

General Terms and Conditions

1- Scope

The following terms and conditions are standard solely to all current and future contracts within the scope of our delivery and service business, provided no differing special agreements have been arranged. The nullity of individual conditions does not affect the validity of the others. This is also the case when individual conditions do not become part of a contract. Our terms and conditions shall only apply to companies within the scope of § 14 German Federal Law Gazette (BGB), legal persons of public law and separate estates subject to public law.

2 - Quotes and Acceptance

Our sales quotes are constantly subject to change without notice. Offered quantities in stock shall be subject to prior sale. In case of contracts being concluded subject to a written or faxed confirmation, contents of our confirmation are decisive, as long as the receiver does not contradict immediately. Information on dimensions, weight, colour, material and equipment in our catalogues and other illustrations is only approximate provided that it is not expressly described as being subject to a binding warranty in our order confirmation. The Purchaser may not reject modifications resulting from further technical development.

3 - Prices

Our prices are valid in Euros, excluding value-added tax, and shall apply ex works in Mühlheim. In general, we shall bill the prices applicable on the date of delivery. Packaging, transportation costs, insurance and all other costs incurred to us ex works will be billed additionally at cost price.

4 - Delivery

The time of delivery is approximate. The time of delivery shall only be legally binding if it is confirmed by us in writing. We shall only be liable for damage replacement claims due to delivery delays within the scope of Fig. 8.1 of these Terms and Conditions. If our delivery is impossible or made excessively difficult as a result of force majeure, official measures, factory shutdown, industrial action, extreme weather conditions or similar circumstances - whether at our premises or those of our suppliers - we shall be exempt from obligation of delivery for the duration of the delay and its consequences. We shall notify the Purchaser immediately from the onset of such events. These events also entitle us to withdraw from the contract. In the event of non delivery or an insufficient supply on the part of our presuppliers, we are released wholly or partly from our obligations to deliver. This shall only be applicable if we have met the required precautions for purchasing goods to be supplied by us and have carefully selected our presuppliers. We undertake in this instance to transfer our claims against our presuppliers to the Purchaser if he so requests. If the Purchaser is in payment arrears, we shall be exempt from our obligation to deliver for the duration of the arrears. The Purchaser's obligation to purchase remains unchanged. We also have the right to make partial deliveries if this

is reasonable for the Purchaser. Every partial delivery shall be subject to these General Terms and Conditions and does not allow either discounts or delays in payment. If on call delivery has been agreed upon, the Purchaser must request delivery within a reasonable period.

5 - Shipping and Storage Risk Involved

Every consignment will leave our works at the full expense and full risk of the Purchaser. This shall also apply in cases of force majeure and in the case of other unavoidable occurrences or infringements. Unless otherwise agreed, we shall select the appropriate mode of shipment and shall insure the consignment for the invoice value, door-to-door. Goods in intermediate storage shall be insured only up to 30 days. The Purchaser shall furnish written proof of any damage or shortage immediately upon receipt of the consignment. Sample consignments and goods on commission shall be transported and stored at the Purchaser's risk. Unless otherwise agreed in the particular case, it shall be hereby agreed, unless we are informed otherwise, that the Purchaser has purchased the consignment outright unless it has been returned no later than 3 months subsequent to the date of invoice. The amount in question shall then be payable immediately. Any impairment of value and all costs of return shipment shall be borne by the Purchaser.

6 - Return Shipments

The Purchaser may not refuse to accept or pay for goods delivered as per order. We shall accept returns only if we have confirmed this in the individual case in question. Proof of the delivery date of the returned items shall be furnished. We may implement price deductions depending on the age and condition of the goods. If the reason for the return is not attributable to a fault on our part, we shall be entitled to bill a processing charge of up to 20%, in addition to the costs of removing required markings. We shall be liable for returns at the earliest after they have been received undamaged on our premises. The costs of transportation shall be borne by the returning party. Implant packages that have been opened cannot be taken back for reasons of legal liability.

7 - Customised Goods

By placing his order, the Purchaser undertakes to always accept and pay for the customized goods, and he shall not reject the goods in the case of slight tolerances between ordered and delivered quantities. Complaints shall be accepted only if proof is furnished that the products manufactured by us differ obviously and appreciably from the order specifications. The Purchaser shall be liable for ambiguous order specifications. We shall recognize objections with respect to delayed delivery only if we have unconditionally pledged to deliver on a particular date and only after an appropriate period of grace. The prices of customized goods shall be based upon the original costs incurred for the particular order and which are recognized by the Purchaser upon placement of his order. Generally, such prices will be far higher than those of comparable standard items. The actual prices, after final production, may exceed or be less than the prices calculated in advance at the request of the Purchaser. These quotes shall be only approximately binding. We may demand 50% of the anticipated invoice value as a prepayment by way of security. We are not obliged to check whether third party industrial property rights are violated nor whether the prescribed design may lead to claims for compensation under

liability laws. The Purchaser shall be solely responsible and liable for this, and we, inasmuch, hereby refuse to accept liability for products in this respect.

8 - Liability for Defects

Complaints due to obviously defective or abnormal qualities of the goods or due to delivery of goods that are obviously different from those ordered can be made by the Purchaser in writing as soon as the goods are received, but no later than within one week of receiving the goods or after the defect has become obvious. The Purchaser must inspect the goods as soon as they are received and check them for material defects, e.g. in quantity and quality, and is obliged to record obvious defects upon receipt of delivery. Incidentally, § 377 of the German Commercial Code applies. We undertake to repair or exchange free of charge defective products returned to us. The Purchaser shall be entitled to cancel the contract or demand an appropriate reduction in the purchase price only if we are not able to do this within a reasonable period. Period of warranty generally is one year from date of delivery of the goods. The terms and conditions of the manufacturer, which shall be made available to the Purchaser for perusal if so requested, shall apply to delivery of third party products as regards liability for defects. On no account shall we be liable for defects and damage which may occur outside our premises as a result of transportation and subsequent storage, improper handling, incorrect use or other tampering with the supplied item that changes the guarantee or as the result of wear.

8.1 - Liability

Indemnity claims by the Purchaser, for whatever legal grounds, especially due to breach of obligations from the relationship of debenture and unauthorised handling, are excluded.

This does not apply insofar as our liability is legally mandatory, especially:

- in cases of intent and gross negligence
- where there is injury to life, body or health
- due to acceptance of a guarantee for the existence of a characteristic
- where key contractual obligations are infringed
- in accordance with German product liability legislation.

A change to the burden of proof to the Purchaser's disadvantage is not associated with existing regulations.

9 - Payment

Our invoices shall be paid 30 days subsequent to the date of invoice, in full. If a different mode of payment has been agreed in individual cases, payment shall be made on the agreed due date in full and exempt of charges. We may demand advance payment or provision of security from purchasers unknown to us and for customised items. Bills of exchange will be accepted only after our prior consent and only before the due date of the invoice. All expenses incurred to us as the result of bills of exchange, including interest, shall be refunded immediately by the drawee. In the event of payment default we are entitled to charge default interest at a rate of 8% above the prevailing base rate

in accordance with § 247 of the German Federal Law Gazette (BGB). The debtor shall fall into arrears if he fails to pay at our request after payment of the purchase price has become due. In any case, the debtor will be in arrears if he fails to pay on a date specified in the contract. The legal regulations, according to which the debtor shall automatically fall into arrears 30 days after receipt of the invoice, shall remain unaffected. If the debtor is in default of payment or if we become aware of circumstances that would render doubtful his ability to pay, we may opt to demand either immediate payment of all outstanding claims, including the outstanding bills of exchange or securities, and/or withdraw from the purchase contract. We shall be obliged to make further deliveries only if security for payment of these deliveries has been provided. The debtor may neither withdraw due payments nor offset them against nondue or non-recognised counterclaims. Payments in currencies other than Euros must correspond to the calculated Euro value at the buying rate in Tuttlingen on the date of receipt of payment. Losses on exchange shall be refunded by the Purchaser. Exchange gains shall be reimbursed to the Purchaser.

10 - Retention of Title

All items delivered remain our property until the purchase price is paid in full and all claims resulting from our business relationship with the Purchaser have been or will be paid. We shall be entitled to withdraw from the contract if the Purchaser falls into arrears with payment. The Purchaser shall be entitled to sell the items under the Terms and Conditions standard in the particular branch of industry. Upon sale of the items, the Purchaser shall transfer his claims and rights with respect to his customers to us until he has settled our claims for payment. The Purchaser shall be authorised to collect his claims provided he is not in default in payment or provided he is not forbidden to do this for just cause. If there is just cause, we may demand that the Purchaser disclose to his customer that the claims have been transferred and that he submit to us all documents required for collection. We undertake to release the securities appertaining to us inasmuch as their value exceeds our total claim by more than 10%. The Purchaser undertakes to immediately report to us any third-party encroachment upon our property. Until he has met all due claims against him, he may neither pledge the goods in question, nor transfer ownership thereof, nor dispose of them in any other illicit manner. The Purchaser shall do his utmost to protect and preserve our property.

11- Sales Documentation

All our sales documentation, such as catalogues, brochures, price lists, drafts or samples, shall remain our property even if a lending fee or nominal fee has been paid. This documentation may not be made accessible to unauthorised persons or rival firms without our approval, even in extract form. The holder of the documentation undertakes to return the documentation if we so request. Use of this documentation resulting in an impairment of our interests shall entitle us to demand compensation for damages. We are able to accept responsibility for any consequences resulting from printing errors or other errors only if we can be proven to have acted with gross negligence or deliberately.

12 - Place of Performance and Place of Jurisdiction

The place of performance and place of jurisdiction in respect of delivery and payment shall be Mühlheim. The legal relationships with us shall be subject solely to the law of the Federal Republic of Germany.