

GENERAL BUSINESS TERMS & CONDITIONS

§ 1 General Scope

- (1) Exclusively our sales conditions shall apply. We will not recognize Customer conditions contrary to or deviating from our sales conditions, unless we have previously agreed to such expressly in writing. Our sales conditions shall also apply when we make delivery to the customer without the retention of our rights and with the knowledge of customer conditions contrary to or deviating from the sales conditions.
- (2) All agreements that have been made between us and the customer for the purpose of executing this contract shall be written down in this contract.
- (3) Our sales provisions shall only apply with regard to companies in the sense of § 310, Clause 1 of the German Civil Code (Bundesgesetzbuch, hereafter BGB).

§ 2 Tender & Tender Documents

- (1) If the order qualifies as an offer in accordance with § 145 of the BGB, we can accept such within 2 weeks.
- (2) We shall retain the right of ownership and copyright to illustrations, drawings, calculations and other documents. Such shall also apply for those written documents that have been designated as confidential. Prior to their transfer to third parties, the customer shall require our express written approval.

§ 3 Prices & Payment Terms

- (1) To the extent not otherwise provided for in the order confirmation, our prices shall apply as Ex Factory excluding the packaging. Such shall be invoiced separately.
- (2) The legal value added tax is not included in our prices. It will be indicated separately on the invoice in the legal amount at the time of invoicing.
- (3) The deduction of discounts shall require a special written agreement.
- (4) To the extent not otherwise provided for in the order confirmation, the sale price shall be due for payment net (without deduction) within 30 days from the invoice date (NET30). The legal rules affecting the consequences of being in default shall apply.
- (5) Offsetting rights shall only be granted to the customer when their counterclaims are legally valid, undisputed or acknowledge by us. In addition, they shall only be authorized to exercise the right of retention as caused by their counterclaim to the same contractual relationship.

§ 4 Delivery Time

- (1) The beginning of the delivery time specified by us presupposes the clarification of all technical questions.
- (2) The retention of our obligation for delivery further presupposes the timely and proper fulfillment of the customer's obligations. The defense of non-fulfillment of the contract shall be retained.
- (3) If the customer delays acceptance or culpably infringes on other obligations of collaboration, we shall be authorized to demand compensation to that extent for the damages, including any potential additional expenses. Rights to additional claims or demands shall be retained.
- (4) To the extent the prerequisites of Clause (3) exist, the risk of accidental deterioration or impairment of the object of the purchase shall transfer to the customer at the time when said acceptance becomes delayed or the customer is determined to be in default.
- (5) We shall be liable according to the legal provisions to the extent that the underlying sales contract is a commercial transaction in the sense of § 286, Clause 2, Sub-clause 4 of the BGB or § 376 of the German Commercial Code (Handelsgesetzbuch, hereafter HGB). We shall also be liable according to the legal provisions to the extent that the customer can claim that their interests in further fulfillment of the contract has discontinued as a consequence of

a delay in delivery for which we are responsible.

- (6) We shall also be liable according to the legal provisions to the extent that the delay in delivery was caused by intentional or culpably negligent breach of the contract for which we our representatives or our vicarious agents are responsible. To the extent that the delay in delivery is caused by intentional or culpably negligent breach of the contract, our liability for compensation of damages shall be limited to the foreseeable, typical damages arising from such.
- (7) We shall also be liable according the legal provisions to the extent the delay in delivery that is our responsibility shall cause the culpable breach of significant contractual obligations, in which case the liability for the compensation of damages will be limited to the foreseeable, typical damages arising from such.
- (8) For the remainder, we shall be liable in the event of delay in delivery for each complete week of delay in the scope of a compounded damage for delay in the amount of 3% of the value of the delivery, whose maximum shall not exceed 15% of the value of the delivery.
- (9) Additional customer claims and rights shall be retained unaffected.

§ 5 Transfer of Risk & Packaging Expenses

- (1) The location of fulfillment shall be Ex Works unless otherwise confirmed in the order.
- (2) Special agreements shall apply for the return of packaging.
- (3) To the extent requested, we shall insure delivery through a transportation insurer. The customer shall bear all expenses arising from such to that extent.

§ 6 Liability for Defects

- (1) Customer's claims of damage presuppose that they have met the obligations for inspection and complaint owed them according to §377 of the HGB.
- (2) To the extent that a defect in the purchased item exists, the customer shall be authorized, at their discretion, to improved fulfillment in the form of correction of the defect or delivery of a new item free of defects. In the case of correction of the defect or replacement delivery, we shall be obligated to bear all expenditures required for the purpose of improved fulfillment, in particular costs for transportation, labor and materials, to the extent that such do not increase due to the fact that the purchased item has been conveyed to a location other than the location of fulfillment.
- (3) If improved fulfillment fails, the customer shall be authorized to demand withdrawal from the contract or a reduction, at their discretion.
- (4) We shall be liable according the legal provisions to the extent that the customer claims compensation for damages, which was caused by intent or culpable negligence, including the intent or culpable negligence of our representatives or vicarious agents. To the extent that we are not accused of intentional breach of contract, the compensation for damages shall be limited to the foreseeable, typical damages arising from such.
- (5) We shall be liable according to the legal provisions to the extent that we culpably breach a significant contractual obligation, however the compensation for damages shall be limited in this case to the foreseeable, typical damages arising from such.
- (6) To the extent that a claim for replacement of the damage in of the service exists for the customer, our liability shall also be limited in the scope of Clause (3) to replacement of the foreseeable, typical damages arising from such.
- (7) The liability because of culpable injury to life, limb or health shall remain unaffected. Such shall also apply for the mandatory liability according to the German product liability act (Produkthaftungsgesetz).
- (8) To the extent that the preceding is not regulated by deviating provisions, liability shall be excluded.
- (9) The period of limitations for claims of defects amounts to 12 months determined from the transfer of risk.
- (10) The period of limitation in the case of delivery regress according to §§ 478 & 479 of the BGB shall remain unaffected. It shall amount to five years, determined from the delivery of the defective item.

§ 7 Overall Liability

- (1) Additional liability for compensation for damages than intended in § 6 shall be excluded without regard to the legal nature of the claim made applicable. Such shall apply in particular for claims for compensation of damages from culpability at conclusion of the contract, because of other breaches of obligations or because of tort claims for compensation of the item damages in accordance with § 823 of the BGB.
- (2) The limitation according to Clause (1) shall also apply to the extent that the customer demands replacement of useless expenses instead of a claim of compensation for damages, instead of the services.
- (3) To the extent that the liability of compensation for damages has been excluded, or limited, for us, such shall also apply with regard to the personal liability of compensation for damages of our employees, co-workers, representatives and vicarious agents.

§ 8 Assurance of the Retention of Ownership

- (1) We retain the right of ownership to the purchased item until the receipt of all payments from the delivery contract. We shall be authorized to take the purchased item back in cases of illegal customer behavior, in particular default in payment. If the purchased item is taken back by us, withdrawal from the contract shall exist. We will be authorized to dispose of the purchased item after withdrawal. The proceeds of disposal shall be added to the customer's obligations, less suitable disposal costs.
- (2) The customer shall be obligated to treat the purchased item with care, in particular to insure such sufficiently against damages caused by fire, water and theft sufficiently in the amount of the new value. To the extent that maintenance and inspection tasks are necessary for the purchased item, the customer must perform such at their own expense in a timely manner.
- (3) The customer must immediately notify us of seizure or other encroachments by third parties so that we can issue a complaint in accordance with § 771 of the German Code of Civil Procedure (Zivilprozessordnung, hereafter ZPO.) To the extent that the third party is not capable of compensating us for the expenses related to court and other procedures related to the complaint in accordance with § 771 of the ZPO, the customer shall be liable for the remainder.
- (4) The customer shall be authorized to sell the purchased item in the course of proper business. However, they will relinquish all claims in the amount of the outstanding balance (including VAT) arising from our claims, which extend from the resale to their recipient or third party and such shall depend on whether the purchased item has been sold without or after additional processing. The customer shall also be empowered to collect this claim even after the sale. Our authorization to collect the claim ourselves shall remain unaffected thereby. We will however be obligated to not collect the claim as long as the customer fulfills their payment obligations from the uncollected proceeds and does not default on payment and, in particular, an application for the opening of proceedings for settlement or insolvency is not made or cessation of payment does not exist. However, if this is the case, we may demand that the customer makes the ceded claims and their debtors known to us, provides all of the information required for collection, turns over the associated documents and informs the debtor (third party) about the relinquishment.
- (5) Modification or re-fitting of the purchased item by the customer shall always be made for us. If the purchased item is modified using other objects that do not belong to us, we shall acquire co-ownership of the new objects in proportion of the value of the purchased item (final invoice amount including VAT) to the value of the other modified objects at the time of modification. For the remainder, the same shall apply for the thing created by modification as well as for the purchased item delivered under retention.
- (6) If the purchased item is inseparably mixed with other objects that do not belong to us, we shall acquire co-ownership of the new items in proportion of the value of the purchased item (final invoice amount including VAT) to the value of the other mixed objects at the time of mixture. If the mixing is done in such a manner that the customer's items should be viewed as the primary item, it shall be considered as agreed upon that the customer shall transfer proportional co-ownership to us. The customer shall hold the singular ownership or co-ownership arising thereby for us.
- (7) The customer shall also relinquish the claims for the assurance of our claims against them, which extend through the combination of the purchased item with the property to a third-party.
- (8) We shall be obligated to release the collateral owed us upon the customer's request when the realizable value of our collateral exceeds the claim to be ensured by more than 10%. The choice of the collateral to be released is at our discretion.

§ 9 Traceability of Sold Products

- (1) For all products acquired from us, the sale must remain traceable in an auditable manner by the dealer.

§ 10 Court of Jurisdiction & Location of Fulfillment

- (1) To the extent that the customer is a businessperson, our location of business shall be the court of jurisdiction, however we shall be authorized to proceed against the customer at their location of residence also.
- (2) The legal code of the Federal Republic of Germany shall apply; enforcement of the United Nations Convention on Contracts for the International Sale of Goods shall be excluded.
- (3) The location of fulfillment shall be our business location unless otherwise confirmed in the order.