



GENERAL TERMS AND CONDITIONS OF BUSINESS AND DELIVERY

§1 Art. 1 Scope of validity

- 1.1 These General Terms and Conditions of Business only apply to traders, legal persons under public law or special funds governed by public law within the meaning of Sec. 310(1) German Civil Code (BGB). We only acknowledge conflicting terms and conditions of the Purchaser or any which deviate from our General Terms and Conditions of Business if we have explicitly agreed to their validity in writing. The latter shall also apply if the contractually owed delivery is carried out by us without reservation, even though we are aware of conflicting or deviating terms and conditions of purchase.
- 1.2 These General Terms and Conditions of Business shall also apply to any future business with the Purchaser, to the extent that legal transactions of a similar nature are concerned.

§2 Art. 2 Offer and conclusion of an agreement

- 2.1 All offers are subject to change without notice. Orders shall only be deemed to have been accepted once they have been confirmed by us in writing. The latter shall also apply to any additions, subsidiary agreements, assurances, advice and declarations by our employees in regard to this agreement. Only our written order confirmation shall determine the respective scope of delivery.
- 2.2 Should the customer order the goods electronically, the text of the agreement, as well as the General Terms and Conditions of Business, will be saved in a reproducible form, and sent to the customer by e-mail upon request.
- 2.3 Samples, illustrations, drawings, calculations, details of weights and measures, and also any other details that serve the purpose of orientating the customer as approximate reference values, shall not be binding. Essential properties and features of the products shall remain unchanged.

§3 Art. 3 Documents handed over

- 3.1 We reserve the ownership and copyrights in all documents, such as calculations, drawings, etc., handed over to the Purchaser in connection with the order being placed. Such documents may not be made accessible to third parties unless we grant the Purchaser our explicit written consent to do so. Should we not accept the Purchaser's offer, such documents are to be returned to us without delay.

§4 Art. 4 Prices and payment

- 4.1 Unless anything to the contrary has been agreed in writing, our prices shall apply ex works, incl. packaging, with the respective applicable amount of VAT being added. Corresponding freight charges shall be invoiced separately. Any freight charges quoted are non-binding. Any changes to these costs by the delivery date shall be borne by the Purchaser if the costs are correspondingly increased, and shall be reduced in favour of the Purchaser if the costs are reduced.
- 4.2 Packaging is not taken back. The packaging used always constitutes sales packaging within the meaning of the German Packaging Ordinance.
- 4.3 Unless anything to the contrary has been agreed, the purchase price is to be paid immediately upon invoicing, without any deduction. Bank charges must not be deducted. Should any cash discount have been agreed based on an express written agreement, such deduction from the net invoice amount shall be calculated after deducting any discounts, freight charges and other costs.
- 4.4 We shall not be obliged to accept bills of exchange and/or cheques. Should they be accepted, they are only accepted as conditional payment. In the event of a bill of exchange being accepted, the collection and discount charges incurred thereby, as well as the note tax, etc., are to be borne by the Purchaser. Any payments from bills of exchange or cheques shall only be deemed to have been made once the proceeds have finally been credited to our account.
- 4.5 In the event of payment arrears and any justified doubts regarding the customer's ability to pay or creditworthiness - irrespective of any other rights we may have - we shall be entitled to require collateral to be posted or advance payments to be made on account of outstanding deliveries and any claims arising from the business relationship shall immediately become due.

§5 Art. 5 Offsetting and rights of retention

- 5.1 The Purchaser shall only be entitled to offset any claims if its counterclaims have been established with legal finality or are undisputed. The Purchaser shall only be entitled to exercise a right of retention in so far as its counterclaim is based on the same contractual relationship.

§6 Art. 6 Delivery period

- 6.1 The beginning of the delivery period specified by us assumes that the Purchaser fulfils its obligations in good time and in proper form. The defence of the agreement not having been fulfilled shall remain reserved. Deadlines for delivery and performance shall commence upon the order confirmation being despatched.
- 6.2 Should the purchaser be in default with accepting the goods or culpably infringe any other obligations to co-operate, we shall be entitled to require compensation for any damage incurred to us as a result, including any additional expenditure incurred. We reserve the right to assert any further claims. In so far as the above prerequisites exist, the risk of any accidental destruction or deterioration in the item(s) purchased shall pass to the Purchaser as at the date on which the latter is in default with acceptance or payment.
- 6.3 Delivery and performance deadlines shall be appropriately extended if we are prevented from fulfilling our obligations through the occurrence of unforeseen events that we could not anticipate with the care to be deemed reasonable in accordance with the circumstances of the case, e.g. war, civil commotion, natural catastrophes, accidents, strikes, lock-outs and other measures within the scope of industrial action, as well as any cases of Acts of God. The Purchaser shall be notified by us in the aforementioned cases without delay.
- 6.4 We reserve the right to execute the order by way of partial performance and partial deliveries, following consultation with the Purchaser, and charge for it separately, as agreed. Should we be in default in regard to such partial performance and/or partial deliveries, that shall only entitle the Purchaser to assert its rights under Art. 9 in regard to such partial performance and/or delivery.
- 6.5 We shall not be obliged to subsequently deliver products already delivered if production of such products has been discontinued or they have been removed from the distribution schedule for other reasons.

§7 Art. 7 Passing of risk in the case of shipping the goods

- 7.1 Our deliveries are executed in accordance with Incoterms® 2010 (The Incoterms® (International Commercial Terms) constitute a series of rules for defining specific trading conditions in international trade). The rules and regulations are issued by the International Chamber of Commerce (ICC) organised on the basis of private-sector principles. Experts from the international and national circle of ICC members adapt the Incoterms® rules to current developments on a regular basis. Delivery is effected EXW (Ex Works), in regard to which the risk of accidental destruction or accidental impairment of the goods passes to the Purchaser as from the goods being made available. Additional Incoterms® shall apply upon special agreement with the Purchaser.
- 7.2 Shipping and despatch shall be effected with insurance.
- 7.3 In regard to the mode of shipping and the despatch route, we shall make every effort to take the Purchaser's wishes and interests into consideration. Any additional costs incurred thereby - also if carriage paid delivery has been agreed - shall be borne by the Purchaser.

§8 Art. 8 Reservation of ownership

- 8.1 We reserve ownership in the item supplied until such time as payment for all claims arising from the supply contract has been made in full. The latter also applies to any future deliveries, even if we do not always expressly make reference to the latter. We shall be entitled to take back the item purchased if the Purchaser engages in any conduct that is contrary to contract.
- 8.2 The Purchaser shall be obliged to treat the item purchased with care for as long as ownership has not yet passed to it. It shall in particular be obliged to adequately insure the latter at their reinstatement value against theft, fire and water damage, at its own expense. Should servicing and inspection work be carried out, the Purchaser is to carry out the latter in good time at its own expense. For as long as ownership has not yet passed to the Purchaser, the Purchaser shall be required to inform us in writing without delay if the item supplied has been pledged or is exposed to any other intervention by a third party. To the extent that the third party is not in a position to reimburse us the judicial and extra-judicial expenses of an action pursuant to Sec. 771 German Code on Civil Procedure, the Purchaser shall be liable for the losses incurred by us.

- 8.3 The Purchaser shall be entitled to sell on the retained goods in the normal course of business. The Purchaser already at this point assigns the claim of the customer arising from the resale of the retained goods to us in the sum of the final amount of the invoice agreed with us (inclusive of VAT). Such assignment shall apply regardless of whether the item purchased has been resold without further processing or after further processing. The Purchaser shall also remain entitled to collect the receivable, even after it has been assigned. Our authority to collect the receivables ourselves is not affected thereby. We undertake, however, not to collect the accounts receivable as long as the Purchaser complies with its payment obligations arising from the sales proceeds collected, does not fall into arrears with payment and in particular no request for the institution of insolvency proceedings has been filed and payment has not been ceased.
- 8.4 The processing and finishing of the item purchased and any alteration made to it by the Purchaser shall always be carried out in our name and on our behalf. In such a case, the expectant right of the Purchaser in the item purchased shall be transferred to the processed goods and the retention of ownership shall continue in force, with the proviso that we also acquire ownership in the altered goods (cf. Sec. 950 German Civil Code (BGB)). If our goods are processed or treated with other objects not belonging to us, we shall acquire co-ownership of the new item in proportion to the objective value of our goods relative to the other processed objects at the time of processing. The same shall apply if the items are mixed. Should the mixing be carried out in such a way that the Purchaser's item is to be deemed the main item, it shall be deemed to have been agreed that the Purchaser assigns us proportionate co-ownership, and that it preserves the sole ownership or co-ownership that has arisen in that way for us. The co-ownership shall continue in force until such time as full payment of the purchase price has been made. In order to secure our claims against the Purchaser, the Purchaser shall also assign to us any claims against a third party that have accrued to it through connecting the retained goods with a property. We already now accept such assignment.
- 8.5 If the value of the collateral to which we are entitled exceeds the value of the receivables to be secured by over 20% we undertake to release them on the Purchaser's request.

§9 Art. 9 Guarantee and notice of defects, as well as recourse

- 9.1 Warranty claims on the part of the Purchaser assume that the latter has complied with its obligation to examine the goods and notify any defects pursuant to Sec. 377 German Commercial Code (HGB). Any details, transfer of ownership, processing and use of our products, technical advice and any other details are given or effected to the best of our knowledge, but shall not exempt the Purchaser from carrying out its own checks and investigations. Notices of defects shall only be handled and shall only be considered valid to the extent that they are filed in writing, attaching evidence. Any notice of defects is to be filed within 8 days of receipt of the goods. In the case of latent defects, it is to be filed within 8 days of such defects being discovered, however no later than six months after receipt of the goods. Claims for defects shall become statute-barred within 12 months of the goods supplied by us being delivered to the Purchaser. The foregoing provisions shall not apply if the law pursuant to Secs. 432(1)
- 9.2 German Civil Code (BGB), 479(1) German Civil Code (BGB) and 634a(1) German Civil Code (BGB) prescribes longer periods. Our consent is to be obtained prior to any return of the goods.
- 9.3 Should the goods supplied possess a defect that already existed in fact at the date of the passing of risk, in spite of all the care applied, we shall, subject to receiving a notice of defects in good time, at our option, either subsequently improve the goods or supply replacement goods. We are always to be given the opportunity to carry out subsequent fulfilment within a reasonable period of time. Rights of recourse shall, without limitation, not be affected by the aforementioned provision.
- 9.4 Should the subsequent improvement fail, the Purchaser may - notwithstanding any claims for compensation for damage - withdraw from the contract giving 14 days' notice or reduce the remuneration.
- 9.5 No claims for defects shall exist in the case of the goods only deviating slightly from the agreed characteristics, the impairment in usability only being insignificant, natural wear or tear, such as damage caused after the passing of risk due to erroneous or negligent handling, excessive strain, inappropriate operating resources, defective construction work, an unsuitable foundation or any defects which may arise due to particular external influences which, according to the agreement, are not presumed. Moreover, if the Purchaser or third parties make changes or carry out repairs or maintenance work inappropriately, no warranty claims shall arise therefrom for the latter and any consequences arising therefrom.
- 9.6 Any claims on the part of the Purchaser as a result of the expenditure incurred for the purpose of subsequent fulfilment, in particular the costs of transportation, toll charges and the costs of work and materials, shall be excluded in so far as the expenses are increased because the goods supplied by us have subsequently been brought to a different location from the customer's branch, unless taking them there is in line with the intended use.
- 9.7 Rights of recourse against us on the part of the Purchaser only exist to the extent that the Purchaser has not entered into any agreements with its customers going beyond the statutorily mandatory claims for defects. In regard to the scope of the Purchaser's right of recourse against the supplier, paragraph 6 shall, moreover, apply accordingly.
- 9.8 Warranty claims are excluded if a change in the goods/processing of them by the Purchaser or a third party has been carried out without prior written approval.

§10 Art. 10 Compensation for damages

- 10.1 In so far as statutorily admissible, our obligation to provide compensation for damage, based on whatever legal grounds, shall be limited to the value of the invoice of the quantity of goods delivered by us directly involved in the event causing the damage. The latter shall not apply if, in accordance with mandatory statutory regulations, we have unlimited liability due to intent or gross negligence.

§11 Art. 11 Intellectual property rights and copyrights

- 11.1 Should a product be supplied by us based on construction plans, drawings, models or other special requests of the Purchaser, that infringes industrial property rights or copyrights, the Purchaser shall indemnify us against any claims by third parties, and shall free and relieve us from any claims for compensation for damage.
- 11.2 Construction documents such as plans, sketches or technical drafts, as well as models, catalogues, brochures, illustrations and photos, etc., shall remain our intellectual property and shall be the subject of the statutory regulations on duplication, imitation and competition that are accordingly to be applied.
- 11.3 Construction documents may only be pledged after obtaining our prior written consent. We may request the return of them at any time. They need to be returned without delay if the order is placed elsewhere. The order and any associated information, documents, etc., constitutes a business secret of ours and needs to be kept confidential.

§12 Art. 12 Product liability

- 12.1 Should a claim be made against our contractual partner for product liability, we hereby declare that we assume such liability in the internal relationship and shall free and relieve the contractual partner, in the internal relationship, from any claims made. The contractual partner shall, in return, give us the opportunity to become involved in any corresponding legal dispute with the respective claimant and defend our position. The contractual partner shall not be entitled to acknowledge liability vis-à-vis the claimant in the internal relationship. Should the contractual partner, contrary to the above provision, acknowledge liability, we shall be exempt from our obligation to free and relieve the contractual partner from such liability.

§13 Art. 13 Miscellaneous

- 13.1 This Agreement and the entire business relationship of the parties shall be subject to the Law of the Federal Republic of Germany excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG)
- 13.2 The place of fulfilment and exclusive place of jurisdiction for any disputes arising from this Agreement shall be the location of our Head Office, as long as nothing to the contrary is agreed in the order confirmation.
- 13.3 All agreements which are concluded between the parties for the purpose of executing this contract are laid down in writing in this contract. Any deviations shall require to be made in writing.
- 13.4 Should any individual provisions of this agreement be or become invalid or contain an omission, the remaining provisions shall not be affected thereby. The parties undertake to agree upon such a statutorily admissible provision which comes closest to the economic purpose of the invalid provision or completes such an omission, in place of the invalid provision.

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