



Terms and Conditions of Sale and Delivery

I. General provisions – scope of application

1. All present and future deliveries and services of ILME GmbH are subject to these General Terms and Conditions.
2. Deviating purchase and business conditions of the contracting parties are only binding for ILME GmbH, if they have been expressly confirmed by ILME GmbH in writing.
3. German law shall apply exclusively to all contractual relationships of ILME GmbH. This shall apply irrespective of the country and legal system in which the contracting party operates. Nor does it matter to which destination the ordered delivery is to be made.
4. The customer acknowledges these terms and conditions of sale and delivery unless he expressly disagrees in writing. In addition, the regulations of the *Verband Deutscher Elektrotechniker* [Association of German Electrical Engineers] shall apply to all deliveries and services insofar as they are relevant for the safety of the deliveries or services. Deviations are permissible if the same safety level is guaranteed by other means.
5. ILME GmbH reserves the unrestricted right of ownership and copyright exploitation of cost estimates, drawings and other documents. They may not be made accessible to third parties. Drawings and other documents belonging to offers must be returned immediately upon request if the order is not awarded to ILME GmbH.

II. Pricing

1. Prices quoted by ILME GmbH are in Euro and are net prices without value added tax. This will additionally be invoiced at the applicable rate.
2. Prices are ex works or ex warehouse, excluding packaging.
3. Orders under €250.00 net will be charged with an administrative surcharge of €15.00. For closed acceptance of goods of €500.00 net, delivery is made carriage paid to the receiving station, excluding packaging. In the case of closed acceptance of goods to the value of €1,000.00 net, delivery shall be made carriage paid to the receiving station of the goods, including packaging.

Special conditions apply to export, which shall require confirmation on a case-by-case basis.

4. The packaging will be charged at the most favourable conditions. It will not be taken back.

III. Retention of title

1. All deliveries of goods by ILME GmbH are subject to retention of title. The retention of title exists until the complete settlement of all claims from an ongoing business relationship.
2. The customer is obliged to treat the goods with care. If maintenance and inspection work is required, the customer must carry this out regularly at his own expense.
3. The customer is obliged to inform ILME GmbH immediately of any third-party access to the goods, e.g. in the event of seizure, as well as of any damage to or destruction of the goods. The customer must notify ILME GmbH immediately of any change of ownership of the goods and of his own change of residence.
4. ILME GmbH is entitled to withdraw from the contract and to demand the return of the goods in case of breach of contract by the customer, in particular in case of default of payment or in case of breach of his obligations according to clauses 3 and 4 of this provision.
5. The customer is entitled to resell the goods in the ordinary course of business. He hereby assigns to ILME GmbH all claims in the amount of the invoice amount arising from the resale to a third party. ILME GmbH accepts this assignment. After the assignment, the customer is authorised to collect the claim. ILME GmbH reserves the right to collect the claim itself as soon as the customer does not meet his payment obligations properly and is in default of payment.
6. The treatment and processing of the goods by the entrepreneur always takes place in the name and on behalf of ILME GmbH. If the goods are processed or combined with objects not belonging to ILME GmbH, ILME GmbH shall acquire co-ownership of the new object in proportion to the value of the goods delivered by ILME GmbH to the other processed objects. The same applies if the delivered goods are mixed with other objects not belonging to ILME GmbH.
7. In the event of damage or other impairment of the goods delivered by ILME GmbH under retention of title, the customer hereby assigns to ILME GmbH in advance any claims for compensation to which he is entitled against an insurance company. ILME GmbH accepts this assignment.

IV. Terms of payment

1. The customer undertakes to pay without any deduction within a period of 30 days of receipt of the goods.
2. ILME GmbH is entitled to demand advance payment of the invoiced amounts before dispatch of the goods, if it deems this necessary. If the customer is in default with the fulfilment of payment obligations or if ILME GmbH receives negative information about the customer via the usual sources of information (in particular Schufa, Creditreform and Bürgel), ILME GmbH is entitled to demand security for the delivered goods from the customer at any time or to withdraw from the contract without further ado after setting a deadline for payment.
3. Offsetting of the customer against claims of ILME GmbH with counterclaims is only permitted with undisputed or legally established counterclaims.



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V. Time limit for deliveries and services

1. The delivery periods stated by ILME GmbH are to the best of our knowledge, but are without guarantee. The standard delivery time is usually 30 days from receipt of order.
2. Failure by ILME GmbH to comply with agreed delivery periods shall entitle the customer to withdraw from the contract due to default if the customer has unsuccessfully set a reasonable grace period under threat of refusal. The period for deliveries or services shall commence on the day on which ILME GmbH confirms agreement of both parties on the contract in writing.

Compliance with the deadline requires the timely receipt of all documents to be supplied by the customer, necessary approvals, releases, the timely clarification and approval of the plans, compliance with the agreed terms of payment and other obligations. If one of the aforementioned conditions is not fulfilled in time, the period shall be extended accordingly.

3. Circumstances of force majeure for which ILME GmbH is not responsible and which make delivery more difficult, delayed or impossible, open up the possibility for ILME GmbH to postpone the delivery or residual or partial delivery for the duration of the hindrance for which ILME GmbH is not responsible or to withdraw from the contract in whole or in part.

ILME GmbH is not responsible in the sense of the above regulation for e.g. official interventions, operational disturbances, strikes, lock-outs, disturbances of work caused by political or economic circumstances, war or mobilization. This shall also apply if the aforementioned circumstances cause disturbances in the area of transport or with suppliers. The emergence of claims for damages due to delayed delivery in the aforementioned cases is excluded.

4. In the event of non-compliance with a firmly agreed delivery period for reasons other than those stated in Clause 3, the customer may demand compensation for delay in the amount of 0.5%, up to a total amount of 5%, of the value of that part of the delivery or service which could not be put to the intended use due to the late completion of individual items belonging to it for each completed week of delay. ILME GmbH and the customer reserve the right to prove higher or lower damages.

Claims for compensation of the customer exceeding the above mentioned limit of 5% are excluded, unless ILME GmbH can be accused of intent or gross negligence regarding the delay and its reasons. The same applies if injuries to body or health are caused.

The right of the customer to withdraw from the contract after the fruitless expiry of a grace period granted to ILME GmbH shall remain unaffected.

VI. Framework contracts

1. Framework contracts for purchase quantities, which are to be accepted in batches within a defined period of time, become effective after our order confirmation.
2. ILME undertakes to always keep two batch sizes in stock in order to guarantee short-term delivery in case of need.
3. The customer undertakes to accept the ordered goods within the agreed time frame.
4. ILME is entitled at the time of the expiry of the contract to deliver to the customer the goods, which have not yet been accepted, in one lot and to invoice them.
5. In the event of cancellation of a framework agreement, the customer is obliged to accept two lot sizes. ILME is also entitled to charge a cancellation fee of 20% of the order value still outstanding at the time of cancellation for the undelivered goods.
6. If custom-made products manufactured especially for the customer are the subject of the framework agreement, cancellation is excluded. In this case, the customer is obliged to take delivery of the ordered goods within the specified period.

VII. Transfer of risk

1. The risk of accidental loss and accidental deterioration of the goods shall pass to the customer upon handover, in the case of sale by dispatch, upon delivery of the goods to the forwarding agent, the carrier or any other person or institution designated to carry out the shipment.
2. It shall be equivalent to the delivery if the customer is in default of acceptance.
3. Transport insurance shall be at the expense of the customer and shall only be taken out by ILME GmbH at the express written request of the customer. ILME GmbH is only obliged to arrange such insurance if the relevant request of the customer has been reconfirmed in writing before delivery of the goods.

VIII. Warranty

1. ILME GmbH warrants for defects of the goods at the discretion of the customer by subsequent improvement or replacement delivery.
2. If the subsequent improvement fails, the customer may, at his discretion, demand a reduction of the remuneration (reduction) or rescission of the contract (withdrawal). In the event of a minor breach of contract, in particular in the event of minor defects, the customer shall not, however, be entitled to withdraw from the contract.
3. The customer must inspect the delivered goods immediately after delivery by ILME GmbH, as far as this is feasible in the ordinary course of business, and, if a defect becomes apparent, notify ILME GmbH immediately. If the customer fails to notify ILME GmbH, the goods shall be deemed to have been accepted unless the defect was not identifiable during the inspection. If such a defect becomes apparent later, the notification must be made immediately after discovery; otherwise the delivered goods shall be deemed to have been approved even in view



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of this defect. The burden of proof for the prerequisites for the claim, in particular for the defect itself, for the time of the discovery of the defect and for the timeliness of the notice of defect lies with the customer referring to this.

4. If the customer chooses to withdraw from the contract due to a legal or material defect after failed subsequent improvement, he shall not be entitled to any additional claim for damages due to the defect. If the customer chooses compensation after failed subsequent improvement, the goods remain with the customer if this is reasonable. The claim for damages is limited to the difference between the purchase price and the value of the defective item. This does not apply if ILME GmbH has maliciously caused the breach of contract.
5. The warranty period is 1 year from delivery of the goods.
6. Only the manufacturer's product description shall be deemed agreed as the quality of the goods. Public statements, praise or advertising by the manufacturer do not represent a contractual description of the quality of the goods.
7. If the customer receives faulty assembly instructions, ILME GmbH is only obliged to supply fault-free assembly instructions and only if the fault in the assembly instructions prevents proper assembly.
8. The customer does not receive any guarantees in the legal sense from ILME GmbH. Manufacturer warranties remain unaffected by this.

IX. Impossibility, adjustment of contract

1. If the delivery or service incumbent upon ILME GmbH becomes impossible, the general principles of law shall apply with the proviso that the Customer's claim for damages shall be limited to 10% of the value of that part of the delivery or service which cannot be put to the intended use due to the impossibility, unless ILME GmbH can be accused of gross negligence or wilful misconduct with regard to the impossibility. The right of the customer to withdraw from the contract remains unaffected by this.
2. If unforeseen circumstances, especially in terms of the above provision concerning force majeure, result in considerable changes to the economic implications, the delivery or service or should they have a significant impact on the operations of ILME GmbH, the parties to the contract shall agree on a corresponding and appropriate amendment to the contract subject to good faith. Should this not be economically justifiable for one of the parties, each party shall have the right to withdraw from the contract. In the event of such a rescission, the rescinding contracting party shall notify the other contracting party immediately after becoming aware of the reason for the rescission.

X. Other damage claims

Other claims for damages of the customer due to breaches of duty, in particular according to the traditional principles of positive breach of duty and breach of duties in contract negotiations as well as in tort, shall be excluded unless ILME GmbH can be accused of grossly negligent or intentional breach of duty. This limitation of liability applies to the customer accordingly. This limitation of liability expressly does not apply to culpable injuries to body and health in persons who come into contact with the execution of this contract and the contractual services as intended.

XI. Illustrations, dimensions and weights

Dimensions and weights given by ILME GmbH as well as submitted illustrations are always to be understood as approximate and non-binding.

XII. Custom-made products

If custom-made products are made for the customer, the tools manufactured for this purpose shall remain the property of ILME GmbH, even if they have been paid for by the customer. If such a tool is no longer required for the production of further orders for the customer within a period of 3 years, ILME GmbH is entitled to dispose freely of the tool.

XIII. Side-agreements

Side agreements and confirmations are only valid if they are confirmed in writing by ILME GmbH. This written form requirement can only be applied by written agreement.

XIV. Place of delivery and place of jurisdiction

1. Place of performance for the mutual obligations is the place of business of ILME GmbH at which the contract was concluded.
2. Place of jurisdiction within the scope of the legally permissible shall be Gummersbach for both parties to the contract. This shall also apply to legal actions under bill of exchange and cheque law. As provided under Section I.3, German law shall apply exclusively.

ILME GmbH can also sue the customer at his general place of jurisdiction.

3. The legal relationship between the parties shall be governed by German law.

XV. Final clause

1. Terms and conditions of the customer which contradict these ILME Terms and Conditions of Sale and Delivery require the express consent of ILME GmbH in order to become effective. Otherwise the conditions of the customer are not binding for ILME GmbH. This shall also apply if ILME GmbH does not expressly object to the customer's terms and conditions.
2. Should any provision of these General Terms and Conditions be ineffective, this shall not affect the remaining parts. In this case, the invalid provision shall be replaced by a provision which corresponds to the intended purpose and is legally permissible.