

General Terms and Conditions of Sale

§ 1

I. General Terms and Conditions

- Our Terms and Conditions of Sale exclusively apply to companies, legal entities governed by public law or public-law special funds within the meaning of Art. 310 (1) of the German Civil Code (Bundesgesetzbuch BGB). We will not recognise any terms and conditions of the Purchaser that conflict with or deviate from our Terms and Conditions of Sale, unless we have expressly agreed to them in writing. Our Terms of Sale shall also apply if we make the delivery to the Purchaser without reservation in full awareness that the Purchaser's terms and conditions conflict with or deviate from our Terms and Conditions of Sale.
- 2. The mutually agreed upon written declarations are decisive for the scope of delivery.
- 3. The scope of delivery is subject to our written confirmation. Any reference to standards, similar technical regulations, other technical information, descriptions and illustrations of the delivery item in offers and brochures is only a description of services and not an assurance of characteristics. As a general rule, certain product characteristics shall only apply if we have expressly confirmed this in writing. Collateral agreements, assurances and all other agreements are only effective if they have been expressly confirmed by us in writing. Collateral agreements, assurances and all other agreements are only effective if they have been expressly confirmed by us in writing.
- 4. Partial deliveries are permissible insofar as they are reasonable for the Purchaser.

II. Offer and Conclusion of Contract

- 1. If the order is to be qualified as an offer in accordance with Art. 145 BGB, we may accept this within two weeks.
- 2. We reserve ownership rights and copyrights to cost estimates, drawings, calculations and other documents. This also applies to such written documents that are designated as "confidential".
 - The Purchaser requires our express written consent before passing them on to third parties.
 - The documents are to be returned immediately upon our request if the order does not materialise or is terminated before completion, or if withdrawal from the contract is declared.



III. Prices and Terms of Payment

- 1. Unless otherwise agreed in writing, our prices are ex-works excluding packaging and plus VAT at the applicable rate. Costs of packaging will be invoiced separately.
- 2. Unless otherwise stated in the order confirmation, the purchase price shall be paid net (without deductions) within 10 days after delivery.

If the Purchaser is in default of payment, we are entitled to demand default interest in the amount of 8 percent p.a. above the respective base rate in accordance with Art. 247 HGB. If we can prove a higher damage caused by default, we are entitled to assert this.

However, the Purchaser shall be entitled to prove to us that we have suffered no or significantly less damage as a result of the default in payment. Art. 353 HGB remains unaffected.

- 3. If freight costs, insurance costs or public fees or charges (e.g. custom duties, import and export fees) are introduced or increased after the conclusion of the contract, we are entitled to add such additional charges to the agreed purchase price, even in case of freight-free or declared deliveries.
- 4. Prices are not binding for repeat orders. If call orders exceed the order quantity, we are entitled to cancel the excess or invoice it at the current price.
- 5. The deduction of discounts requires a special written agreement.
- 6. Purchasers are only entitled to offset rights if their counterclaims are legally established, undisputed and acknowledged by us. Furthermore, they are entitled to exercise a lien right insofar as their counterclaim is based on the same contractual relationship.

IV. Delivery Time

- The beginning of the delivery period stated by us requires the timely and proper fulfilment of the Purchaser's obligations. If these conditions are not fulfilled in time, the deadlines shall be extended accordingly; this shall not apply if we are responsible for the delay.
- 2. If non-compliance with the deadline is due to events such as strikes or lockouts, the deadlines shall also be extended accordingly.
- 3. If the Purchaser is in default of acceptance or culpably violates other duties to



cooperate, we shall be entitled to claim compensation for the damage we suffered in this respect, including any additional expenses. Further claims or rights are reserved. If the a.m. requirements are met,

the risk of accidental loss or accidental deterioration of the purchased item shall pass at the time at which the Purchaser entered into default of acceptance or debtor's default.

- 4. In the event of any delay, Purchasers may, if they have suffered damages, demand for each completed week of delay compensation of 0.5%, but no more than 5%, of the price for the part for the delivery that has not been delivered due to the delay.
- 5. Claims for damages by the Purchaser due to delay in delivery as well as claims for damages in lieu of the service, which exceed the limits specified in item ..., are excluded in all cases of delayed delivery, even after the expiry of a period for delivery set to us. This does not apply if liability is mandatory in cases of intent, gross negligence or injury to life, body or health. The Purchaser may only withdraw from the contract within the framework of statutory provisions if we are responsible for the delay in delivery. The above regulations do not constitute a change in burden of proof to the Purchaser's disadvantage.
- 6. Upon our request, Purchasers are obliged to declare within a reasonable period of time whether they withdraw from the contract due to the delay or insist on the delivery.

V. Shipping and transfer of risk

- The goods will be packed in the manner customary to the business and the packaging will be charged at cost price. Disposal of the packaging is the responsibility of the Purchaser.
- 2. If the goods are shipped to the Purchasers upon their request, the risk of accidental loss or deterioration of the goods shall pass to the Purchaser upon dispatch to the Purchaser, however, at the latest upon leaving the factory. This applies irrespective of whether the goods are shipped from the place of delivery or who bears the freight costs.
- 3. Upon request by the Purchaser, we will cover the delivery with cargo insurance the costs of which will be borne by the Purchaser.

VI. Reservation of title

 We reserve title to the delivered goods until full payment has been made of all claims arising from the supply contract. This also applies to all future deliveries even if we do not make explicit reference thereto. We are entitled to recover the purchased item if the Purchaser violates the contract in any form.



- 2. Purchasers are obliged to take good care of the purchased item as long as ownership has not yet passed to them. They are especially obliged to insure them at their own expense against theft, fire and water damages at replacement value (Note: only permissible for the sale of high-quality goods). Purchasers are responsible for carrying out necessary maintenance and inspection works in good time and at their own expense. As long as ownership has not yet been transferred, the Purchaser must inform us without undue delay and in writing if the delivered object is seized or subject to other interventions by third parties. Insofar as the third party is not able to reimburse us for the judicial and extrajudicial costs incurred for a lawsuit acc. to Art. 771 of the Code of Civil Procedure (Zivilprozessordnung ZPO), the Purchaser shall be liable for the loss incurred by us.
- 3. The Purchaser is entitled to resell the reserved goods in the usual course of business. The Purchaser shall hereby assign to us all claims against the Buyer resulting from the resale of the reserved goods in the amount of the final invoiced amount agreed with us (incl. VAT). This assignment applies irrespective of whether the purchased item has been resold without or after processing. The Purchaser shall remain entitled to collect the claim even after the assignment. Our entitlement to collect the claim ourselves remains unaffected by this. However, we will not collect the claim as long as the Purchasers fulfil their payment obligations from the proceeds collected, are not in default of payment and, particularly, no application for the opening of insolvency proceedings has been filed, or payments have not been suspended. [Note: This clause does not apply if no extended retention of title is intended.]
- 4. Working on and processing or transforming the purchased item by the Purchaser shall always take place in our name and on our behalf. In this case, the Purchaser's expectant right to the purchased item shall continue to apply to the transformed object. If the purchased item is processed with items that do not belong to us, we shall acquire co-ownership of the new item in proportion to the objective value of our purchased item to the other processed items at the time of processing. The same applies if items are mixed. Provided that the mixing of goods took place in such way that the Purchaser's item is to be considered the main item, it is agreed that the Purchaser assigns to us proportional co-ownership and keeps the resulting sole ownership or co-ownership on our behalf. To secure our claims against the Purchaser, Purchasers shall also assign to us such claims against third parties that accrue to them as a result of connecting the reserved goods to a property; we hereby accept this assignment.
- 5. We undertake to release the securities to which we are entitled upon the Purchaser's request, provided that their value exceeds the claims to be secured by more than 20%.

VII. Material defects and liability of defects

1. Warranty claims by Purchasers postulate that they have duly fulfilled their inspection and notification duties acc. to Art. 377 HGB.



- 2. If, despite all due care, the delivered goods should show a defect that already existed at the time of transfer of risk, we shall provided that notice of defects has been given in due time either repair or replace the goods at our discretion. We must always be given the opportunity for rectification within a reasonable period of time.
- 3. If rectification fails, Purchasers shall be entitled at their discretion to either demand withdrawal from the contract or reduction of the price.
- 4. Warranty claims shall not exist in the event of insignificant deviations from the agreed quality, insignificant impairment of usability, natural wear and tear, or damages that arise after the transfer of risks as a result of faulty or negligent handling, excessive strain, unsuitable equipment or special external influences that are not assumed under the contract.
- 5. Claims by the Purchaser due to the expenses necessary for rectification, especially transport, infrastructure, labour and material costs, are excluded if the expenses increase because the goods delivered by us have subsequently be delivered to a location other than the Purchaser's subsidiary, unless the delivery is in line with their intended use.
- 6. We shall be liable in line with statutory provisions, provided that the Purchaser asserts claims for damages that are based on intention or gross negligence, including intention or gross negligence by one of our representatives or vicarious agents. Insofar as we are not accused of breach of contract, the liability for damages shall be limited to the predictable, typically occurring damage.
- 7. We shall be liable in accordance with statutory provisions insofar as we culpably breach a material contractual obligation; in this case too, the liability for damages shall be limited to the predictable, typically occurring damage.
 A material contractual obligation exists if the breach of duty refers to an obligation on the fulfilment of which the Purchaser has relied on and was entitled to rely on.
- 8. Liability for culpable injury to life, body or health remains unaffected; this also applies to the mandatory liability under the Product Liability Act (Produkthaftungsgesetz ProdHaftG).
- 9. Unless otherwise agreed above, liability is excluded.
- 10. The limitation period for warranty claims is 12 months, starting with the transfer of risks.
- 11. The limitation period in the event of a delivery recourse acc. to Art. 445 (a) and (b) BGB remains unaffected.
 - The Purchaser's rights of recourse against us only apply insofar as the Purchaser has not entered into agreements with the Buyer, which go beyond the legally prescribed



warranty claims. Additionally, section VIII, paragraph 5 also to the scope of the Purchaser's right of recourse against us.

VIII. Joint liability

- 1. Liability for compensation other than provided for in section VII is excluded without consideration of the legal nature of the asserted claim. This particularly applies to damage claims that arise from culpa contrahendo, other breaches of duty or tortious claims for compensation of material damages acc. to Art. 823 BGB.
- 2. The limitation acc. to para. 1 shall also apply insofar as the Purchaser instead of a claim for damages demands reimbursement of useless expenditure instead of performance.
- 3. Insofar as the liability for damages towards us is excluded or limited, this shall also apply with regard to the personal liability for damages of our staff, employees, colleagues, representative and vicarious agents.

X. Place of jurisdiction - Place of performance

- 1. Our place of business is place of jurisdiction provided that the Purchaser is a merchant; we are entitled, however, to also file a lawsuit against Purchasers at the court of their residence and subsidiary.
- 2. The law of the Federal Republic of Germany shall apply with the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- 3. Unless otherwise stated in the order confirmation, our place of business is place of performance.