

## General supply terms

### 1. General

1.1. The business relationship between the customer and our selves shall be governed exclusively by the terms and conditions set out hereinafter. Any terms and conditions of the customer that differ from the present terms and conditions are hereby rejected. They shall be acknowledged only if and to the extent that they have been previously confirmed by us in writing. It is also agreed that the terms and conditions shall apply to all future contracts.

1.2. Contracts between the customer and ourselves and all modifications or amendments to contracts shall be made in writing. This requirement shall also apply to secondary verbal agreements and to instances where the written form requirement is waived.

### 2. Ordering

2.1. Our quotations are subject to change. Each order confirmation is subject to timely self-supply.

2.2. The scope of our supply obligations, in particular with regard to quantity and quality specifications, shall be determined exclusively from our written quotation and/or our written order confirmation. Specifications in brochures, catalogs etc. shall be binding only provided that no specifications to the contrary are stated in the quotation and/or the order confirmation.

2.3. It is the responsibility solely of the customer to check the suitability of our products for its purposes (including further processing by it and the purposes of its customers). Liability for the suitability of our products for the customer's purposes is conditional upon our having guaranteed suitability in writing.

2.4 Unless otherwise agreed, we shall be obliged to render the delivery free of any industrial property rights and copyrights of third parties solely in the country of the place of delivery.

### 3. Prices and payments

3.1. Invoices shall be in Euro plus value added tax at the applicable statutory rate. Our prices do not include costs for packaging, freight, customs duties or inspection certificates and material certificates. These costs shall be charged separately. Should it be agreed in an exceptional case that we will bear transportation costs to the agreed place of destination ("carriage paid delivery") we shall be entitled to charge to the customer any increases in freight costs that occur after the order has been confirmed.

3.2. Our invoices are to be paid net within 14 days of the date of invoice. Customer payments shall always be applied to the oldest due amount.

3.3. Should one of our accounts receivable remain unsettled even after a payment reminder and a further period of 2 weeks or if there is any reasonable doubt that compensation will be received, we shall be entitled to supply further goods only in return for pre-payment or sufficient collateral.

3.4. The enforcement of set-off rights and rights of retention is only permissible in the case of counter claims that are acknowledged by us or are legally established.

### 4. Delivery

4.1. Lead times and delivery dates are always non-binding unless they have been expressly guaranteed in writing. Time periods shall not start until all order details have been clarified and all of the required approvals or authorizations have been received.

4.2. Deliveries - even carriage paid deliveries - shall take place at the customer's own risk.

4.3. Deliveries delayed through no fault of our own, particularly due to force majeure or strikes, disruptions of operations at our premises or that of our suppliers shall result in the agreed lead time being extended by the period of the disruption. In such cases, should the agreed delivery date be exceeded by more than 10 weeks, we and the customer shall have the right to withdraw from the contract. Prior to this the right to withdraw shall exist only if we have informed the customer in writing that the service cannot or can no longer be performed by us.

4.4. Should our delivery be delayed the customer may withdraw by way of a written statement if it has set us a reasonable deadline of at least 2 weeks and this has elapsed to no avail.

4.5. We shall be entitled to make partial deliveries to a reasonable extent.

### 5. Acceptance

5.1. The customer shall accept the goods immediately after notification that the goods are ready to be dispatched. Should this not occur for whatever reason, the storage risk and costs shall be borne by the customer.

5.2. For purchases on call the customer must request them no later than three months after being notified that they are ready for dispatch.

5.3. Should the customer delay in accepting or requesting the goods we shall be entitled to withdraw from the contract and, without needing to provide proof, demand 25% of the agreed price as damages. The customer reserves the right to prove that no damages have been sustained or that any damages are significantly lower than this fixed amount. Our right to claim for damages greater than the fixed amount shall remain unaffected.

### 6. Reservation of title

6.1. The goods supplied (reserved goods) shall remain in our ownership until all accounts receivable that are due to us from the customer now or in the future are paid, including all outstanding balance claims from the current account. Should the customer behave in a manner contrary to the contract, particularly if the customer is in arrears with payment, we shall be entitled to take back the reserved goods after we have set a reasonable period for performance. The customer shall bear the transport costs for the return of the goods. Should we take back the reserved goods, this shall constitute a withdrawal from the contract.

It shall also constitute a withdrawal from the contract should we impound the reserved goods. We may make further use of any reserved goods we take back. Any income derived from such further utilization shall be set off against any amounts owed to us by the customer after we have deducted a reasonable amount for the utilization costs.

6.2. The customer must treat the reserved goods with care. The customer must insure them sufficiently at replacement cost and at its own expense against fire, water and theft damage. Should maintenance and inspection work prove necessary the customer must carry this out in good time at its own expense. The customer is obliged to store and label separately the goods held under reservation of title.

6.3. The customer may use and resell the reserved goods in the proper course of business as long as it is not in arrears with payment. However, it may not pledge the reserved goods or transfer them as security. Any payment claims the customer has against its purchasers as a result of reselling the reserved goods and any accounts receivable the customer has regarding the reserved goods with respect to its purchasers or third parties that arise for any other legal reason (in particular accounts receivable arising from unauthorized actions and claims for insurance payments) including all outstanding balance claims from open accounts shall be assigned to us in full by the customer as security. We hereby accept this assignment.

The customer may collect these accounts receivable that are assigned to us for us on its own account in its own name so long as we have not revoked this delegated power. Our right to collect these accounts receivable ourselves shall remain unaffected as a result, however we will not assert the claims ourselves and will not revoke the delegated power so long as the customer meets its payment obligations properly.

However, should the customer behave in a manner contrary to the contract, particularly if the customer is in arrears of payment, we may ask the customer to disclose to us the assigned claims and the relevant debtors, to inform the relevant debtors of the assignment and to supply us with any documents and any information we require to assert the claims.

In addition, the customer may not assign these accounts receivable to be collected under a factoring contract unless the customer irrevocably obligates the factor to pay the consideration to us directly for as long as we still have accounts receivable owed to us by the customer.

6.4. The customer shall always process or alter the reserved goods for us. Should the reserved goods be processed with other items that do not belong to us, we shall acquire joint ownership of the new item in the ratio of the value of the reserved goods (final invoice total including value added tax) vis-à-vis the other processed items at the time of processing. In addition, the same principle that applies to the reserved goods shall also apply to the new item arising as a result of processing.

Should the reserved goods be combined or mixed with other items that do not belong to us in such a way that they cannot be separated, we shall acquire joint ownership of the new items in the ratio of the value of the reserved goods (final invoice total including value added tax) vis-a-vis the combined or mixed items at the time of combining or mixing. Should the reserved goods be combined or mixed in such a way that the customer's item must be considered the main item, we and the customer have already hereby agreed that the customer shall transfer to us a proportionate joint ownership in this item. We hereby accept this transfer.

Sole ownership or joint ownership of an item arising in this manner shall be safeguarded for us by the customer free of charge.

6.5. Should the reserved goods be seized by a third party or should other third party interventions occur, the customer must indicate our ownership and inform us immediately in writing so that we may assert our ownership rights. Insofar as the third party be unable to repay the legal or out-of-court costs incurred, the customer shall be liable for these costs.

6.6. Should the customer so require, we shall be obliged to release the securities to which we are entitled should their realizable value exceed the value of our outstanding claims against the customer by more than 10%. In such case we may select the securities to be released.

## 7. Customer's claims for material defects and defects of title

7.1. The customer must provide notification in writing of recognizable defects within 7 days. Notification of defects which were not able to be detected even during a proper inspection when the goods were accepted must take place within 2 weeks of detection. Sending the complaint within the above deadlines shall be sufficient to safeguard the customer's rights.

7.2. Should the defect be justified and properly reported we are obliged to, at our discretion, either repair the defective goods or exchange them for goods that are free from defects within a reasonable delivery time.

7.3. The customer shall have the right to withdraw from the contract or to reduce the price or to demand damages only if supplementary performance has failed. However, the right to withdraw and a claim for damages instead of full performance shall exist only if the defect is substantial. In all cases the customer's right to demand damages is based on the conditions set out in Section 8. Art. 444 BGB (German Civil Code) shall remain unaffected.

7.4. Claims for defects in the item do not exist if the customer has undertaken an attempt to repair or has had a third party try to repair the item without permission.

7.5 Defect claims become time-barred one year from delivery of the goods.

## 8. Damages and liability

8.1. We shall be liable for intent, gross negligence, bodily injury and damages pursuant to the Product Liability Act in accordance with the legal provisions.

8.2. In case of all other negligence, we shall be liable only for the typical foreseeable damages that occur if the violation of a material duty is proven. A material duty is any obligation whose fulfillment is essential for the proper execution of the contract and which is continually relied upon, and may in good faith be relied upon, by the contracting party.

8.3. Indirect or consequential damage shall not be compensated.

8.4. We shall not be liable for any other damage. For all other damages, our liability is excluded as well.

8.5. We must be notified in writing of the circumstances leading to a claim for damages within 2 weeks of discovery.

8.6. Claims for damages not involving a defect shall become time-barred, unless a consumer is affected, within a year from the end of the year in which the claim arose and the customer found out about the circumstances leading to the claim or would have found out had gross negligence not occurred.

## 9. Intellectual property rights

9.1. Drawings, technical descriptions, operating instructions, cost estimates and other documents shall be acknowledged by the customer as constituting our company secrets and shall remain our property. Without our written consent they may not be

copied, reproduced or made available to any third party in any form or be made the subject of inquiries from third parties. The production of replicas using our design documents and other documents is not permitted.

9.2. The party who proposes the technical design or makes descriptions, drawings and other documents available shall bear responsibility for the breach of third party intellectual property rights.

#### **10. Export, compliance and data protection**

**Export:** Should the goods not remain with the customer and/or should they be exported, the customer undertakes to inform us prior to delivery and in writing of the final destination and the identity of the end customer. In the event that the delivery would breach export control regulations or the customer does not provide this information within seven days of being so requested by us, we shall be entitled to cancel the contract immediately and without compensation.

**Anti-corruption / Compliance:** Both parties undertake not to make any type of payment or give anything of value either directly or indirectly to persons or organizations in order to influence their actions or decisions inappropriately, and thereby breach the applicable anti-corruption laws including the US FCPA and the provisions of the OECD anti-corruption convention. Any such breach shall entitle the other party to an extraordinary cancellation of the contract without compensation. At the request of the other party, either of the parties shall confirm in writing that it is in agreement with this clause.

**Data protection:** We hereby advise that within the framework of fulfilling the contract, personal data will be stored in compliance with the provisions of the Federal Data Protection Act.

We shall be entitled to process and use the inventory data of the customer insofar as this is required for the purpose of advising the customer, for advertising, for market research for our own purposes and in order to tailor its services to suit market needs.

On request we shall at any time provide the customer with information regarding the saved data, insofar as it concerns the customer, in its entirety and free of charge. We shall also be entitled to send this data to companies which have been entrusted with the execution of this contract or parts thereof unless the legitimate interests of the concerned parties prevail. Entrusted companies are, for example: emergency call centers, banks, debt collection agencies, computer centers, SCHUFA. This data shall be passed on in strict compliance with the provisions of the Federal Data Protection Act.

The customer has the right to refuse to allow its data to be used for advertising purposes.

#### **11. Final provisions**

11.1. The place of performance is the headquarters of our company. The place of jurisdiction, including for check and bill of exchange actions but excluding dunning procedures is, for both parties, the location of our headquarters. We are also entitled to appeal to another court that is competent under the law.

11.2. The legal relationships between the customer and us arising from or in the context of the business connection shall be subject to the law of the Federal Republic of Germany excluding the UN Convention on Contracts for the International Sale of Goods.

11.3. Should one of the provisions above be or become invalid either wholly or in part, the validity of the remaining provisions shall remain unaffected as a result. Any invalid provision shall, in the form of a supplementary interpretation of the contract, be replaced by a provision that comes as close as possible to achieving the intended economic purpose.