

GENERAL TERMS & CONDITIONS OF PURCHASE

1. General Conditions 1.1 All orders to Seal Concept GmbH are subject to these general terms and conditions, insofar as not expressly agreed otherwise. Supplier conditions as set forth in his General Terms and Conditions of Business or in the confirmation of order are expressly waived. Our terms and conditions of purchase are then also valid exclusively when we do not object to the conditions of our supplier in an individual case or when we do accept deliveries from the supplier despite of knowing of his contrary or supplementary terms of business. 1.2 These terms and conditions of purchase are also valid for all future business transactions with the supplier, even if these are not expressly agreed specifically at a later date. 1.3 The ineffectiveness or non-executable character of an individual provision of these terms and conditions of purchase does not affect the validity of the remaining provisions. In place of the invalid or non-executable provision, a legally permissible regulations should be substituted which is as near as possible to the purpose intended by the invalid or non-executable provision.

2. Conclusion of the Agreement 2.1 Orders and commissions are then binding when they are made in writing or confirmed in writing. Any changes, additions or ancillary agreements at or after conclusion of the contract require our written confirmation. The requirement for the written form can also only be waived if made in writing. Written form can include transfer by fax, e-mail or data transfer. 2.2 The supplier shall confirm each order within a period of 14 days, stating the order number and article number. If we do not receive the confirmation of order within the specified period we are entitled to withdraw from the contract without any claims being made against us. Supplier call-offs are binding if the supplier does not oppose these within 14 days of notification. Amendments, additions or other deviations from our orders are then only effective if these are expressly and specifically stated and we expressly give our consent.

3. Prices and Terms of Payment 3.1 The prices quoted in the order are fixed prices. Agreed prices are the highest prices but any price reductions in the period between ordering and payment of the invoice shall be granted to us. Costs of transport including packaging, insurance and all other ancillary costs are borne by the supplier insofar as not expressly agreed otherwise. 3.2 Invoices are to be drawn up immediately after dispatch of the wares and stating the date of the order, order number and article number and send to us by separate post. Each order is to be invoiced separately. The sales tax is to be listed as a separate item, otherwise is deemed to be included in the price. 3.3 Invoices are to be made out in EURO and payments shall be made exclusively in EURO. The supplier shall inform us accordingly of his bank account details, his correct IBAN and corresponding BIC, together with his sales tax identification number. 3.4 Payments are made following acceptance of the consignment and receipt of a verifiable invoice and transfer of all documentation pertinent to the scope of the consignment. Insofar as previously agreed, we might choose settlement according to credit note notification procedure as set forth in § 14 section 2 clause 2 UStG (German Sales Tax Law). Insofar as not expressly agreed otherwise, we shall pay within 14 days with the deduction of 3% prompt payment discount or within 30 day without deductions. 3.5 Without our prior written consent, the supplier is not entitled to assign his receivables against us in part or as a whole to a third party or dispose of these in another way. Offsetting on the part of the supplier may be undertaken only for claims which we do not dispute or which are deemed as enforceable in law.

4. Delivery dates and conditions 4.1 The dates of delivery as agreed in the order are binding. Any default or delay in the agreed delivery dates and deadlines must be notified immediately to us in writing by the supplier. 4.2 Part consignments or earlier deliveries may be undertaken only with our expressed prior consent. The entitlement to payment however, is then only according to the originally agreed delivery date. 4.3 The consignment, insofar as not otherwise agreed, must be accompanied by a delivery note. First deliveries, especially those which have a sample status, are to be accompanied by a full set of first sample documentation according to our individually concluded supplier agreement. 4.4 Times for acceptance of deliveries are agreed as weekdays Mon.- Thurs. 8.00-12.00 and 13.00-16.00 hours Fri. 8.00-12.00 hours. 4.5 Without expressed notification to this effect the supplier is deemed in default if he does not render his performance of supply of the agreed quantities by the agreed order dates. In the case of default, we are entitled at our choice and without subsequent notice to demand either later delivery and compensation for damages for delayed delivery or compensation for non-performance or to withdraw from the contract. In the case of excess quantities delivered of >5% per item we expressly reserve the right to return the wares to the amount of over-delivery at the cost of the supplier. Moreover, for every week of default we are entitled to demand a contractual penalty to the amount of 1% in total but not more than 5% of the order value. 4.6 Events arising by reason of force majeure which make it impossible or extremely difficult for a delivery to be made by our supplier or acceptance or use of the consignment to be undertaken by our company or at our customer's company influence our obligation for our acceptance in accordance with our actual requirement as appropriate. In case of force majeure affecting us or our suppliers, we are entitled as we choose to withdraw from the contract either in part or in its entirety.

5. Place of performance Place of performance is the place at which - according to the order - the wares are to be delivered or at which the performance is to be rendered. For our payments our seat of business is the place of performance.

6. Transfer of risk Insofar as not otherwise agreed, the supplier bears the risk and the costs of dispatch up until acceptance at the place of performance. The risk of accidental perishing or accidental deterioration of the consignment, even though we have declared our willingness to accept the freight costs, then only passes to us with our acceptance or that of our commissioned freight forwarder at the agreed place of performance or after final acceptance of the consignment, depending on

which is the later point of time.

7. Place of performance With transfer at the place of performance or to a freight forwarder commissioned on our behalf, ownership of the goods passes to us, without reservation of any rights for the supplier.

8. Warranties and remediation of defects 8.1 The delivered wares are examined by us on the basis of the accompanying documents only in respect of identity and quantity and for any externally visible transport damage. Faults in the consignment, as soon as these have been determined during the normal course of our business procedures will be notified to the supplier within a reasonable period of at least 14 working days after they have been discovered. In the case of defects in wares and services which are not determined until after commissioning. The period of guarantee shall begin at the point of time of commissioning (also by third parties). The supplier undertakes to waive the counterclaim of delayed notification of defect: § 377 HGB (German Commercial Code). 8.2 The obligation of warranty on the part of the supplier is aligned to legal regulations, especially relating to defects in goods supplied without limitation or exclusion of liability on grounds of cause or amount and releases us from the claims of third parties. 8.3 In principle we have the right to select the type of performance in remedy of the defect. Without having to set a period of prior notice we have the right in urgent cases e.g. to prevent acute danger or avoid greater damage and insofar as the supplier does not immediately begin to rectify the damage, to begin or to carry out the repair of damage ourselves or through the agency of a third party. 8.4 The period of guarantee is 2 years starting on the date of transfer of risk if the otherwise legal period of guarantee or that of the supplier does not provide for a longer period. 8.5 If as a result of a defective delivery a goods received control is necessary which exceeds the normal scope then the supplier shall bear the costs for this.

9. Product liability 9.1 If liability claims are enforced against us the supplier undertakes to release us from these claims including costs for possible call-backs, if and insofar as the cause for these lies within the field of management and administration of the supplier and he himself would be liable in external relations. 9.2 The supplier shall take out an extended product liability and call-back campaign costs insurance with a cover sum of at least EUR 2,500,000.00 (two million five hundred thousand Euro) respectively per damages claim to persons or property - lump sum. Our claims however are not limited to these cover sums.

10. Reservation of property / Confidentiality 10.1 The supplier supplies the sold goods free from the rights of a third party. We accept a reservation of property of the supplier only insofar as this was expressly agreed with us outside the General Terms & Conditions of Business. 10.2 All documents e.g. drawings, plans, samples, models, data processed records and programs which we place at the disposal of the supplier remain our property and must not be made accessible to third parties. Contraventions are subject to compensation for damages. The documents are to be handed back unsolicited as soon as they are no longer necessary for the delivery or performance. 10.3 We reserve the right of property to all parts which we have placed at the disposal of the supplier. Processing will be undertaken for us. Insofar as our parts are bound with or mixed with foreign owned objects, we acquire co-ownership of the bound with or mixed with foreign owned objects in proportion to the value of our parts in the foreign owned object. 10.4 Tools, moulds and devices which we paid for in part or in full are under our ownership or co-ownership and are made available to the supplier only by way of loan.

11. Protection rights and Quality Assurance 11.1 The supplier shall assure that the goods he supplies and the use of these does not contravene industrial protection rights or other rights of third parties and do not violate legal or administration authority regulations of any kind. Further, the contractor gives his assurance that in the wares he supplies there is no CFC, PCB, asbestos or other substances categorized as especially dangerous. 11.2 The contractor undertakes to release us from all claims which a third party brings against us by reason of or in connection with the goods supplied or the use of these. For claims of this kind the statutory limitation period is 10 years. 11.3 The obligation of release on the part of the contractor also extends to all expenditure arising from or in connection with utilization by a third part. 11.4 In the delivery of machines and systems the contractor shall also supply free of charge a risk analysis in conformity with EN 1050 as set forth in the EU machine directive 98/37/EG insofar as these machines and systems are subject to this EU-machine directive. 11.5 The contractor undertakes to provide a so-called certificate of origin for the contractual objects, i.e. the contractor must provide us in good time with the necessary declarations on the origin of the contractual objects in terms of commercial and preferential law, and also notify us immediately and unsolicited, of any change in origin. If appropriate, the contractor shall provide evidence of his stated information in respect of origin of the contractual products by means of an information sheet confirmed by his customs office. Should the contractor not fulfil this obligation then he is liable for all and any damages arising. 11.6 The contractor undertakes to maintain a quality management system during the whole period of the contractual relationship in conformity with the requirements of the norm standard TS16949, DIN EN ISO 9000, QS9000 etc. and to monitor this at regular intervals by means of internal audit and in the event of any deviation, he shall immediately undertake the necessary measures such that the perfect quality of all consignments to us is guaranteed. We have the right to inspect the quality assurance system of the contractor at all times, with prior notification of our inspection. At our request the contractor shall allow us to view his certification and audit records and shall permit us access to all test records and documentation undertaken in respect of the goods supplied.

12. Applicable law, place of jurisdiction 12.1 For the legal relationship between our company and the supplier, insofar as not otherwise agreed, the currently valid regulations of the Federal Republic or Germany are exclusively in force with the exclusion of UN Law on the International Sale of Goods. 12.2 Place of jurisdiction is Augsburg.