

I General

1. The following Conditions of Sale apply exclusively to all contracts for deliveries and services, namely also to such contracts as will arise from future business relations, concluded between the Buyer and us. Differing conditions of the Buyer which we do not expressly recognize will not be binding on us even if we do not expressly object thereto. Any further agreements or additions shall be in writing. Our Conditions of Sale apply only to entrepreneurs (s 14 of the BGB [German Civil Code]).

2. Our offers are subject to confirmation.

3. We reserve rights of ownership, copyright as well as any other industrial property rights to cost estimates, drawings and other records; they may be made available to third parties only after our consent in writing.

II Time of Delivery and Performance, Reservation as to Oneself Obtaining Delivery, Bearing of the Risk and Partial Deliveries

1. Agreed periods of delivery shall begin to run at the time the Buyer has fulfilled any obligations to effect advance performance.

2. The period of delivery has been adhered to if we have notified the Buyer of readiness for dispatch.

3. Correct and timely obtaining supplies ourselves shall be a precondition.

4. We shall be liable pursuant to the statutory provisions in the event of delay (a) and impossibility (b) of delivery/service in cases of intent or gross negligence. However, in cases of gross negligence our liability shall be limited to the foreseeable damage typical of the contract if none of the exceptional cases listed in sentence five of this clause exists. Otherwise our liability

(a) for delay in performance shall be limited to 5 per cent and for damages in lieu of performance to 50 per cent of the purchase price.

(b) for impossibility (damages) and/or reimbursement of expenses incurred to no avail to a total of 50 per cent of the purchase price.

Further claims of the Buyer on account of delay or impossibility of delivery shall be excluded. That limitation shall not apply as far as we shall be under any liability in cases of intent, gross negligence or damage to life, limb and health. The right of the Buyer to withdraw from the contract shall not be affected.

5. Goods shall travel ex our works or ex our distribution warehouse at Buyer's risk, namely also in the case of deliveries free domicile unless we handle transport by means of our own vehicles from our business establishment or warehouse. Unloading and warehousing shall at any rate be the Buyer's responsibility.

6. We shall be entitled at any time to effect partial deliveries and partial performance as far as this is reasonably acceptable for the Buyer.

III Scope of Supplies, Price, Payment, Due Date

1. Quantity variances up to ± 10 per cent of the agreed scope of supplies shall be deemed to be in conformity with the contract. The purchase price shall be determined by the quantity actually supplied.

2. In addition to the total price indicated in the confirmation of sales, value-added tax will be charged at the respective statutory rate.

3. Payment in full shall be due upon delivery or acceptance and receipt of our invoice. The Buyer will default without any further notice eight days after the due date as far as it has failed to effect payment. Bills of exchange and cheques will be accepted only in case of an appropriate agreement and will constitute payment only when honoured.

4. In case of default in payment interest on arrears will be charged at the rate of 1 per cent per month counted from the due date. Proof of a lesser damage caused by delay shall be reserved for the Buyer; the assertion of further damage caused by delay shall be reserved for us.

5. The Buyer shall be barred from exercising a right of retention unless it relates to the same contractual relationship. The Buyer shall be entitled to setoff against counterclaims - even if defects are notified - only if those counterclaims are undisputed or have been established by a non-appealable judgment.

IV. Retention of Title

Notwithstanding delivery and the passing of risk in the Goods, or any other provision of these conditions, the property in the Goods shall not pass to the buyer until we have received payment in full of the price of the Goods and all other Goods agreed to be sold by us to the Buyer for which payment is then due. The Buyer shall be obliged to ensure the Goods at its own expense for the time they remain our property. If retention of title is not valid, under applicable law we shall be entitled to rights as closely as possible to the rights above as such law permits.

V Liability for Defects

1. Immediate notice of defects shall be given in writing upon discovery of a defect. Notices of defects given late or not in due form cannot be considered. Warranty claims of the Buyer shall become statute barred one year after arrival of the goods at the place of destination, at most within 14 months after dispatch of the goods to the Buyer; unless we have maliciously concealed the defect. The period of limitation in case of recourse to a supplier under ss 478 and 479 of the BGB shall not be affected.

2. There shall be no claims arising from a defect in case of only a slight deviation from the agreed quality or in case of only negligible impairment of usefulness.

3. In case of justified complaints we will to the exclusion of any further claims remedy the defect at our option either by substitute delivery carriage paid against return of the goods objected to or by repair. If substitute delivery or subsequent performance (remedying the defect) is impossible or if substitute delivery or subsequent performance is not effected by us despite a written warning within a reasonable period to be fixed for us by the Buyer or if substitute delivery also shows considerable defects or if already two attempts at remedying the defect have failed, then the Buyer may demand that the contract be reversed (cancellation). Any further liability, in particular for damages, shall only apply within the limits of clause VI.

4. Claims under a right of recourse by the Buyer against us pursuant to s 478 of the BGB (recourse to the entrepreneur) shall exist only as far as the Buyer has not made any agreements with its customers exceeding the statutory claims arising from a defect.

5. We shall not be under any liability for defects attributable to particular climatic or other particular local or operational circumstances at the place of destination.

VI Claims for Damages

1. We shall be liable pursuant to the statutory provisions in cases of intent or gross negligence. Otherwise we shall only be liable under the Product Liability Act for injury to life, limb or health or for culpable violation of essential contractual obligations. However, the claim for damages resulting from violation of essential contractual obligations shall be limited to the foreseeable damage typical of the contract. Our liability shall also be limited to the foreseeable damage typical of the contract in cases of gross negligence unless it is a matter of one of the exceptional cases stated in sentence 2 of this paragraph 1.

2. However, liability for damage caused to legally protected interests of the Buyer, e.g. damage to other objects, shall be excluded absolutely. This shall not apply as far as it is a matter of intent or gross negligence or we are liable for injury to life, limb and health.

3. The provisions of the above paragraphs 1 and 2 extend to include damages in addition to performance and damages in lieu of performance, for whatever legal reason, in particular for defects, violation of obligations resulting from the relationship under the law of obligations or based on a tortious act. They shall also apply to a claim for reimbursement of expenses incurred to no avail. However, liability for default and impossibility shall be determined by clause II.

4. Any change in the burden of proof to the disadvantage of the Buyer is not involved in the above provisions.

VII Applicable Law, Legal Venue

1. The business relations with the Buyer shall be governed exclusively by the law of the Federal Republic of Germany.

2. The place of performance and the venue for the settlement of disputes shall be Hamburg. At our option we may also sue the Buyer before the court having jurisdiction over the Buyer's principal place of business.