

General Conditions of Sale

1 SCOPE, FORM

- (1) These General Terms and Conditions of Sale (GTC) apply to all our business relations with our customers ("Buyer"). The GCS shall only apply if the Buyer is a business (§ 14 BGB), a legal entity under public law or a special fund under public law.
- (2) The GCSD apply in particular to contracts for the sale and/or delivery of movable goods ("Goods"), irrespective of whether we manufacture the Goods ourselves or purchase them from suppliers (§§ 433, 651 BGB). Unless otherwise agreed, the GCSD in the version valid at the time of the Buyer's order or, in any case, in the version most recently communicated to him in text form, shall also apply as a framework agreement for similar future contracts, without us having to refer to them again in each individual case.
- (3) Our AVB apply exclusively. Deviating, conflicting or supplementary General Terms and Conditions of Business of the Buyer shall only become part of the contract if and insofar as we have expressly agreed to their validity. This requirement of consent shall apply in any case, for example even if we carry out the delivery to the Buyer without reservation in the knowledge of the Buyer's General Terms and Conditions. If we refer to a letter which contains or refers to business terms and conditions of the buyer or third parties, this does not constitute agreement with the validity of those business terms and conditions.
- (4) Individual agreements made with the Buyer in individual cases (including collateral agreements, supplements and amendments) shall take precedence over these GTC. Subject to proof to the contrary, a written contract or our written confirmation shall be decisive for the content of such agreements.
- (5) Legally relevant declarations and notifications of the Buyer in relation to the contract (e.g. setting of a deadline, notification of defects, withdrawal or reduction) must be made in writing or text form (e.g. letter, e-mail, fax). Statutory formal requirements and further evidence, in particular in the event of doubts about the legitimacy of the person making the declaration, remain unaffected.
- (6) References to the validity of statutory provisions shall only have clarifying significance. Even without such clarification, the statutory provisions shall therefore apply, unless they are directly amended or expressly excluded in these GTC.

2 CONCLUSION OF CONTRACT

- (1) Our offers are subject to change and non-binding. This shall also apply if we have provided the Buyer with catalogues, technical documentation (e.g. drawings, plans, calculations, references to DIN standards), other product descriptions or documents - also in electronic form - to which we reserve ownership rights and copyrights.
- (2) The Buyer's order of the goods shall be deemed a binding offer to enter into a contract. Unless otherwise stated in the order, we shall be entitled to accept this contractual offer within 4 weeks of its receipt by us.
- (3) Acceptance can either be declared in writing (e.g. by order confirmation) or by delivery of the goods to the buyer.

3 DELIVERY PERIOD AND DELAY IN DELIVERY

- (1) The delivery period shall be agreed individually or specified by us when the order is accepted.

- (2) If we are unable to meet binding delivery deadlines for reasons beyond our control (e.g. non-availability of the service), we shall inform the purchaser of this immediately and at the same time inform him of the expected new delivery deadline. If the service is also not available within the new delivery period, we shall be entitled to withdraw from the contract in whole or in part; we shall reimburse any consideration already provided by the buyer without delay. In particular, the non-availability of the service in this sense is deemed to be the non-timely delivery by our supplier, if we have concluded a congruent hedging transaction, neither we nor our supplier are at fault or we are not obliged to procure in individual cases.
- (3) The occurrence of our delay in delivery shall be determined in accordance with the statutory provisions. In any case, a reminder from the buyer is required. If we are in default of delivery, the buyer can demand lump-sum compensation for the damage caused by the delay. The lump-sum compensation shall amount to 0.5 % of the net price (delivery value) for each completed calendar week of the delay, however, not exceeding a total of 5 % of the delivery value of the goods delivered late. We reserve the right to prove that the buyer did not suffer any damage at all or that the damage was considerably lower than the above lump sum.
- (4) The rights of the buyer in accordance with § 8 of these General Terms and Conditions and our statutory rights, in particular in the event of an exclusion of the obligation to perform (e.g. due to impossibility or unreasonableness of performance and/or subsequent performance), shall remain unaffected.

4 DELIVERY, TRANSFER OF RISK, ACCEPTANCE, DEFAULT OF ACCEPTANCE

- (1) Delivery shall be ex warehouse, which is also the place of performance for the delivery and any subsequent performance. At the request and expense of the Buyer, the goods shall be shipped to another destination (sale to destination). Unless otherwise agreed, we shall be entitled to determine the type of shipment (in particular transport company, shipping route, packaging) ourselves.
- (2) The risk of accidental loss and accidental deterioration of the goods shall pass to the buyer at the latest upon delivery. In the case of mail order purchases, however, the risk of accidental loss and accidental deterioration of the goods as well as the risk of delay shall already pass to the buyer upon delivery of the goods to the forwarding agent, the carrier or the person or institution otherwise designated to carry out the shipment. If acceptance has been agreed, this is decisive for the transfer of risk. The statutory provisions of the law on contracts for work and services also apply accordingly to an agreed acceptance. If the buyer is in default of acceptance, this shall be deemed equivalent to handover or acceptance.
- (3) If the buyer is in default of acceptance, if he omits an act of cooperation or if our delivery is delayed for other reasons for which the buyer is responsible, we shall be entitled to demand compensation for the resulting damage including additional expenses (e.g. storage costs). For this we charge a lump-sum compensation amounting to 2% of the net contract sum per calendar day, but not exceeding 10% in the event of final non-acceptance, starting with the delivery deadline or - in the absence of a delivery deadline - with the notification that the goods are ready for dispatch. In the case of custom-made products at the customer's request and non-acceptance, the compensation amounts to 30% of the net contract sum. The proof of higher damages and our legal claims (in particular compensation for additional expenses, appropriate compensation, termination) remain unaffected. The lump sum shall be set off against further monetary claims. The

buyer shall be entitled to prove that we have suffered no damage at all or that the damage we have suffered is considerably less than the above lump sum.

5 PRICES AND PAYMENT CONDITIONS

- (1) Unless otherwise agreed in individual cases, our prices valid at the time of conclusion of the contract shall apply, namely ex warehouse, plus statutory VAT.
- (2) In the case of sale by delivery to a place other than the place of performance (§ 4 para. 1 of these General Terms and Conditions), the Buyer shall bear the transport costs ex warehouse and the costs of any transport insurance requested by the Buyer. Any customs duties, fees, taxes and other public charges shall be borne by the Buyer.
- (3) The purchase price is due and payable within 14 days from the date of invoice and delivery or acceptance of the goods. However, we are entitled at any time, even within the framework of an ongoing business relationship, to make a delivery in whole or in part only against advance payment. We declare a corresponding reservation at the latest with the order confirmation.
- (4) Upon expiry of the above payment period, the buyer shall be in default. During the period of default, interest shall be charged on the purchase price at the statutory default interest rate applicable at the time. We reserve the right to assert further damages caused by default. Our claim to the commercial due date interest (§ 353 HGB) against merchants remains unaffected.
- (5) The buyer shall only be entitled to set-off or retention rights insofar as his claim has been legally established or is undisputed. In the event of defects in the delivery, the Buyer's counter rights shall remain unaffected, in particular in accordance with § 7 para. 6 sentence 2 of these GTC.
- (6) If it becomes apparent after conclusion of the contract (e.g. through an application for the opening of insolvency proceedings) that our claim to the purchase price is endangered by the Buyer's inability to pay, we shall be entitled to refuse performance in accordance with the statutory provisions and - if necessary after setting a deadline - to withdraw from the contract (§ 321 BGB). In the case of contracts for the manufacture of unacceptable items (custom-made products), we may declare our withdrawal from the contract immediately. The legal regulations regarding the dispensability of setting a deadline remain unaffected.

6 RETENTION OF TITLE

- (1) We reserve title to the goods sold until full payment of all our present and future claims arising from the purchase contract and an ongoing business relationship (secured claims).
- (2) The goods subject to retention of title may neither be pledged to third parties nor assigned as security before full payment of the secured claims. The buyer must inform us immediately in writing if an application is made for the opening of insolvency proceedings or if third parties seize the goods belonging to us (e.g. attachments).
- (3) The buyer shall treat the goods with care, insure them appropriately and, where necessary, maintain them.
- (4) If the buyer acts in breach of contract, in particular if he fails to pay the purchase price due, we shall be entitled to withdraw from the contract in accordance with the statutory provisions and/or to demand the return of the goods on the basis of the reservation of title. The demand for return does not at the same time include the declaration of withdrawal; we are rather entitled to demand only the return of the goods and reserve the right to withdraw from the contract. If the buyer does not pay the due purchase price, we may only

- assert these rights if we have previously set the buyer a reasonable deadline for payment without success or if such a deadline is dispensable according to the statutory provisions.
- (5) Until revocation according to (c) below, the buyer is authorised to resell and/or process the goods subject to retention of title in the ordinary course of business. In this case the following provisions shall apply in addition.
 - (a) Retention of title extends to the full value of the products resulting from the processing, mixing or combination of our goods, whereby we are considered the manufacturer. If a third party's right of ownership remains in effect after processing, mixing or combining with goods of a third party, we shall acquire co-ownership in proportion to the invoice values of the processed, mixed or combined goods. In all other respects, the same applies to the resulting product as to the goods delivered under reservation of title.
 - (b) The buyer hereby assigns to us by way of security all claims against third parties arising from the resale of the goods or the product, either in full or in the amount of our possible co-ownership share in accordance with the preceding paragraph. We accept the assignment. The obligations of the buyer mentioned in paragraph 2 shall also apply in consideration of the assigned claims.
 - (c) In addition to us, the buyer remains authorised to collect the claim. We undertake not to collect the claim as long as the buyer fulfils his payment obligations to us, there is no cessation of payments, there is no defect in his ability to pay (e.g. no application for the opening of insolvency proceedings or similar proceedings has been filed) and we do not assert the reservation of title by exercising a right in accordance with paragraph 4. If this is the case, however, we can demand that the buyer informs us of the assigned claims and their debtors, provides all information necessary for collection, hands over the relevant documents and informs the debtors (third parties) of the assignment. Furthermore, in this case we are entitled to revoke the buyer's authority to further sell and process the goods subject to retention of title.
 - (d) If the realisable value of the securities exceeds our claims by more than 10%, we will release securities of our choice at the request of the buyer.

7 BUYER'S CLAIMS FOR DEFECTS

- (1) The legal regulations apply to the rights of the buyer in the case of material defects and defects of title (including wrong and short delivery as well as improper assembly or faulty assembly instructions), unless otherwise specified below. The statutory special provisions in the case of final delivery of the goods to a consumer (supplier recourse according to §§ 478, 479 BGB) shall remain unaffected.
- (2) The basis of our liability for defects is above all the agreement reached on the quality of the goods. All product descriptions which are the subject of the individual contract or which have been made public by us (in particular in catalogues or on our Internet homepage) are deemed to be an agreement on the quality of the goods. We reserve the right to make changes in construction or form, deviations in colour shade and changes to the scope of delivery during the delivery period. Provided that the object of purchase is not substantially changed and the changes are reasonable for the buyer, such changes or deviations do not constitute a material defect.
- (3) Insofar as the quality has not been agreed upon, the legal regulation shall be applied to determine whether a defect exists or not (§ 434 para. 1 p. 2, p. 3 BGB). However, we do not assume any liability for public statements made by the manufacturer or other third parties (e.g. advertising statements).

- (4) The buyer's claims for defects presuppose that he has complied with his statutory obligations to inspect and give notice of defects (§§ 377, 381 HGB). If a defect becomes apparent during delivery, inspection or at any later time, we must be notified of this in writing without delay. Obvious defects must be reported in writing within 5 working days of delivery and defects that were not recognisable during proper inspection must be reported in writing within the same period from the time of discovery. If the buyer fails to carry out the proper inspection and/or report defects, our liability for the defect not reported or not reported in time or not properly is excluded according to the statutory provisions.
- (5) If the delivered item is defective, we may initially choose whether we provide subsequent performance by eliminating the defect (rectification) or by delivering a defect-free item (replacement). Our right to refuse subsequent performance under the statutory conditions remains unaffected.
- (6) We are entitled to make the subsequent performance owed dependent on the buyer paying the purchase price due. However, the Buyer shall be entitled to retain a reasonable part of the purchase price in relation to the defect.
- (7) The buyer shall give us the time and opportunity necessary for the subsequent performance owed. In particular, he must hand over the rejected goods to us for inspection purposes. In the event of a replacement delivery, the buyer shall return the defective item to us in accordance with the statutory provisions. Subsequent performance does not include the removal of the defective item or its reinstallation if we were not originally obliged to install it.
- (8) The expenses necessary for the purpose of inspection and subsequent performance, in particular transport, travel, labour and material costs (not removal and installation costs), shall be borne by us if a defect actually exists. Otherwise, we can demand reimbursement from the buyer for the costs incurred as a result of the unjustified demand for the removal of defects (in particular testing and transport costs), unless the lack of defect was not recognisable to the buyer.
- (9) In urgent cases, e.g. if operational safety is endangered or in order to prevent disproportionate damage, the buyer shall be entitled to remedy the defect himself and to demand reimbursement from us of the expenses objectively required for this purpose. We are to be informed immediately, if possible beforehand, of any such self-remedy. The right of self-remedy does not exist if we would be entitled to refuse a corresponding subsequent performance in accordance with the statutory provisions.
- (10) If the subsequent performance has failed or a reasonable deadline to be set by the Buyer for the subsequent performance has expired without success or is dispensable according to the statutory provisions, the Buyer may withdraw from the purchase contract or reduce the purchase price. In the case of an insignificant defect, however, there is no right to withdraw from the contract.
- (11) The buyer's claims for damages or compensation for futile expenses shall exist only in accordance with § 8, even in the case of defects, and shall be excluded in all other respects
- (12) Warranty obligations do not exist if the defect that has occurred is causally connected with the fact that the object of purchase has been improperly handled or overstressed (e.g. in competitions and improper use) or parts have been built into the object of purchase at the instigation of the buyer which have led to the defect that has been notified or if the buyer has not followed the regulations on the handling, maintenance and care of the object of purchase.

8 OTHER LIABILITY

- (1) Insofar as nothing to the contrary results from these GTC including the following provisions, we shall be liable in accordance with the statutory provisions in the event of a breach of contractual and non-contractual obligations.
- (2) We shall be liable for damages - irrespective of the legal grounds - within the scope of liability for culpability in the case of intent and gross negligence.
- (3) In the case of simple negligence, we shall only be liable subject to a milder standard of liability in accordance with statutory provisions (e.g. for care in our own affairs)
 - (a) for damages resulting from injury to life, body or health,
 - (b) for damages resulting from the not insignificant breach of a material contractual obligation (obligation whose fulfilment is essential for the proper execution of the contract and on whose compliance the contractual partner regularly relies and may rely); in this case, however, our liability is limited to compensation for the foreseeable, typically occurring damage.
- (4) The limitations of liability resulting from paragraphs 2 and 3 shall also apply to breaches of duty by or in favour of persons for whose fault we are responsible under statutory provisions. They shall not apply if we have fraudulently concealed a defect or have assumed a guarantee for the quality of the goods and for claims of the buyer under the Product Liability Act.
- (5) If the object of purchase is steered by the buyer or his representative during a test drive before acceptance, the buyer shall be liable for any damage to the object of purchase caused in the process. This does not apply if the buyer is not at fault.
- (6) Due to a breach of duty which does not consist of a defect, the buyer may only withdraw or terminate the contract if we are responsible for the breach of duty. A free right of termination on the part of the Buyer (in particular pursuant to §§ 651, 649 BGB) is excluded. In all other respects, the statutory requirements and legal consequences shall apply.

9 ASSIGNMENT

- The buyer is not entitled to assign his claims from the contractual relationship to third parties. This does not apply insofar as monetary claims are involved.

10 LIMITATION YEARS

- (1) Notwithstanding § 438 (1) No. 3 BGB, the general limitation period for claims arising from material defects and defects of title shall be one year from delivery. If acceptance has been agreed, the limitation period shall commence upon acceptance. Special statutory regulations on the statute of limitations shall remain unaffected (in particular § 438 para. 1 no. 1, para. 1 no. 2, para. 3 BGB, §§ 444, 479 BGB). (2) The aforementioned limitation periods of the law on sales shall also apply to contractual and non-contractual claims for damages of the buyer which are based on a defect of the goods, unless the application of the regular statutory limitation period (§§ 195, 199 BGB) would lead to a shorter limitation period in individual cases. However, claims for damages of the Buyer pursuant to § 8 para. 2, para. 3 2 (a) of these GCS and pursuant to the Product Liability Act shall be subject to the statutory limitation periods. § 11 Choice of Law and Place of Jurisdiction (1) The law of the Federal Republic of Germany shall apply to these General Terms and Conditions and the contractual relationship between us and the Buyer, excluding international uniform law, in particular the UN Convention on Contracts for the International Sale of Goods.
- (2) If the Buyer is a merchant within the meaning of the German Commercial Code, a legal entity under public law or a special fund under public law, the exclusive - also international

- place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship is our registered office in Allstedt. The same applies if the buyer is an entrepreneur within the meaning of § 14 BGB. In all cases, however, we shall also be entitled to bring an action at the place of performance of the delivery obligation in accordance with these General Terms and Conditions or a prior individual agreement or at the general place of jurisdiction of the buyer. Priority statutory provisions, in particular regarding exclusive jurisdiction, shall remain unaffected.

- (3) The invalidity of individual provisions of these AVB shall not affect the validity of the remaining provisions. Ineffective provisions shall be deemed to be replaced by such effective provisions that are suitable to realise the economic purpose of the omitted provision as far as possible. The same applies to any loopholes in this contract.