

General Terms and Conditions of Purchase

1. General Provisions

Unless otherwise agreed in writing, the following Terms and Conditions shall apply to the contractual relationship between the supplier (hereinafter referred to as "Supplier") and CarboFibretec. Any general terms and conditions of the Supplier are hereby expressly excluded. This shall also apply if the Supplier's terms and conditions are not expressly objected to.

2. Offer

- 2.1 Offers shall be binding and free of charge and shall not form the basis of any obligations of CarboFibretec whatsoever.
- 2.2 If the offer was preceded by a request from CarboFibretec, the Supplier shall adhere to said request.
- 2.3 The Supplier shall be bound by his offer for a period of 3 weeks after its receipt.

3. Order, Delivery Schedule

- 3.1 Only written orders and order changes from CarboFibretec shall be binding. Any oral agreements shall require written confirmation by both Parties.
- 3.2 Each order shall be confirmed to CarboFibretec in writing, with the binding delivery period, the price, the order number and the order date being specified.
- 3.3 If the Supplier does not accept the order within 5 working days from the date of the order letter, CarboFibretec shall be entitled to cancel the order without the Supplier being entitled to any claims whatsoever.
- 3.4 Delivery schedules of CarboFibretec shall, unless otherwise agreed specifically, become binding if the Supplier does not object to them immediately.

4. Changes and Additions

- 4.1 CarboFibretec may request changes or additions to the order at any time as it reasonably sees fit, with the Supplier's interests being taken into account.
- 4.2 Any price increases or extensions of delivery periods will only be accepted if additional costs and extensions of delivery periods are actually and provably connected to the change and if the Supplier informed CarboFibretec of them immediately after the change to the order.

5. Pricing, Invoicing, Terms of Payment

- 5.1 The price indicated in the order shall be binding. Unless otherwise agreed in writing, the price shall include free delivery as well as packing costs and all charges. If the taking back of the packaging or the return of empties has been agreed, the related costs shall be borne by the Supplier.
- 5.2 The statutory value added tax shall not be included in the price.
- 5.3 The costs of offers, sketches, drafts, sample sets, samples and similar preliminary work may only be invoiced if this has been agreed in writing.
- 5.4 Invoices shall be sent to CarboFibretec separately for each order. They must never be enclosed with a delivery.
- 5.5 In addition to the legal requirements, invoices shall correspond to the order - indicating CarboFibretec's complete order number - as regards the sequence of the positions and prices, with the position numbers being specified. The turnover tax shall be indicated separately.
- 5.6 Invoices can be handled by CarboFibretec only if the above requirements (cf. Sections 5.4 and 5.5) have been fulfilled by the Supplier. The Supplier shall be responsible for any consequences of the non-compliance with said duty, unless he proves that he is not responsible for such non-compliance.
- 5.7 Payments shall be made after the receipt of the goods and the invoice, according to the agreed terms of payment and in the payment run following the due date. Payments will be made with a 3 % discount within 14 days, with a 2 % discount within 30 days or net within 60 days. The period for the payment of the invoice shall commence upon receipt of the proper verifiable invoice (cf. Sections 5.4 and 5.5).
- 5.8 Payments shall be made subject to the approval of the delivery or service.
- 5.9 A payment does not mean any recognition of conditions and prices and does not affect CarboFibretec's rights in the case of defects.

6. Assignment and Right of Retention

- 6.0 The Supplier's assignment of any rights arising from the contract shall require CarboFibretec's prior written consent.
- 6.1 The Supplier may claim any right of retention only due to justified counterclaims arising from the same delivery.

7. Delivery and Delivery Period

- 7.1 The delivery period indicated in the order shall be binding subject to any written agreement to the contrary. Any partial deliveries or partial service, as well as the engagement of third parties for the performance of the delivery or service, shall require CarboFibretec's prior consent.
- 7.2 As soon as the Supplier realizes that he is unable to fulfil his contractual obligations, or to fulfil them on a timely basis, in full or in part, he shall inform CarboFibretec of it immediately in writing, indicating the reasons and the anticipated duration of the delay.

7.3 In the case of any delay in delivery, CarboFibretec may make its legal claims. In particular, CarboFibretec may, after the fruitless expiry of a period of 7 working days, require damages instead of performance or withdraw from the contract. If CarboFibretec requires damages, the Supplier shall be entitled to prove that he is not responsible for the breach of duty.

7.4 The above grace period need not be set if the delivery date has been agreed as a fixed date or if the Supplier states that he is not able to deliver/perform within the grace period either. The above right of withdrawal shall apply regardless of whether the Supplier is responsible for the failure to observe the delivery period.

7.5 If a contractual penalty has been agreed for missed deadlines for which the Supplier is responsible, CarboFibretec reserves the right to claim any damages going beyond that, for which he shall provide documentary evidence. The right to require the payment of any agreed contractual penalty shall not be forfeited by the fact that the contractual penalty was not expressly reserved when the delayed delivery was accepted.

8. Dispatch, Passing of Risk, Acceptance, Packing

8.1 The dispatch shall be performed carriage free and free of charges and packaging costs for CarboFibretec (unless otherwise agreed in writing) and at the Supplier's risk to CarboFibretec's place of business and during its normal hours for the acceptance of goods, Mondays till Fridays from 8 a.m. till 12 p.m. and Mondays till Thursdays from 1 p.m. till 4 p.m.. The legally binding acceptance of the delivery shall only take place after the inspection and approval through our incoming goods control. Any prior confirmation of the receipt of deliveries, or any prior payment of the invoice, shall not constitute any other treatment by CarboFibretec so that in such case, even the right to reject the delivery at a later date shall be reserved.

8.2 The deliveries (i.e. each carton, container or box) shall be accompanied by the proper documents, which shall indicate CarboFibretec's complete order number, the delivery address, the Supplier's name, CarboFibretec's item number, the description and the quantity. Without the appropriate accompanying documents, the delivery shall not be considered as proper fulfilment of the contract and shall therefore not be accepted but, at our choice and at the Supplier's expense, either stored or returned.

8.3 The Supplier shall pack, mark and send hazardous products in accordance with the legal provisions applicable at the time of delivery.

8.4 The risk shall not pass until the inspection and approval of the delivery of the goods through our incoming goods control or upon any delivery involving installation or assembly or, in the case of any other works, after formal acceptance by CarboFibretec.

8.5 In the case of any payment of duty on deliveries from third countries, this shall be noted in the shipping documents, and the required customs documents (freight documents, enclosures of invoices, proofs of preference, statement of origin etc.) shall be presented.

8.6 If the Supplier owes a work or the supply of a work, a formal acceptance shall be required. If for checking the Supplier's performance, it is necessary to put the work into operation or use for testing purposes, the acceptance shall only be performed after the successful completion of the tests.

9. Rights in the Case of Defects

9.1 CarboFibretec shall be obliged to check the goods for any deviations in quality and quantity within an appropriate period. A complaint shall be timely if it is received by the Supplier within a period of 3 weeks, counted from the receipt of the goods, or, in the case of hidden defects, immediately after their discovery.

9.2 If a defect becomes obvious within the warranty period, it will be assumed that it already existed at the time of the passing of risk, unless said assumption is incompatible with the type of defect. For the duration of the warranty period, the Supplier shall be liable for defects so that CarboFibretec shall, without prejudice to its other statutory rights, be entitled to require subsequent performance or an adequate price reduction, at its choice. CarboFibretec may choose the type of subsequent performance. The Supplier shall bear the necessary expenses for the subsequent performance. With regard to the handling of the subsequent performance, the Supplier shall comply with the company interests of CarboFibretec. If as a result of a defective delivery, an overall inspection exceeding the usual extent of an inspection on receipt, the Supplier shall bear the related costs. In the case of imminent danger or exceptional urgency (e.g. for preventing process interruptions), CarboFibretec shall be entitled to eliminate the discovered defects itself at the Supplier's expense without setting a deadline beforehand. For the duration of any rectification or repair, CarboFibretec shall be indemnified through the provision of replacements on request. Any rights of CarboFibretec arising from any warranties shall remain unaffected.

9.3 The period of limitation for claims for defects (subsequent performance as well as price reduction) shall be 36 months, counted from the passing of risk.

The period of limitation for claims for defects shall, for the entire object of agreement, be extended by the period between the first complaint about any defect and the elimination of the defect. For repaired or newly supplied parts, the period of limitation for claims for defects shall recommence, counted from the time of the complete elimination of the defect.

9.4 The Supplier shall indemnify CarboFibretec against any and all third-party claims under product liability which are based on defects of the product supplied by the Supplier. The Supplier shall refund CarboFibretec the costs and expenses which CarboFibretec incurs due to any precautions against claims under product liability – e.g. public warnings or product recalls or any legal disputes – the type and extent of which is necessary.

9.5 The Supplier shall, at his own expense, conclude and maintain sufficient liability insurance contracts for any damage caused by him or by his performing agents or vicarious agents. The amount of cover per damaging event shall be proved to CarboFibretec on request. However, the scope of the contractual or statutory liability

ity will not be restricted by the conclusion and proof of the liability insurance contract.

- 9.6 The Supplier undertakes to report any defective products to CarboFibretec without being asked and without delay and to send them only after CarboFibretec's prior approval. Any changes to the product and/or process definition shall also be reported to CarboFibretec, and where necessary, CarboFibretec's approval shall be obtained beforehand. CarboFibretec, as well as our customers and aviation authorities, shall be granted access to all facilities on the Supplier's site which are related to the order, and they shall be allowed inspection of all related records. The Supplier undertakes to inform any sub-suppliers of the requirements contained in each order, including key features, if required.

10. Secrecy, Advertising

- 10.1 The Supplier warrants that all persons whom he has entrusted with handling and fulfilling the order will comply with the legal provisions on data protection. The Supplier undertakes to treat all unapparent commercial and technical circumstances which become known to him due to this business relationship, particularly the operational and business processes of CarboFibretec, as business secrets.
- 10.2 Models, samples, drawings and any other documents which CarboFibretec provides to the Supplier are, and will remain, the property of CarboFibretec and shall be considered as confidential information. The Supplier shall keep them secret like all other knowledge obtained in connection with the contractual cooperation and observe CarboFibretec's copyrights.
- 10.3 If either Party realizes that any information to be kept secret comes into the possession of an unauthorized third party or that documents to be kept secret are lost, it shall inform the other Party immediately.
- 10.4 The Supplier may mention his business relationship in his advertising only with CarboFibretec's prior written consent.

11. Industrial Property Rights

- 11.1 The Supplier guarantees that by using the deliveries and services in compliance with the contract, no third-party industrial property rights will be violated. If claims are made against CarboFibretec by a third party, the Supplier shall be obliged to indemnify CarboFibretec against such claims upon the first written request. CarboFibretec shall not be entitled to enter into any agreement whatsoever, particularly any agreement on a settlement, with said party without the Supplier's consent.
- 11.2 The Supplier's duty to indemnify relates to all expenses which are necessarily incurred by CarboFibretec due to, or in connection with, the claims made by a third party.
- 11.3 The period of limitation for said claims shall be 10 years, starting at the time of the conclusion of the contract concerned.

12. Transfer

The Supplier may transfer his contractual obligations to third parties only with CarboFibretec's written consent.

13. Place of Performance, Place of Jurisdiction

The place of performance and exclusive place of jurisdiction for all disputes arising from, or in connection with, this Contract, including the duty of payment, shall be CarboFibretec's place of business unless a different place of jurisdiction or place of performance is prescribed absolutely by law. CarboFibretec shall also be entitled to sue before a court which is competent for the place of business or a branch of the Supplier.

14. Applicable Law

The contractual relationship shall be governed by the law of the Federal Republic of Germany.

15. Final Provisions

- 15.1 Any changes and additions or side agreements shall be effective in writing only.
- 15.2 The requirement of written form may only be waived by a written declaration.

As of February 2009