanding total obligations to us (undisputed principal receivables) for longer than six weeks.
6. The purchaser can only offset receivables which are undisputed or legally binding. This is also valid for the assertion of a right of retention of the purchaser.

VI. Reservation of ownership

1. We reserve ownership of the delivered goods ("contract goods") based on this contract until all outstanding payments arising from the contract have been settled. If the purchaser breaches the contract, in particular with regard to delayed payment, we are entitled to take back the contract goods. If we take back the contract goods, we withdraw from the contract. After we have taken back the contract goods we are authorised to recycle the goods and charge any income gained from this against the liabilities of the purchaser after deduction of a reasonable amount for the recycling.
2. The purchaser is obliged to handle the contract goods carefully and in particular he is obliged to adequately insure the contract goods at his own cost against the risk of damage from fire, water and theft for the new value. As far as maintenance and inspection work is necessary, the purchaser must execute these in good time at his own cost.
3. In the case of garnishments or other interventions of third parties the purchaser must inform us immediately about this in writing so that we can take legal action according to § 771 ZPO (German code of civil procedure). As far as the third party is not able to reimburse us for the court and extraordinary costs of legal action according to § 771 ZPO, the purchaser is liable to us for any loss on our side.
4. The purchaser is entitled to resell the contract goods in the usual course of business, but already now he cedes all receivables to us to the amount of the invoiced amount (including VAT/sales tax) of our receivables which accrue to him against the consumer or third party through the resale, whereby this is independent of whether the contract goods are sold with or without processing. The purchaser is authorised to recover these receivables also after the cession. Our authorisation to recover the receivables on our own account remains unaffected by this. However, we undertake not to recover the receivables provided the purchaser fulfils his payment obligations from the received proceeds, does not enter into default of payment and in particular does not become insolvent or stops the payments. If, however, this is the case, we can demand that the purchaser makes known to us the ceded receivables and their debtors, that he makes all details available for their collection, that he makes available all the respective documentation and advises the debtor (third party) of the cession.



5. The processing or alteration of the contract goods by the purchaser is always made on our behalf. If the contract goods are processed together with other articles not belonging to us, we acquire co-ownership of the new articles according to the proportion of the value of the contract goods (invoiced amount, including VAT/sales tax) to the other processed articles at the time of the processing. The articles which result from the processing are also subject to the same regulations as the contract goods delivered with reserved ownership.
6. If the contract goods are inseparably mixed with articles not belonging to us, we acquire co-ownership of the new articles according to the proportion of the value of the contract goods (invoiced amount, including VAT/sales tax) to the other processed articles at the time of the mixing. If the mixing is made such that the article of the purchaser is seen as the main article, it is agreed that the purchaser transfers the respective proportion of ownership to us. The purchaser looks after the resulting exclusive or part ownership for us.
7. The purchaser also cedes the receivables for security of our receivables against him which accrue through the connection of the contract goods with real estate against a third party.
8. On the request of the purchaser, we undertake to release any securities owing to us as far as the market value of our securities exceeds the receivables requiring security by more than 10%, whereby the choice of the securities to be released remains at our discretion.

VII. Own documentation, technical details, industrial property rights of third parties, type samples

1. We reserve all rights of ownership, copyright and exploitation for draft designs, drawings, cost estimates, moulds, samples, fixtures, CAD data, electronically stored data and other documentation (hereinafter referred to as documentation). They may only be made available to third parties with our express prior approval in writing.
2. Documents must be returned to us at no cost if the order is not placed with us or an other solution has been found. The purchaser is not allowed to retain any copies.
3. The purchaser assures that all drawings, models, samples, sketches or other documentation which the purchaser has passed on to us for the purpose of the manufacture of articles do not infringe on the industrial property rights of a third party. If a third party prohibits us from manufacturing or delivering the articles with reference to the infringement of patent rights, we are not obliged to check the legal position but are entitled in this respect to stop all further activity and demand from the purchaser the replacement of costs incurred and the lost profit. After a first request from us, the purchaser is also obliged to release us from any claims of third parties. This obligation of release from the purchaser also relates to all damage and costs which we incur in connection with claims made by a third party.



4. Technical details (e.g. dimensions, specific weights) in the quotations, catalogues and order confirmations do not represent any acceptance. We reserve the right to deviate from the tolerances according to the DIN or ISO standards.
5. If type samples are manufactured according to samples or drawings sent to us or other agreements and these are made available to the purchaser for inspection, they are decisive for the execution of the order provided the purchaser does not immediately object in writing.

VIII. Models and samples of the purchaser, modifications

1. As far as the purchaser makes models, tools or samples available, these must be sent to us at the cost and risk of the purchaser. They are stored by us at the risk of the purchaser and we are not obliged to insure them.
2. We never accept liability for neglect of duty resulting from work performance which was approved according to drawings, models, moulds and other documents and details which were checked by the purchaser and sent to us as production documents. However, we are entitled to make modifications, in particular with regard to the design, choice of materials or execution provided this appears to us to be necessary for technical reasons and does not contradict the order confirmation and purchaser specifications. The purchaser will accept other additional modifications if he deems these to be reasonable. We can dispose of models and samples not required unless another arrangement is defined in an agreement.
3. If models, tools and other technical equipment are manufactured by or through us, the purchaser must reimburse us for the manufacturing costs unless another arrangement is agreed in writing. We retain exclusive ownership of the models, tools and other equipment unless another arrangement is agreed with the purchaser in writing. The same is valid for modifications and replacement models and follow-on tools.
4. If the purchaser sends us drawings or provides details regarding models, moulds, tools, etc. which must be produced by or through us, he is responsible for the correct version of the documents provided by him for the purpose in hand.

IX. Claims, warranty and liability

1. The products delivered by us must be inspected immediately for any defects. We must be notified immediately in writing of any defects which are determined. We must receive notification in writing of any discernible defects at the latest within one week after delivery of the products to the destination.
We are obliged to provide supplementary performance in cases where the notification of the defect is justified and the notification is provided in time, whereby according to our discretion we can either rework the products or replace the products to deliver products free of defects. If we refuse acceptance



of both types of supplementary performance or if the supplementary performance is not successful or if it is unreasonable for the purchaser, the purchaser can exercise his rights according to the law (price reduction or release from the contract). Clause X of these conditions is valid for claims for compensation.

2. Claims on the warranty covering defects become time-barred 12 months after the goods have been transferred.

X. Compensation for damages and liability limitations

1. We are liable
 - without any restrictions for contract violations due to the deliberate or gross negligence of our company management, managers and auxiliary persons;
 - without any restrictions for cases of deliberate or negligence resulting in harm to life, body or health;
 - for premeditation and negligence if we have violated an important contractual obligation, whereby for slight negligence our liability is, however, limited to compensation for the foreseeable damage typical for this type of contract;
 - without restriction according to the guarantee provided by us if we have intentionally remained silent with regard to a defect;
 - for defects of the delivered goods according to the product liability law, independent of blame, for death, bodily harm and harm to health on articles mainly used for private purposes;
 - for delays in delivery according to clause III No. 5 of these conditions.
2. Further claims for compensation made against us are excluded independent of their legal nature. This is also valid for claims for liability outside this contract.
3. As far as our liability is excluded or limited, this is also valid for the personal liability of our workers, representatives and auxiliary persons.

XI. Industrial property rights; defects of title

1. Purchaser claims relating to infringements of industrial property rights (commercial trademark rights, etc.) are excluded as far as the purchaser is respectively responsible. In as much as the delivery by us is agreed to be free of industrial property rights, this only relates to the destination country.
2. Purchaser claims are also excluded as far as the infringement of industrial property rights is caused by special specifications of the purchaser, by an application unforeseeable for us or not agreed by us, or when the delivery has been modified by the purchaser or used together with products not supplied by us.
3. As far as we are obliged to provide compensation for damages, this is defined by clause X.



XII. Right of withdrawal of the purchasers, contract changes

1. A breach of contractual duty on our part only entitles the purchaser to withdraw from the contract if we are responsible for the circumstance. Excluded from this is the right of withdrawal if there is a defect.
2. In as much as unforeseeable events such as defined in clause III. point 4 can substantially change the economic significance or content of the delivery or have a considerable effect on our company, the contract will be modified under consideration of acting in good faith. As far as this is not economically justified, we reserve the right to withdraw from the contract without a requirement to pay any compensation. If we decide to exercise this right of withdrawal from the contract, we will advise the purchaser of this and also in the case when initially an extension of the delivery time was agreed together with the purchaser.

XIII. Data protection

We are entitled to process or have processed all purchaser data arising from the business relationship in accordance with the German data protection act.

XIV. Place of fulfilment, court of jurisdiction , applicable law

1. If the purchaser is a merchant, the court of jurisdiction is our headquarters, whereby we are, however, entitled to take legal action against the purchaser at the location of his office.
2. The law of the Federal Republic of Germany is applicable and the application of the UN commercial law is excluded. If there is an ambiguity between the English and German versions of these general terms and conditions, the German version is authoritative.
3. As far as nothing to the contrary is contained in the order confirmation, our business location is the place of fulfilment.

XV. Legality of the contract / severability clause

1. The contract remains valid even if a clause is shown to be legally ineffective. The invalid clause must be replaced by a valid one which best reflects the meaning of the invalid clause. The same is valid if an omission in the contract is discovered during execution of the contract.
2. The aforementioned is not valid when adherence to the contract were to represent an unreasonable degree of severity for one of the parties.