

General Terms and Conditions of Purchase

- Valid as of September 2004 -

The following terms and conditions only apply to transactions with businesses within the meaning of § 310 (4) of the German Civil Code (BGB), public legal entities and public special funds. They shall apply to all of our purchases and orders. They apply exclusively. We do not accept the terms and conditions used by the seller that contradict or deviate from our terms and conditions unless we have explicitly consented to their applicability in writing. Terms and conditions of the seller shall also not apply to us, even if we have not expressly contradicted the same. German law shall apply, to the exclusion of CISG. The place of jurisdiction is Stuttgart.

1. Ordering, confirmations:

Our orders shall only be binding if they are made in writing. In the event that our order is made on the basis of the seller's offer, the contract shall be deemed to be concluded upon receipt of our order by the seller. The seller is to confirm our order stating our order number within three (3) working days after receipt thereof. If this confirmation is not given or is given late, we are entitled to rescind the contract within 14 working days after sending our order by way of written declaration. In the event that our order is not made on the basis of the seller's offer, the contract shall be deemed to be concluded upon receipt of the seller's written confirmation.

We are to be expressly notified thereof should the seller's confirmations deviate from our order. In this case, a contract shall be concluded only upon our written consent.

Modifications and amendments to concluded contracts must also be made in writing. The stipulation requiring the written form shall also apply to the waiver of such stipulation itself.

Our orders and the processing thereof are to be kept confidential from third parties.

2. Prices, invoicing and passage of risk:

The stipulated prices are fixed and independent of the time of delivery. In the event that we place orders without specifying prices, only those list prices valid on the day of the order may be charged.

The invoice is to be sent in duplicate to our postal address and must include our ordering information. It may not be included with the packaging of the goods sent.

The seller shall bear the risk during shipment.

The prices include delivery and packaging free to the shipping address.

3. Delivery period:

The delivery period specified in our order is binding.

The seller is obliged to notify us without delay and in writing if circumstances occur or are

identified that result in the inability to adhere to the delivery period.

We are entitled to the remedies provided for by law inasmuch as the delivery by the seller is late. In particular, we are entitled, after passage of a reasonable period, to demand damages in lieu of performance and rescind the contract. In the event that we demand damages, the seller shall be entitled to also prove that the seller did not culpably breach the contract.

4. Acceptance and notice of defects:

Industrial disputes, operational malfunctions and other circumstances beyond our control that result in a diminishment of our requirements, as well as in the case of force majeure, shall release us from the obligation to accept delivery for the duration and scope of their effect.

We are obliged to inspect the goods within a reasonable period of time for any deviations in quality and quantity. We shall carry out random sampling in the event that larger quantities of goods are delivered. In the event that defects are determined hereby, necessitating the inspection of the entire quantity of goods, the seller is to bear all of the costs incurred in the inspection of the goods for defects and deviations from the contract.

The notification of defects is to be made in a timely manner inasmuch as the notification is received within a period of four weeks after receipt of the goods (obvious defects) or after discovery (hidden defects) by the seller.

5. Warranty:

All dimensions, weights and quality descriptions are deemed to be guarantees as construed by §§ 276 (1), 443 and 639 of the German Civil Code (BGB) if we especially pointed this out to the seller at the time of placing the order.

In the event that the goods or services are defect, we are – irrespective of our other statutory remedies – to demand at our discretion delivery of replacements, subsequent repair or a reasonable price reduction. In urgent cases, we are entitled to remedy the defects ourselves or have them remedied or to procure replacements at the cost of the seller.

The statute of limitation shall be 36 months. It shall begin with the performance of the service or the delivery of the goods to us or to a third party specified by us.

6. Shipping, packaging:

The delivery is to be made to the postal address specified in the order. In the absence of other agreements, the deliveries are to be made free to the postal address and including packaging. A bill of delivery stating our order-number is to be attached to every delivery. Partial deliveries must be especially marked.

The place of performance for the seller's duty to accept returns in accordance with § 4 of the German Packaging Ordinance from 12 June 1991 (VerpackV) is the site where the goods are handed over.

7. Material provisions (patterns, drawings, tools, etc.):

Documentation of all kinds that we provide to the seller, such as patterns, drawings, models, records stored on data media, etc. are to be kept for us by the seller until we request them to be returned. In this case, they are to be returned to us without additional request and free of charge. The seller is not permitted to make use thereof for the seller's own or other purposes. In addition, they may not be duplicated or made available to third parties.

Material, individual parts, tools, devices, instructions, print templates or information on data storage media may also not be made available to third parties in absence of our prior consent. This duty shall also continue to exist after the contract is completed. Failing which, the seller is liable for all damages sustained by us as a result of a breach of this duty.

Tools, devices, instruction, printing templates or information on data storage media, for which we have assumed the costs, may only be used for our purposes, must be kept for at least five (5) years following delivery and may not be altered in the absence of our prior consent.

We shall retain title to the material provisions we make to the seller. Processing or alterations by the seller shall be deemed to have been made on our behalf. In the event that objects we own are processed together with objects not belonging to us, we shall receive joint title to the new object in the relationship of the value of our object (purchase price plus VAT) to the other processed object at the time of processing. In the event that the object we own is inseparably commixed with objects not belonging to us, we shall receive joint title to the new object in the relationship of the value of our object (purchase price plus VAT) to the other commixed object at the time of processing. If the goods are commixed such that the seller's object is deemed to be the principal object, the parties agree that the seller shall assign pro

rata joint ownership to us. The seller shall keep the sole ownership or the joint ownership on our behalf.

Tools that we provide to the seller or that the seller manufactures for us shall also remain under our ownership. The seller may only use the tools in manufacturing the goods we order. The seller is obliged to insure those tools belonging to us against fire, water and theft up to the reinstatement value and is to bear the costs thereof. The seller herewith assigns to us already all claims arising from such insurance. We herewith accept this assignment. The seller is obliged to carry out any required maintenance and inspections, as well as all repairs and servicing of our tools and bear the costs thereof. The seller is to notify us immediately of any malfunctions. In the event that the seller culpably omits to do so, we shall be entitled to claim damages.

Material provisions, in particular material delivered by us, must be inspected by the seller to ensure that the correct quantity was delivered and to ensure that the objects are free of defects. The seller is to make any objections in writing and within one week after receipt of the objects. If no objections are made, the quantities specified by us in the delivery papers shall be deemed correct and the objects shall be deemed to be free of defects.

8. Payment:

Inasmuch as not otherwise agreed upon, the settlement of the invoice shall either be affected within 14 days with a discount of 3% or net within 60 days after receipt of the goods and invoice.

We are, without restriction, entitled to the rights of offsetting and retention in the scope provided for by law.

9. Seller's retention of title:

We acknowledge the declarations made by the seller regarding the retention of title to the goods delivered by the seller to the extent provided for by law and in the decisions of the courts; the stipulation of an extended group retention of title for all outstanding accounts or the obligation to forward a retention of title to our customers shall, however, require our express consent in writing.

10. Product liability:

Inasmuch as the seller is responsible for product damages, the seller is obliged upon our first request to hold us harmless from the claims of third parties for damages to the extent that the cause falls within the domain and organizational sphere of the seller and the seller is liable with regard to third parties.

In this case, the seller is also obliged to reimburse use for any expenditure that we incur in connection with our recall action. We shall – inasmuch as is possible and reasonable – inform the seller in writing of the content and scope of our recall actions and give the seller opportunity to respond thereto. The seller agrees to maintain a product liability insurance with a coverage of € 5 million per personal injury/property damage; any additional claims for damages, to which we are entitled, shall remain unaffected hereby.

11. Intellectual property rights:

The seller assures that no rights of third parties are violated in connection with the seller's delivery. In the event that claims are asserted against us by third parties, the seller is obliged to hold us harmless from these claims upon our first written request. The seller's duty to hold harmless related to all necessary expenditures we sustain in connection with the claims asserted against us by third parties. The above mentioned claims, including the violation thereof, shall become time-barred ten (10) years after the contract is concluded.