

## General Terms and Conditions

### §1 Scope

- (1) These terms and conditions of sale are exclusively applicable to entrepreneurs, legal entities under public law or special funds under public law within the meaning of § 310 Paragraph 1 of the German Civil Code. Customer's terms and condition in contradiction to or deviating from our General Terms and Conditions shall apply only if we have explicitly accepted these in writing.
- (2) These terms and conditions of sale shall also apply to all future businesses transactions with the ordering party to the extent they represent legal transactions of a related nature.

### §2 Offer and contract completion

If an order constitutes an offer according to § 145 German Civil Code, we are entitled to accept such offer within two weeks.

### §3 Documents submitted

We retain proprietary rights and copyrights to all documents provided to the ordering party in the course of order placement (calculations, drawings, etc.). Such documents may not be made available to third parties unless we have given the ordering party explicit written approval thereof. If we refrain from accepting the ordering party's offer within the period stated in §2, these documents shall immediately be returned to us.

### §4 Prices and terms of payment

- (1) Unless otherwise agreed in writing, our prices shall be quoted ex-works and shall exclude packaging charges and applicable value-added tax. Packaging costs shall be invoiced separately.
- (2) Payments are to be made exclusively to the stated accounts. Discounts shall be admissible only if explicitly agreed upon in writing.
- (3) Unless otherwise agreed, the invoiced amount is due for payment net within 30 days of invoicing. Default interest shall be charged at a rate of 8 percent over and above the prevailing base interest rate. The right to assert higher claims for compensation owing to default is reserved.
- (4) If a fixed price has not been agreed, we reserve the right to make appropriate price adjustments owing to changes in the cost of wages, materials, and distribution for any deliveries made three months or later after conclusion of the agreement.

### §5 Offsetting and rights to retention

The ordering party shall have right to offsetting only if ordering party's claim thereto is legally ascertained or undisputed. The ordering party shall be entitled to rights of retention only if its counterclaim is based on the same contractual relationship.

### §6 Deliveries, delivery schedules and deadlines

All information concerning delivery times is deemed to be approximate. The delivery periods begin with the date of our confirmation of the order and are only valid on the condition that all details of the order have been clarified in due time and all of the buyer's obligations have been punctually fulfilled, e.g. procurement of all official administrative certifications, presentation of letters of credit and guarantees or receipt of down payments.

- (2) The time at which the deliveries have been dispatched from the plant or warehouse shall be decisive for being considered in compliance with delivery schedules. We shall be considered in compliance with such schedules at the time notification of delivery readiness is transmitted, even if the merchandise, through no fault of ours, cannot be dispatched in time.
- (3) In the event of a delay in delivery, the buyer is entitled to fix an appropriate grace period and, if such grace period has expired without positive outcome, the buyer may withdraw from the part of the contract not fulfilled.

### §7 Transfer of risk at shipment

If the merchandise has been dispatched to the ordering party at its request, the risk of accidental loss or accidental deterioration is transferred to the ordering party as soon as the merchandise is dispatched, at the latest at the time it leaves the plant/warehouse. This applies regardless of whether this merchandise is shipped from the place of fulfillment or who bears the freight charges.

### §8 Retention of title

- (1) We reserve all proprietary rights to the delivered merchandise until all claims arising from the delivery contract have been paid in full. This applies also to all future deliveries, even if we fail to make explicit reference to such rights. We are entitled to have the purchased items returned to us if the ordering party acts in breach of contract.
- (2) The ordering party undertakes to handle the merchandise with due care until ownership has been ceded to it. The ordering party shall in particular be obligated at its own expense to adequately insure the merchandise against theft, damage by water and fire at reinstatement value. If maintenance and inspection work need to be done, the ordering party will have this work done in due time at its own expense. As long as proprietary rights have not yet passed, the ordering party will immediately notify us in writing if the delivered merchandise has been seized or is subject to other third-party encroachments. If the third party is not in a position to award us the judicial and extrajudicial costs of a lawsuit according to §771 of the German Code of Civil Procedure, the ordering party shall be liable to us for any pertinent losses suffered.
- (3) The ordering party shall be entitled to resell the goods subject to retention of title in the course of normal business. The ordering party shall now already transfer to us the claims of the customer arising from the resale of the goods subject to retention of title in the amount of the total invoice amount due (including VAT) which has been agreed upon with us. This transfer shall apply regardless of whether the merchandise is resold before or after further processing. Despite this assignment, the ordering party shall remain entitled to collect receivables. This provision is without prejudice to our right to collect receivables; however we shall not invoke this right as long as the ordering party satisfies its payment obligations from the payments received, does not default on payments, and in particular does not apply for initiation of insolvency proceedings and does not terminate payments.
- (4) Finishing, processing, or modification of the merchandise by the ordering party shall always take place on our behalf and in our name. In this case, the expectant right of the ordering party in the merchandise shall continue in the transformed article. If the merchandise has been processed together with other objects not belonging to us, we shall acquire ownership of the new product at a ratio of the objective value of the merchandise to the other processed objects at the time of processing; the same applies in the event of mixing. Insofar as the mixing occurs in such a way that the ordering party's item is to be considered the principal object, the ordering party shall transfer a proportionate share in the title to us and shall hold sole ownership or co-ownership for us. To safeguard our claims against the ordering party, the ordering party shall also assign to us those claims against a third party arising to it from the incorporation of the merchandise subject to retention of title into a real-estate property; we already now accept such assignment.
- (5) Upon the ordering party's request, we undertake to release the securities to which we are entitled to such an extent as their value exceeds the value of the secured claims by more than 20%.

### §9 Warranty and notice of defects as well as recourse/manufacturer recourse

- (1) The ordering party's warranty rights are subject to its due compliance with inspection and notification stipulations in accordance with § 377 of the German Commercial Code.
- (2) Claims for defects become time-barred 12 months from the time the merchandise supplied by us is delivered to the ordering party. No warranty is given for used parts. Statutory periods of limitation apply to claims to compensation for damages in the event of intent or gross negligence as well as injury to life, body or health, if caused by the intentional or grossly negligent breach of user's substantial contract obligations. This does not apply in cases where longer periods are prescribed by law in accordance with § 438 Paragraph 1 No. 2 of the German Civil Code (regarding buildings and goods for buildings), § 479 Paragraph 1 of the German Civil Code (regarding the right of recourse), and § 634a Paragraph 1 of the German Civil Code (regarding construction defects). Our consent must be obtained prior to any return of merchandise.
- (3) If, despite all care taken, the delivered merchandise exhibits a defect that already existed at the time of transfer of risk, we will, at our sole discretion, either repair the merchandise or supply replacement merchandise, provided that the notice of defects was given in due time. We must always be given the opportunity to render subsequent fulfillment within a reasonable time. The above provision does not in any way affect the rights of recourse.
- (4) If subsequent fulfillment is unsuccessful, the ordering party can – without prejudice to any possible claims for damages – withdraw from the contract or reduce the payment.
- (5) Claims for defects cannot be asserted in the case of only insignificant deviation from the agreed properties and condition, in the case of only insignificant impairment of usability, in the case of natural wear and tear or in the case of damage arising after the transfer of risk as a result of incorrect or careless handling, excessive strain, unsuitable equipment, poor construction work, an unsuitable foundation, or due to particular external influences that were not taken into consideration in the contract. Likewise, if repair work or modification is carried out improperly by the ordering party or a third party, claims for defects cannot be asserted for these or the resulting consequences.
- (6) Claims by the ordering party for expenditures necessary for the purpose of subsequent fulfillment, particularly transport, travel, labor, and material costs, are excluded if these expenditures increase because the merchandise delivered by us was subsequently transported to a location other than the ordering party's place of business, unless such transport is consistent with the merchandise's intended use.
- (7) The ordering party may only assert rights of recourse against us insofar as no agreements have been made between the ordering party and the ordering party's customer that go beyond the mandatory statutory rights relating to defects. Furthermore, as for the scope of the ordering party's right of recourse against the supplier, Paragraph 6 applies accordingly.

### §10 Miscellaneous

- (1) This agreement and all legal relations in effect between the parties are subject to the laws of the Federal Republic of Germany, to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- (2) The place of fulfillment and exclusive place of jurisdiction for all disputes arising from the contractual relationship shall be our domicile unless the order confirmation provides differently.
- (3) All terms agreed between the parties for purposes of contractual performance of this Agreement have been set forth in writing herein.
- (4) If individual clauses of this contract are or become ineffective or feature a legal gap, this shall not affect the validity of the remaining clauses. The parties agree to replace the ineffective clause and/or close the legal gap with a legally effective clause coming closest in business terms to what the parties had originally intended.