

1. General

The present General Terms and Conditions form an integral part of all our contracts governing the delivery of goods and services. These terms are addressed only to entrepreneurs within the meaning of § 14 German Civil Code and not to consumers within the meaning of § 13 German Civil Code. Within the framework of current business relations the present General Terms and Conditions shall be considered agreed upon upfront covering all future contracts. Individual agreements shall take precedence over the present Terms and Conditions, but shall require a written confirmation to become effective.

Purchase conditions of Buyers shall be considered non-binding for us to the extent that they are not identical to the present General Terms and Conditions. This shall also apply in cases where purchase conditions are not explicitly objected to.

2. Quotations and Orders

Our quotations are subject to change regarding price, quantity, delivery date, and availability. For sure, we will examine your offers immediately and will tell you as soon as possible about any changes about our offers. Orders placed with us shall only be considered accepted when confirmed by us in writing.

3. Prices

All stipulated prices are quoted net excluding freight, packaging and additional charges. Statutory sales tax shall be charged in addition.

In case of major changes to price-relevant factors we reserve the right of adjusting the price, provided a period of at least 4 months has elapsed between the order entry and the agreed delivery date. This also applies if goods are purchased on call and the product call occurs more than 4 months after the contract was closed. Existing rights of rescission remain unchanged.

4. Delivery and Delivery Dates

HY-LINE endeavours to keep the announced delivery dates. However, as we depend on the timely delivery of third parties we are unable to assume any liability regarding delivery dates. In case of delayed delivery the Buyer shall grant a reasonable grace period of at least 3 weeks. After an unfruitful expiry of this grace period the Buyer is entitled to withdraw from the contract. Damages for reasons of non-performance are excluded even after expiry of the grace period, unless otherwise agreed upon in Item 9. Part consignments are permissible.

HY-LINE is entitled to withdraw from the contract in cases where the contractual goods to be delivered are no longer available in the market. Deviations of the delivered goods from the quotation documents are permissible to the extent that they are technical in nature and do not constitute a significant deviation from the subject-matter. In case substitute goods are considered to be products of higher technical specification, HY-LINE is entitled to

adjust the price subject to their reasonable discretion in conformity with the market. The Buyer shall receive a written notification on any price increase in advance. Unless the Buyer objects within a period of 7 days in writing, the new price is considered to be agreed upon. Otherwise the Buyer is entitled to withdraw from the contract. Damages for reasons of non-performance are excluded.

The delivery period shall be expanded reasonably – also by way of a delay – in case of superior force or natural events and any contingencies which occur after the contract is closed, provided such contingencies are beyond HY-LINE's control and are proven to have significant implications on the delivery of the subject-matter. This also applies in case such contingencies occur at HY-LINE's suppliers and their sub-suppliers.

HY-LINE undertakes to notify the Buyer without delay on the occurrence and end of such contingencies. The Buyer is entitled to request a statement from HY-LINE whether HY-LINE intends to withdraw from the contract or deliver within a suitable period of time. In case HY-LINE fails to make such a statement without delay, the Buyer is entitled to withdraw. In this case any services already rendered by the contracting parties shall be reimbursed. Additional claims on the part of the Buyer are excluded.

5. Shipment

In case the goods are shipped to the Buyer at the Buyer's request, the risk of accidental loss or deterioration of the goods shall be transferred to the Buyer upon shipment of the goods to the Buyer, i.e. upon leaving the business premises of HY-LINE at the latest. This shall also apply in cases where delivery is effected freight or packaging paid as agreed. Consignments – including any returns – are exclusively shipped at the Buyer's own risk.

6. Acceptance, Damages

The Buyer undertakes to accept the delivered goods and inspect them for the agreed contractual condition; in addition we refer to Item 9 of the present General Terms and Conditions. In case the Buyer denies acceptance of the goods without due reason, HY-LINE is entitled to set to the Buyer a grace period of 14 days in writing. Should the Buyer upon expiry of such grace period refuse to accept the goods or explicitly declare his refusal of the goods in advance, HY-LINE is entitled to withdraw from the contract and may claim damages for non-performance. In this case HY-LINE – irrespective of the right to claim higher damages – may claim 30% of the goods' net value in damages. In this case it is not required to provide evidence of the loss.

The amount of damages may be higher if HY-LINE provides evidence of a higher loss. The

Buyer explicitly reserves the right to provide proof that no loss has occurred or that such loss is lower than the lump-sum paid in damages.

The above provision applies accordingly in cases where the Buyer withdraws from the contract without due reasons.

7. Payment

Invoices made out by HY-LINE are – unless otherwise agreed upon in writing – payable net without deduction of postage and other expenses within 10 days from the invoice date. In case part deliveries are agreed upon for the same consignment the invoice amount is due for payment after billing subject to the present General Terms and Conditions. Cheques shall only be accepted in performance subject to cashing. Reservations of title and prolonged reservations of titles pursuant to Item 8 of the present General Terms and Conditions shall continuously be effective until the amount due has irrevocably been credited to us.

HY-LINE has the right to assign its claims against the Buyer to a third party.

In case payment dates are exceeded, we shall be entitled to claim interest on arrears amounting to 8% above the base interest rate p.a. We reserve the right to claim higher damages.

If the customer is in arrears with a claim, all other claims against the customer can be made due. Our claims may exclusively be offset against uncontested or final and binding counterclaims. Payments shall exclusively be made into the stipulated accounts.

In case of first-time orders or still pending credit status investigation HY-LINE is entitled to require upfront payment or COD (Cash on Delivery). This also applies in cases where the Buyer is in arrears relative to his obligations to perform

based on the present or any other order. In this case HY-LINE is furthermore entitled to withhold additional deliveries or subject them to security deposits. Should the Buyer fail to meet these requirements, HY-LINE is entitled to set a grace period of 2 weeks by written notification and in case of non-performance and expiry of this period to claim damages for reasons of non-performance pursuant to Item 6 of the present General Terms and Conditions.

The customer shall bear all fees, costs and expenses incurred in connection with any legally successful legal action against him outside Germany.

8. Reservation of Title

Until all receivables resulting from the business relations have been paid in full we reserve all property rights relative to the delivered goods, which may only be disposed of by way of ordinary course of business.

In case of a resale the Buyer already at present by way of first rank assigns to HY-LINE any claims resulting from a sale of the conditional goods to a third party up to the invoice amount of the resold goods. HY-LINE accepts the assignment by performance. Until revoked the Buyer is entitled to collect the amount on behalf of HY-LINE. The Buyer undertakes to keep the amount separate and to transfer it to HY-LINE without delay.

In case the Buyer processes the delivered goods within the process of manufacturing new products, the parties agree that HY-LINE obtains co-ownership in the new product to the extent that the delivered goods contribute to the value of the new product. The Buyer shall keep custody of the subject-matter on behalf of HY-LINE free of charge. HY-LINE is entitled to require granting of actual possession or joint possession of the new product.

In case the Buyer disposes of the new product which is co-owned by HY-LINE to a third party, the Buyer upon placing of the order shall by way of first rank assign to HY-LINE his claim for payment towards such third party in proportion to the amount of his liabilities towards HY-LINE.

HY-LINE is entitled to notify the assignment to such third party.

9. Warranties

All goods delivered by HY-LINE are manufactured by third parties. Specifications of goods are taken from our suppliers. Within the scope of commercial practice these technical specifications shall be considered approximate and do not constitute warranted properties.

Claims based on defects of the goods delivered by HY-LINE shall be subject to a limitation of 12 months from delivery to the Buyer. The above clause shall not apply where legislation pursuant to Section 479 I German Civil Code (BGB) requires longer periods. Prior to returning goods the Buyer undertakes to obtain our approval.

The Buyer undertakes to inspect the goods immediately (without culpable negligence) upon receipt. Any complaints relative to quantity and type or complaints relative to parts and their obvious defects can only be accepted if submitted in writing within 10 days upon receipt of the goods. Other defects shall be notified without delay in writing, no later than 7 days from detection. Failure to submit complaints lead to an exclusion of additional warranty claims.

In case of justified complaints the Buyer is entitled to request repair or substitute delivery as may be chosen by HY-LINE. In case this is not feasible within a reasonable period of time, the Buyer is entitled to require a reduction in compensation or to withdraw from the contract.

Any claims of the Buyer relative to expenses incurred during subsequent performance, especially transportation, carriage, labour and material cost are excluded to the extent that these expenses increase due to the fact that goods subsequently delivered by us are transported to a place other than the Buyer's subsidiary, unless such transportation corresponds to its intended use.

Damages are excluded from the warranty, which can be attributed to natural wear and aging, chemical, mechanical or electrolytic influences, insufficient maintenance, disregard of operating or installation instructions or other reasons for which the supplier is not responsible.

Warranty claims relative to electronic components and semiconductors expire in case of any changes to the products which are not in line with the technical labelling and in case of failure to return the products to us within the return period specified to the Buyer. In case goods are returned without suitable packaging the risk of damage shall be borne by the Buyer. Prior to installation of the delivered good in devices or other products the Buyer shall undertake to inspect the products to ensure freedom from defects. No liability is accepted for the suitability of the delivered goods for the purpose intended by the Buyer.

HY-LINE's liability for material damage is limited to the foreseeable common loss not to exceed the amount of € 1.5 m (third party liability insurance).

10. Liability

Damages may only be claimed from us, our legal representatives or agents in case of intent or gross negligence. In case of slight negligence liability shall only be accepted in case of infringement of substantial contractual obligations. In this case we shall only be liable for foreseeable

contractual losses. Our liability under applicable product liability acts and liability for injuries resulting from violation of life, body or health remains unaffected.

11. Place of Performance and Legal Venue

The place of performance for deliveries and payments shall be Unterhaching near Munich/Germany. Legal venue for any disputes arising in connection with the present Agreement shall be Munich in cases where the Buyer is a merchant. The laws of the Federal Republic of Germany shall apply exclusively. We hereby explicitly exclude application of a uniform sales law, especially the United Nations Convention on the International Sale of Goods (CISG).

Should individual provisions be or become ineffective, this shall not affect the validity of the remaining provisions. Ineffective provisions shall be substituted by such clauses which permissibly correspond to the economic purpose intended.

The Buyer may only assign claims against HY-LINE to a third party subject to HY-LINE's prior written consent, unless in cases of pecuniary claims, which are accepted by HY-LINE in writing or are established and recognized pursuant to law.

In accordance with the Federal German Data Protection Act we hereby declare that we save and process data in IT systems. This is considered a notification pursuant to Section 33 subparagraph 1 Federal Data Protection Act (BDSG).

12. Miscellaneous

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13. Additional Re-Export Conditions

The goods delivered are subject to German – and where manufactured in the US – US export controls and embargo restrictions. Re-exporting goods from the EU is subject to permission by the Federal Office of Economics and Export Control (Bundesamt für Wirtschaft und Ausfuhrkontrolle). Any goods manufactured by US producers in addition require a special permission from the competent US authority when exported from the EU. Information may be obtained from the trade departments of the US Consulates and the Federal Office of Economics and Export Control.

The Buyer shall be liable to meet the respective requirements when delivery is made to ultimate consumers.

14. Additional conditions for webshop orders

I. Customer information regarding electronic commerce:

We sell exclusively to businesses within the terms of § 14 BGB (German Civil Code), i.e. to

natural or legal persons or partnerships with legal status who act in the course of their commercial or independent professional activity when concluding a commercial transaction.

a) Detailed description of the ordering process:
In accordance with § 312i (1) sentence 1 no. 2 BGB in conjunction with Art. 246c No. 1 EGBGB we are obliged to provide the individual technical steps leading to the conclusion of the contract. A customer account is required to place an order, which can be created with password protection during the initial ordering process.

Initiation of the ordering process:

Click on the button "Add to shopping cart" in the "Product description" and the goods will be placed in the shopping cart. You can now decide whether you want to continue your purchase or initiate the ordering process by clicking on "continue".

On the next page you can register with your customer data or create a new customer account.

Entry/checking of data

On the following page you can enter or correct your data (name, company, delivery address, invoice address, VAT ID, etc.).

By clicking on "continue" you will be shown the only permitted payment method "credit card".

Completion of the order process:

Click again on "Continue" for an order overview. You have the possibility to acknowledge the terms and conditions again. You will then receive an overview of your data and the goods that are due to be ordered as well as the most important contract information, especially the total price. You can also add comments to your order.

By clicking on the button "Order against payment" you can now complete the order process by entering your credit card details. You will then receive an order confirmation.

II. Regulations for the conclusion of a contract:

a) The goods displayed in the online shop do not represent legally binding offers to conclude a contract but serve as a request to submit a binding contractual offer (so-called invitatio ad offerendum/invitation to submit an offer).

b) The legally binding submission of the purchase offer is made via the items in the shopping cart and by clicking on the button "Order against payment" and entering the credit card data. You are bound to this purchase offer for 14 days after placing the order. We are entitled until receipt to reject the purchase offer.

c) The contract is not concluded until we have received the declaration of acceptance. Immediately after receipt of the customer order, an order confirmation will be sent. This order confirmation serves exclusively the documentation of the order and the fulfilment of our legal obligations according to § 312g paragraph 1 sentence 1 no. 3 BGB but does not represent an acceptance of the contract by us.

The acceptance declaration of the contract is explicitly made in text form within the scope of the dispatch confirmation.

d) No storing of contract texts:

We do not store contract texts. We therefore request that you save or print the texts relevant to the contract.

e) Correction of input errors:

As shown under a), you can change and correct your entries several times during the ordering process. For the final time on the order page.

f) Contract languages:

The contract language in the online shop is German.

g) Code of conduct:

We have not adopted any codes of conduct within the scope of Art. 246a § 3 No. 5 EGBGB.