

General Terms and Conditions for the Manufacture and/or Delivery of Goods  
(GENERAL TERMS AND CONDITIONS)  
Status: May 2009  
of TAG Composites & Carpets GmbH, Gladbacher Strasse 465, 47805 Krefeld  
- hereinafter referred to as TAG -

**1. General provisions**

- 1.1 These terms and conditions apply exclusively to all business transactions including future transactions. They are the sole basis on which TAG manufactures and/or delivers goods. This shall apply irrespective of whether these transactions are sales contracts or contracts for work and materials. These GENERAL TERMS AND CONDITIONS shall not apply to transactions where TAG processes its customers' goods on their behalf but other terms and conditions shall apply.
- 1.2 TAG shall not accept any terms and conditions of the customer that conflict with or deviate from the GENERAL TERMS AND CONDITIONS unless TAG has expressly agreed in writing that they are valid. The GENERAL TERMS AND CONDITIONS shall also apply if TAG makes a delivery to the customer unconditionally with knowledge of the customer's conflicting or deviating terms and conditions.
- 1.3 These GENERAL TERMS AND CONDITIONS shall be deemed accepted at the latest when TAG takes delivery of the goods.
- 1.4 All agreements between TAG and the customer for the purpose of fulfilling this contract are set forth in writing in this contract.
- 1.5 TAG's representatives are only entrusted with the procurement of business and not with its conclusion.
- 1.6 TAG's quotations are not binding in any way. Sales contracts and other contracts for delivery shall only be deemed concluded when TAG has issued a written order confirmation after receiving the order.
- 1.7 The GENERAL TERMS AND CONDITIONS shall apply only to contractors and public law entities within the meaning of § 310 BGB [German Civil Code].

**2. Prices**

- 2.1 VAT at the legal rate is not included in TAG's prices. It shall be stated separately on the invoice at the legally valid rate on the invoice date.
- 2.2 TAG reserves the right to increase prices where contracts have an agreed delivery period of more than 4 months in accordance with any increases in cost due to collective agreements or increases in the price of materials. If the increase is more than 5 % of the agreed price, the customer shall have the right to terminate the contract within seven days of receiving TAG's request for the increase.

**3. Payment terms**

- 3.1 Invoices are issued on the delivery date (5.2). They are payable in full 30 days after their date of issue. No cash discount shall be granted even if payment is made prior to this.
- 3.2 Payment date is deemed to be the date on which the amount is finally at TAG's disposal.
- 3.3 All payments must be made in euros. TAG expressly reserves the right to refuse bills of exchange. Bills of exchange and cheques shall only be accepted on account of performance. Bank, discount, collection charges and other expenses shall be charged to the customer and shall be due immediately. TAG assumes no guarantee for the correct presentation of bills of exchange and cheques.
- 3.4 The customer shall only have a right of set-off if its counter-claims are recognised by declaratory judgement, are uncontested or recognised by TAG. The customer shall also be entitled to exercise a right of retention where its counter-claim is based on the same contractual relationship.
- 3.5 The material criterion for the conclusion of any contract shall be the customer's ability to pay.

**4. Default in payment**

- 4.1 The customer shall be in default if it fails to pay following a reminder sent by TAG after payment of the price becomes due. Notwithstanding this, the customer shall be in default unless it makes payment on a specific date stipulated in the contract. This shall not affect the statutory regulation, according to which a debtor is also automatically in default thirty days after receipt of an invoice.
- 4.2 If the customer defaults in making a due payment, TAG can require the remuneration agreed for further deliveries to be paid in cash before performing any other manufacturing or deliveries. TAG can also refuse temporarily to make further deliveries and nevertheless invoice the goods when they are ready for dispatch. This provision shall apply regardless of TAG's other rights.
- 4.3 The customer can, within a time limit of 5 working days after being requested to make payment, make the pre-payments provided for in 4.2 dependent on TAG providing a performance bond from a major German bank or public savings bank at the customer's expense for the amount of the pre-payments due.

**5. Delivery periods and delivery dates**

- 5.1 Delivery periods and delivery dates are based on TAG's written confirmation.
- 5.2 The date of delivery is deemed the date on which the goods are sent to the customer, or at the customer's request – by sending a ready-for-dispatch note – the date on which the goods are placed in store by TAG.
- 5.3 TAG has the right to make partial deliveries.

**6. Delay in delivery**

- 6.1 In the event of delay in the manufacture and/or delivery of goods, the customer's damage claims shall be limited in total to a maximum 5% of the invoice value of the deliveries and services affected by the delay. If the delay is less than 10 weeks and the customer is not entitled to any damage claim for non-performance, the customer's damage claims shall be limited to ½ % of the invoice value of the deliveries and services affected by the delay for each full week of delay. If delay is due to the intentional or gross negligence of TAG, its legal representatives or vicarious agents or a material breach of duty, statutory liability shall apply.
- 6.2 If, after TAG has already delayed delivery, the customer sets a reasonable period of grace with threat of rejection, the customer shall have the right, after this period of grace has expired in vain, to rescind the contract. The customer shall only be entitled to damage claims for non-performance amounting to the foreseeable damage if the delay is due to intentional or gross negligence or a material breach of duty. Furthermore, a damage claim shall be limited to 50 % of the damage incurred.
- 6.3 Limitation of liability according to 6.1 and 6.2 shall not apply if a commercial transaction for delivery by a fixed date was agreed. This shall also apply if the customer can assert that it is no longer interested in the performance of the contract due to the delay for which TAG is responsible.
- 6.4 TAG's compliance with its delivery commitment requires that the customer has duly fulfilled its obligations in a timely manner.

**7. Force majeure**

- 7.1 Measures in the course of industrial disputes, especially strikes and lock-outs and unforeseen obstructions that are outside the control of TAG, shall release TAG from its duty to deliver/provide services for the duration of their effects, and if they make it impossible for TAG to perform, shall release TAG in any way from its duty to deliver/provide services. This shall also apply if sub-suppliers are affected by such circumstances. In important cases, TAG shall notify the customer as soon as possible about commencement and duration of such obstructions.
- 7.2 If the delay lasts for longer than 3 months, the customer shall be entitled, after setting a reasonable time limit in writing with threat of rescission, to rescind that part of the contract not yet performed.
- 7.3 If the delay lasts for longer than 4 months and manufacture and/or delivery is only possible with obstructions to performance that are no longer reasonable or only possible with unreasonable additional expense, TAG can rescind the contract, also if an extension of the delivery period was initially agreed with the customer.

**8. Passing of risk and shipment, customer's default**

- 8.1 Place of performance for deliveries by TAG is TAG's works or warehouse where the goods are kept prior to shipment. The risk of accidental loss and accidental deterioration of the goods shall pass to the customer when the goods are handed over to the carrier but at the latest when they leave the works or warehouse. This passing of risk depends on whether the goods are shipped from the place of performance, which party bears the freight charges and which party carries out transportation.  
If shipment is delayed by circumstances for which the customer is responsible, the risk shall pass to the customer as of the date on which the goods are ready for dispatch but TAG shall be obliged at the customer's request and expense to arrange the insurance which the customer requires.
- 8.2 TAG deliveries are uninsured. At the customer's request, TAG shall insure shipments at the customer's expense against theft, breakage, transport damage, fire loss and water damage and other insurable risks. Freight charges and customs duties shall be borne by the customer. If TAG assumes the freight charges as an exception, TAG shall determine the type of shipment and the carrier.
- 8.3 The customer's duty to accept the delivery item and any obligation to call up orders are primary obligations of the customer, as is the obligation to pay the price. The customer's primary obligations are also obligations to obtain all necessary import licences and any letters of credit. TAG may make production and delivery dependent on the receipt of all necessary import licences and letters of credit. This shall not affect statutory regulations concerning the customer's default.
- 8.4 Irrespective of its other rights, TAG may, during the customer's default in one of the obligations stipulated in 8.3, otherwise dispose of the goods, and reasonably extend the delivery period and time of performance due to the required provision, procurement or production of new goods.

8.5 Any damage claims for non-performance made by TAG can be asserted in an amount of 15 % of the purchase price without proof of damage. A higher amount for these damage claims must be fixed, if TAG proves an exceptionally high level of damage in an individual case. A lower amount must be fixed or dispensed with completely, if the customer proves that TAG's damage is lower than 15 % or that TAG incurred no damage whatsoever.

## **9. Notice of defects**

9.1 TAG must be notified of any visible defects immediately in writing but at the latest within 10 days of receipt of the goods, and in any case before the goods are cut, processed or otherwise changed. Notification of defects that are not visible must be given in writing immediately they are discovered but at the latest within a time limit of 6 months after the goods are received by the customer or at its place of delivery. The customer may not derive any rights from its failure to give written notice of defects in due time.

9.2 If TAG places the goods in store before delivery at the customer's request or the customer defaults in accepting delivery, the date of receipt of the ready-for-dispatch note shall replace the date of receipt of the goods. The customer has the right and is obliged to inspect not only the goods delivered but also the goods placed in store.

## **10. Warranty**

10.1 If TAG is responsible for a defect, TAG shall at its option be obliged to eliminate the defect or deliver a replacement.

10.2 If elimination of a defect/a replacement delivery is excluded or fails, the customer shall have the option to rescind the contract or to request a corresponding lower price (reduction). This shall require the setting of a time limit for supplementary performance.

10.3 Unless otherwise stipulated below (10.4 and 10.5), further claims by the customer – for whatever legal grounds – shall be excluded. TAG shall therefore not be liable for damages that are not incurred to the delivery item itself. In particular, TAG shall not be liable for the customer's lost profit or other financial loss.

10.4 If the damage was caused by intentional or gross negligence, TAG shall be liable according to statutory regulations.

10.5 If TAG fails through its own negligence to comply with a material contractual obligation, liability shall be limited to damage typical for the contract. Liability shall also be excluded according to 10.3.

10.6 The customer alone is responsible for compliance with any legal and official regulations in using the goods delivered by TAG.

No objection may be made to customary deviations or slight technical deviations that are unavoidable (e.g. in the quality, colour, width, weight, equipment, design).

10.7 If the customer has the goods rectified on its own authority, the warranty obligation shall cease to exist.

## **11. Total liability**

11.1 A more far-reaching liability for damages than that provided for in 10.3-10.5 is excluded – regardless of the legal nature of the claim asserted.

11.2 The stipulation in 11.1 shall not apply to claims under §§ 1, 4 Produkthaftungsgesetz [Product Liability Act]. Unless limitation of liability applies according to 10.5 to claims under the manufacturer's liability of § 823 BGB, TAG's liability shall be limited to the amount paid by the insurance. If this is not paid or not paid in full, TAG shall be liable up to the amount insured.

11.3 The stipulation in 11.1 shall also not apply where TAG is initially unable to perform or is responsible for not being able to perform.

11.4 The stipulation in 11.1 shall also not apply if damage, which can be covered and is usually covered by a reasonable third party liability insurance, is caused by conduct which gives rise to liability.

11.5 If TAG's liability is excluded or limited, this shall also apply to the personal liability of TAG's salaried employees, workers, employees, representatives and vicarious agents.

## **12. Retention of title and other provision of security**

12.1 TAG's deliveries are subject to retention of title which is extended and prolonged according to the following provisions:

TAG shall retain title to the goods delivered as goods subject to retention of title until they are paid for and until all existing claims and claims still to be incurred in connection with the delivery item under the business connection with the customer are paid and fulfilled. This extended retention of title shall continue to exist if the individual claims are included in a current invoice or the balance is drawn and recognised. If TAG contracts any contingent liabilities in the customer's interest (payment by cheque, bill of exchange), the extended and prolonged right of retention shall not lapse until TAG is released in full from such liabilities.

12.2 If the customer or a third party processes the goods subject to retention of title on their own or with goods that do not belong to TAG into new movable property, the processing shall be on behalf of TAG, without TAG being bound by this. TAG shall thus acquire co-ownership of the new property in the ratio of the invoice value of the processed goods subject to retention of title to the value of the new property at the time of processing. If the goods subject to retention of title are connected, mixed or combined with goods that do not belong to TAG according to §§ 947, 948 of the German Civil Code, TAG shall acquire co-ownership in accordance with statutory provisions. If, by processing, connecting, mixing or combining, TAG does not acquire the co-ownership share provided for by these provisions, the customer herewith transfers co-ownership to TAG in the ratio of the invoice value of the goods subject to retention of title to the value of the new property at the time of processing, connecting, mixing or combining. The customer shall keep the goods which are co-owned by TAG free of charge for TAG and handle them with care. The goods co-owned by TAG shall be deemed goods subject to retention of title within the meaning of these provisions. TAG's co-ownership shall pass to the customer upon fulfilment of the claims specified in 12.1.

12.3 If goods subject to retention of title are sold by the customer on their own or together with goods that do not belong to TAG, the customer shall herewith assign to TAG the claims arising from the resale in the amount of the invoice value of the goods subject to retention of title. If the resold goods subject to retention of title are co-owned by TAG, assignment of the claims shall cover the amount that corresponds to the invoice value of the TAG delivery processed, connected, mixed or combined into the new property. Invoice value within the meaning of these provisions is the amount stated on TAG's invoice. If the claim from the resale is placed in a current account, the assignment of the future claim shall relate to the closing balance amounting to the invoice value within the meaning of the foregoing provisions.

12.4 The customer shall only be entitled and authorised to use and resell the goods subject to retention of title only in the customary and normal course of business, and only subject to the proviso that the claims from the resale according to 12.3 shall pass to TAG. The customer is not otherwise entitled to dispose of the goods subject to retention of title. The customer must notify TAG immediately of any impediment to its rights over the goods subject to retention of title or the assigned claims, irrespective of the customer's obligation to assert the rights on behalf of TAG in the case of imminent danger.

12.5 If the customer defaults in payment or fails to meet its obligations under 12. of these GENERAL TERMS AND CONDITIONS, TAG shall have the right to request the return of the goods subject to retention of title and revoke the customer's authorisation to collect the claims assigned to TAG. In such case, the customer shall be obliged to notify its customers of the assignment. Where revocation of authorisation is justified, TAG shall itself also have the right to notify the debtors of the assignment. This stipulation shall apply accordingly to the suspension of payments, petition in insolvency or institution of insolvency proceedings, judicial or extrajudicial composition proceedings, other disintegration of the customer's assets or in the case of a cheque or bill protest against the customer. At TAG's request, the customer shall be obliged at any time to specify the debtors of the assigned claims, to give all further details and hand over documents which allow TAG to assert the assigned claims against the debtors if the conditions for revocation of the collection authorisation are given.

12.6 Taking back the goods subject to retention of title shall not constitute TAG's rescission of the contract unless TAG expressly stated this.

12.7 At TAG's request, the customer shall be obliged to insure the goods subject to retention of title against loss, damage and theft at the customer's expense, and to prove that such an insurance exists. In this case, the customer herewith already assigns to TAG its claim to the sum insured, limited to the invoice value of the goods for which the insurance cover is used.

12.8 Title to or co-ownership in the goods subject to retention of title and the assigned claims shall pass to the customer upon payment of all TAG's claims for which security is provided according to 12.1. TAG undertakes to release the securities to which it is entitled at the customer's request to the extent that the realisable value of the securities for the benefit of TAG exceeds the securing claims by more than 10 % or the nominal amount by more than 50 %. TAG shall be responsible for choosing the securities to be released.

## **13. Applicable law, place of performance, legal venue, partial invalidity**

13.1 All legal relations between the parties shall be governed by the Law of the Federal Republic of Germany. Application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded.

13.2 Place of performance with respect to all rights and obligations arising under and in connection with the contractual relationship, in particular with respect to the manufacture and/or delivery of goods and payment, is Krefeld. This shall not affect 8.1 of these GENERAL TERMS AND CONDITIONS.

13.3 Any disputes hereunder – also with respect to legal actions for claims arising out of cheques and bills of exchange – shall be settled solely before a Krefeld court of law but subject to the proviso that TAG is entitled to have recourse to any otherwise competent court of law.

**General Terms and Conditions of Purchase**  
**Status: August 2010**  
**of TAG Composites & Carpets GmbH, 47805 Krefeld - hereinafter referred to as TAG -**

**1. Conclusion of contracts, declaration of intent and validity of the General Terms and Conditions of Purchase**

- 1.1 These general terms and conditions apply to all transactions - also future transactions - on the basis of which TAG places orders for deliveries and/or services. This shall apply irrespective of whether these are sales contracts, contracts for work and services, contracts for work and materials or other contracts.
- 1.2 General terms and conditions of the supplier which TAG does not expressly acknowledge in writing shall not be binding for TAG, even if TAG does not contradict them.
- 1.3 These General Terms and Conditions of Purchase shall be deemed accepted at the latest when execution of TAG's order begins.
- 1.4 Orders by TAG, collateral agreements, amendments and modifications shall only be valid when placed or made in writing or confirmed in writing by TAG. An order or confirmation in text form shall meet this requirement.

**2. Preparation of projects**

- 2.1 The preparation of projects by the supplier shall be free of charge for TAG.

**3. Production, deliveries and services by the supplier**

- 3.1 The supplier shall ensure that its deliveries and services
- are fully operational and can be used fully for the purpose of the contract;
  - are of highest quality and durability;
  - fulfil statutory provisions, regulations and guidelines, safety regulations, state-of-the-art principles, VDI and DIN regulations, health and safety regulations, accident prevention regulations, safety standards and occupational health regulations valid at the time of delivery and execution;
  - comply with the agreed technical data.
- 3.2 The supplier shall supply and provide the parts and services necessary to fulfil the requirements of 3.1, even if they are not specified in the order.
- 3.3 If the supplier lacks technical data to fulfil the scope of its deliveries and services, it shall request such data from TAG.
- 3.4 Before commencing production, the supplier shall submit the relevant drawings to TAG. By approving the drawings, TAG shall not assume any co-responsibility.

**4. Objects provided to the supplier by TAG and confidentiality**

- 4.1 The supplier shall keep with due care the parts for the object of delivery / object of service provided to it by TAG and the documents, drawings, models, tools and other objects provided to it by TAG. The supplier shall insure them against fire, theft and other damage at its own expense. They shall remain the property of TAG, irrespective of the stipulation in 5.2.
- 4.2 If an object provided to the supplier by TAG is attached or otherwise impaired, the supplier shall notify TAG immediately, irrespective of its obligation to assert TAG's rights itself on behalf of TAG where there is imminent risk.
- 4.3 The supplier shall keep the objects specified in 4.1 and the knowledge gained therefrom confidential. The supplier shall not copy or modify them unless, in the case of parts provided, a modification forms an integral part of the contract.

**5. Retention of title and parts provided by TAG**

- 5.1 If the supplier retains title, an extended and enlarged retention of title shall be excluded.
- 5.2 If the supplier processes parts provided by TAG for the object of delivery into a new movable item, they shall be processed on behalf of TAG. TAG shall as a result acquire co-ownership of the new item at the time of processing. If the parts provided are connected, mixed or combined with parts that do not belong to TAG pursuant to §§ 947, 948 BGB [German Civil Code], TAG shall become co-owner in accordance with statutory provisions. If TAG does not acquire, as a result of processing, connecting, mixing or combining, the co-ownership share provided for in these terms and conditions, the supplier shall herewith now transfer co-ownership to TAG in the ratio of the invoice value for the provided parts to the value of the new item at the time of processing, connecting, mixing or combining. The supplier shall hold these items in safekeeping free of charge for TAG, and shall handle them with care.

**6. Place and time of deliveries and services, shipment of goods**

- 6.1 Place of performance for deliveries and services is, unless otherwise agreed, the TAG works for which the deliveries and services are ordered.
- 6.2 The supplier shall give notice of the shipment of goods immediately in a written dispatch note. A delivery note must be included with the goods. If delivery is not made to a TAG works, a certified delivery note must be sent to the address of TAG's head office.
- 6.3 Default in delivery and/or default in providing services shall not require a reminder from TAG, if the supplier is a trader and the contract forms part of its business operations or the supplier is a public law entity or a special fund under public law.
- 6.4 Notwithstanding TAG's rights resulting from default in delivery or default in providing services according to statutory provisions, TAG can, where the time of delivery/provision of services is exceeded, claim 2 % of the invoice amount as contractual penalty for each full week of default or part thereof, but a maximum of 4 % of the invoice amount in total. The contractual penalty shall be set off against any damage caused by default. The contractual penalty is only the minimum value of the damages. If TAG accepts a late delivery/provision of services, a reservation, which shall be declared until TAG makes the final payment, shall suffice to maintain the right to the contractual penalty.
- 6.5 If TAG is entitled to damages for non-performance according to statutory provisions, TAG can claim 15 % of the purchase price without proof of damage unless the supplier proves that TAG has not incurred any damage or not in this amount. This shall not affect the assertion of further damage by TAG. 9.4 shall apply to claims for damages for non-performance under the warranty.
- 6.6 TAG reserves the right to rescind a contract and assert damages instead of performance as soon as a reasonable period of grace has expired without result. This shall not affect TAG's rights under statutory provisions.
- 6.7 The transport risk shall be borne by the supplier. This shall not apply when TAG transports the goods itself or engages the carrier itself.
- 6.8 The supplier may only engage sub-contractors to provide services with the written consent of TAG.

**7. Prices and payment**

- 7.1 The price is a fixed price which includes insurance charges, freight, costs of unloading, packing costs, incidental services and other charges. The turnover tax (value-added tax) included in the fixed price shall be specified separately on the invoice.
- 7.2 The supplier shall pay all freight and insurance charges when the goods are dispatched. For returned packaging, TAG shall be credited the full amount charged; freight for returned goods shall be borne by the supplier.
- 7.3 Unless otherwise agreed, TAG shall at its option deduct a 3 % discount for payment within 14 working days, a 2 % discount for payment within 30 calendar days, and shall pay the net amount within 60 calendar days. The term of payment shall begin upon receipt of the invoice but in the case of deliveries on no account before the goods are received and in the case of

services on no account before they are accepted. In the case of partial deliveries or partial services, the payment term shall not commence before the last delivery and service under the contract has been made unless it is a contract for successive deliveries.

- 7.4 Payment shall be subject to the quantities, parts etc. determined upon arrival at the TAG works. TAG shall grant the supplier a reasonable period to verify TAG's findings.
- 7.5 The date of payment is deemed to be
- a) the date of dispatch in the case of payment instruments (cash, cheques or bills of exchange)
  - b) the date of receipt at the financial institution in the case of transfers.

**8. Prohibition of assignment, exclusion of set-off, exclusion of right of retention**

- 8.1 The supplier shall require the written consent of TAG to assign its claims against TAG to third parties.
- 8.2 The supplier cannot set off claims against any counterclaims unless such counterclaims are undisputed by TAG, accepted by TAG or recognised by declaratory judgement.
- 8.3 If the supplier is a trader and the contract forms part of its business operations or the supplier is a public law entity or a special fund under public law, the supplier cannot withhold its performance because of any counterclaims unless such counterclaims are undisputed by TAG, accepted by TAG or recognised by declaratory judgement.

**9. Warranty**

- 9.1 TAG must notify the supplier immediately in writing of any defects in the delivery as soon as they are determined according to the specific situation in the ordinary course of business. In this respect, the supplier waives the objection of late notice of defects.
- 9.2 The supplier also warrants that the delivery and services are of the highest quality, durability and can be used according to the terms of the contract.
- 9.3 TAG is entitled, notwithstanding its legal rights, to require the defects to be remedied free of charge or the defective delivery or service replaced free of charge. TAG can set the supplier a reasonable period to do so. After this period expires, TAG shall be authorised to have the defects otherwise remedied or have the defects otherwise replaced at the supplier's expense. In urgent cases, TAG does not have to set a time limit but the supplier must be heard first.
- 9.4 If TAG is entitled to a damage claim for non-performance due to defects, TAG can claim 15 % of the invoice amount as minimum amount for the damage unless the supplier proves that the damage incurred by TAG was lower or TAG incurred no damage at all.
- 9.5 TAG shall not lose its warranty claims by accepting a delivery or by paying an invoice amount without reservation despite being aware of a defect.
- 9.6 The limitation period for TAG's warranty claims is 36 months unless a longer limitation period can be considered under statutory provisions.
- 9.7 The limitation period for repaired parts and for replacements and substituted services shall begin anew when these measures are accepted.
- 9.8 The supplier can request that the goods subject to complaint, which it is supposed to repair, replace or take back, be sent back to the supplier at its expense. If the supplier fails to avail itself of this right within 14 days of the complaint, TAG shall be liable only for gross negligence. This shall not affect any right of retention of TAG.

**10. Product liability and recall**

- 10.1 If TAG is liable for damages towards a third party due to manufacturer's liability, the supplier shall indemnify TAG if the reason for the damage is the responsibility of the supplier.
- 10.2 If no-fault liability is imposed on TAG, the supplier shall also be obliged to indemnify regardless of fault. The provision of § 254 BGB shall also apply in this case and in the same manner.
- 10.3 The supplier's obligation to refund recall costs shall be determined according to statutory provisions and any agreements concluded for this purpose.
- 10.4 The supplier undertakes to take out insurance against corresponding risks at an adequate level and shall prove this at our request by presenting its insurance policy.

**11. Industrial property rights**

- 11.1 The supplier shall bear the fees for industrial property rights and applications for property rights (hereinafter referred to as "property rights") with respect to the deliveries it makes. The supplier shall indemnify TAG for an unlimited period against all claims arising from the infringement of such rights (also third-party rights) and costs incurred in connection therewith.
- 11.2 The supplier shall grant TAG a right to use jointly and free of charge all objects of delivery and service protected for the supplier, if this is necessary in the interest of TAG.

**12. Assignment of the supplier's insurance claims**

If the supplier maintains or concludes insurances in the interest of TAG, the supplier herewith now assigns its insurance claim to TAG in the event of damage.

**13. Compliance with the written form**

The written form shall be deemed to be complied with for all statements to be made by TAG - in addition to the cases in 1.4 - when made by telex, teletex, telecopy or telegram where the names of two authorised signatories are printed, in the case of a telecopy by photocopying these signatures, unless obligatory statutory provisions provide otherwise.

**14. TAG's legal rights**

These General Terms and Conditions of Purchase shall not cancel or limit any legal rights to which TAG is entitled.

**15. Burden of proof**

These General Terms and Conditions of Purchase shall not amend the burden of proof.

**16. Applicable law, place of performance and jurisdiction**

- 16.1 German law shall apply. Application of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 (UN Sales Convention, CISG) shall be excluded.
- 16.2 All legal relations between the supplier and TAG in the context of entering into, implementing and executing the contract, whether on a contractual, tortious or other legal basis, shall be judged according to the law of the Federal Republic of Germany in force at the time the contract is concluded.
- 16.3 Place of performance for the obligations of both parties is Krefeld.
- 16.4 All disputes, also actions concerning cheques and bills of exchange, arising hereunder shall be settled exclusively before a Krefeld court of law but subject to the proviso that TAG shall also have the right to seek redress in an otherwise competent court of jurisdiction. This provision shall only apply if the supplier is a trader or a public law entity or a special fund under public law.