



GENERAL TERMS AND CONDITIONS OF BUSINESS

as of: 01/06/2017

1. General provisions

1.1 The following General Terms and Conditions of Business shall be valid exclusively in their currently applicable version for all present and future business relations, with the exception of the business relations with contractors and suppliers. This shall also apply if we provide our services without reservation while being aware of terms and conditions contradictory to ours. Terms and conditions other than those specified by us shall become an integral part of the contract only when approved by us in writing. These General Terms and Conditions of Business shall only apply to entrepreneurs, legal entities under public law or special funds governed by public law within the meaning of §310(1) German Civil Code [BGB], however, not to consumers within the meaning of §13 German Civil Code.

1.2 All agreements have to be made in writing. All amendments, changes and side agreements regarding orders that have already been placed as well as any warranties by our employees shall be effective only upon our written confirmation.

1.3 The language of the contract is German.

2. Conclusion of the contract

2.1 Our offers are non-binding. Information regarding measurements, weights and other technical data constitutes approximate values that are in line with the industry and trade standards. We reserve the right to make changes, e.g. as a result of technical further development. Any offer documents provided by us are to be regarded as a recommendation that we have prepared on the basis of facts known to us and in accordance with commercial due diligence.

2.2 By placing the order the Customer assumes a binding contractual commitment to place the order. We shall be entitled to accept the contract offer made in the order within a period of two weeks after receipt by our company. The contract shall become effective upon our order confirmation or, if in exceptional cases such confirmation is not provided, through the provision of our services. The mutual rights and obligations shall be determined by the contents of the order confirmation. In the case of immediate delivery, our invoice shall be deemed as order confirmation.

2.3 In principle, our prices are valid ex works, excluding packaging, shipping and loading charges, assembly work, other additional costs and value added tax.

2.4 We shall be entitled to use the services of sub-contractors for the completion of an order.



3. Customer's obligation to cooperate

3.1 The Customer shall assist us in the performance of our services without any charge and in due time, and shall provide, in particular all data, documents and information necessary for the execution of the order.

3.2 The Customer shall inform us immediately about any and all discrepancies and any damages related to our products and services.

3.3 In each case, the Customer is required to separately check the goods as well as any raw materials, interim products or samples sent for correction for their compliance with the contract. Upon release of the product, the risk of possible faults or defects shall be transferred to the Customer. This shall not apply in the case of defects that occur or can be detected only during the production process following the product release.

3.4 The Customer shall support us while defending any claims in terms of product liability in every way deemed reasonable.

4. Delivery

4.1 Delivery periods and completion deadlines shall be stated to the best of our judgement; however, these shall be binding only if indicated as binding by us in written, text or electronic form.

4.2 If the delivery date or delivery period is not binding, the Customer shall not be entitled to put us in default through written statement until four weeks after exceeding the deadline.

4.3 All delivery periods shall begin with the date of our order confirmation; however, not before complete clarification of all details relating to the order. This also includes, in particular, the compliance with the obligation to cooperate mentioned in point 3.1. Periods and deadlines refer to the point in time when goods are shipped ex works or ex warehouse. They shall be considered as adhered to with the notice of the readiness for shipping or with the handing over of the goods to a haulier or other forwarding agent.

4.4 A delivery period shall no longer be valid if more than just minor changes are made to the contract later on. In such a case, we shall be entitled to schedule a new appropriate delivery deadline.

4.5 We shall not be responsible for delays in delivery and performance of service on grounds of force majeure and due to events that make it considerably difficult or impossible for us to make a delivery – such events include in particular late supply to our company that are beyond our control, strikes, lockouts, administrative orders, etc. – even if there exists a binding agreement with regard to the dates and deadlines. We shall be entitled in such cases to postpone the delivery or performance of service by the duration of the obstruction plus an adequate lead time. We shall inform the Customer about the obstruction without any delay. In addition, we shall be entitled to withdraw from the contract entirely or partially against immediate refund of the consideration.

4.6 We shall be entitled to partial delivery of products or services.



5. Make-and-take orders

5.1 If the Customer has to call our services within a certain period of time, we shall be entitled to invoice our services upon completion of that period; in this case, the Customer cannot plead non-fulfilment of the contract. Alternatively, we shall be entitled to the rights given under §§281, 323, 325 of the German Civil Code upon completion of an appropriate period to be set by us for calling our services.

5.2 If no deadline has been agreed upon regarding calling our services, we can at the end of six months – counting from the date of the order confirmation – exercise the rights given under §§281, 323, 325 of the German Civil Code upon completion of an appropriate period to be set by us for calling our services.

5.3 If complete delivery of the orders on call is not taken within the agreed deadline, then we shall be entitled to the rights given under §§281, 323, 325 of the German Civil Code upon completion of an appropriate period to be set by us.

6. Shipping, passing of risk

6.1 We shall decide the method and type of shipping, with no liability for the cheapest and fastest type of shipping. In principle, the shipping shall be made in one-way packaging for which we do not accept return.

6.2 Upon handing over the goods to the party responsible for the transport, the risk shall be passed to the Customer; however, upon leaving our premises at the latest. This also applies if we have taken on other services like shipping or transport or if the delivery is free to the destination. Hauliers, forwarding agents, etc. are not our vicarious agents.

6.3 Should the goods that have been notified as ready for shipping not called within four working days, we shall be entitled, at our discretion, to ship the goods or store them at the expense and risk of the buyer.

6.4 Special means of transport and protection as well as insurances shall be charged to the Customer separately.

7. Terms of payment

7.1 All prices are to be understood strictly net cash, payable immediately upon receipt of the invoice in legal tender. Payment by cheque shall be considered rendered only when the amount is finally credited to our account.

7.2 Our prices are to be understood without value added tax, unless stated otherwise. The value added tax shall be charged at the rate applicable at the time of delivery.

7.3 If after the conclusion of the contract we should become aware of circumstances that are likely to seriously lower the creditworthiness of the Customer (in particular filing for insolvency or submitting a declaration in lieu of an oath), we shall be entitled to withdraw from all contracts not yet fulfilled completely. The entire payments outstanding shall be due immediately without



prejudice to the assertion of other rights. The same applies if legal action is required due to an unpaid invoice. Irrespective of a withdrawal, we shall also be entitled in the above cases to forbid the Customer from reselling the contractual item. The provision under §325 German Civil Code shall apply so that the right to claim damages is not excluded on account of withdrawal from contract.

7.4 The Customer has no right of retention of goods, unless the Customer's claim is admitted by us or is legally established. The aforementioned applies correspondingly to the right to offset. Any claims against us may be assigned only upon our consent.

7.5 Irrespective of the assertion of further damages, we shall be entitled to demand payment of default interest amounting to 10 percentage points above the basic interest rate. Reminders (except for a reminder constituting a default) shall be charged a lump sum of EUR 5 each, unless we prove that a higher expenditure was incurred by us.

8. Retention of title

8.1 Goods supplied by us shall remain our property until all obligations arising from the business relation with us are fulfilled by the Customer (current account reservation). So far as the retained goods have an invoice value higher than EUR 2,500, these have to be insured by the Customer against fire and theft at their own expense. At request, the Customer is required to prove that such insurance policy has been taken out.

8.2 We have to be informed immediately about any pledges and any other risks to our rights from third parties, along with all the information required by us for filing an opposition proceedings in accordance with §771 of the German code of civil procedure [ZPO]. The Customer shall be liable in case we suffer a loss because a third party is unable to pay us for the judicial or extra-judicial costs of a lawsuit according to §771 ZPO.

8.3 The Customer shall process or alter our goods exclusively for us. In the case of processing using other goods not belonging to us, we shall be entitled to co-ownership of the new product in the ratio of the invoice value of our retained goods to the purchasing price of the other processed goods (at the time of processing). Moreover, the regulations concerning retained goods shall apply to the new product accordingly. The Customer shall preserve the sole or joint ownership for us without any charge.

8.4 The Customer shall be entitled to resell our retained goods as part of proper business activities. The Customer shall assign all claims or receivables from third parties resulting from this activity to us in advance, i.e. amounting to the respective invoice value including value added tax. Irrespective of this assignment, the Customer shall continue to remain entitled to the collection of the claim. At request, the Customer has to disclose to us the claims assigned as well as their liable parties, and to provide all details and documents needed for the collection of the claims. At our request, the Customer shall inform the concerned third-party debtors about the assignment to us.

8.5 The aforementioned assignment applies also to processed, altered and mixed retained goods.

9. Claims for defects

9.1 The Customer must check the goods immediately upon receipt. Visible faults have to be reported to us in writing within one week of receiving the goods and hidden faults within one week of their detection. Otherwise, the assertion of claims for defects shall be excluded. Sending the notification in due time shall suffice for the purpose of deadline compliance. After acceptance of goods by the Customer, no claims may be filed for defects which were visible during the acceptance.

9.2 We shall be liable to ensure that the goods are free of defects in accordance with the state-of-the-art technology. The Customer is provided guarantees in the legal sense only when these are expressly indicated by us as such.

9.3 We shall provide warranty for defects at our discretion through supplementary performance (elimination of the defect, new production or replacement). Supplementary performance shall be deemed failed at the earliest after three unsuccessful attempts have been made by us.

9.4 In case we seriously and definitively refuse supplementary performance for no stated reason, or refuse to eliminate the defect and provide supplementary performance due to excessive costs, or in case the supplementary performance fails or is unacceptable for the Customer, the Customer may, at their discretion, demand either only a reduction of the price (decrease) or cancellation of the contract (withdrawal) and damage claim within the scope of limitation of liability (paragraph 10) instead of the performance of services. In the case of only a slight contravention of the contract, particularly for only minor defects, the Customer shall not have any right of withdrawal from contract.

9.5 Insofar as we are not responsible for the violation of obligations because of a defect, the Customer shall not be entitled to withdraw from the contract.

9.6 If the Customer opts for withdrawal from the contract as a result of a defect after failed supplementary performance, they shall not be entitled to any additional damage claim on account of the defect. Should the Customer opt for damage claim after failed supplementary performance, the goods shall remain with the Customer if it is deemed acceptable by them. The damage claim shall be limited to the difference between price and value of the defective item. This does not apply if we have maliciously caused this violation of contract.

10. Intellectual property rights

10.1 According to these General Terms and Conditions of Business, we vouch for the delivery item being free of any industrial property rights or copyrights of third parties. Each contracting party shall inform the other contracting party in writing without delay should any claims be asserted against it due to the infringement of such rights.

10.2 In the event of the delivery item infringing upon an industrial property right or copyright of a third party, we shall, at our discretion and our expense, modify or exchange the delivery item in such a way that no rights of third parties are any longer infringed upon, the delivery item, however, continues to fulfil the contractually agreed functions or the Customer is granted the right of use by concluding a licence agreement. Should we not accomplish this within a reasonable period of time, the Customer shall be entitled to withdraw from the contract or reduce the purchase price appropriately. Any damage claims on the part of the Customer shall be



subject to the limitations of these General Terms and Conditions of Business.

10.3 In the event of infringements upon rights by products of other manufacturers supplied by us, we shall, at our discretion, assert the claims that have arisen against the manufacturer and any preliminary suppliers on behalf of the Customer or assign such claims to the Customer. Any claims against us shall only exist in such cases if the judicial enforcement of the aforementioned claims against the manufacturer and any preliminary suppliers failed or, for example due to an insolvency, has no prospects of success.

11. Limitation of liability

11.1 We shall be liable, without fault, for claims from product liability law and in the case of malicious deceit, in the case of wilful intent and gross negligence, in the case of ordinary negligence for damages arising from injury to body and health, and in the case of minor negligence for violating essential contractual obligations. The above liability shall also apply to our legal representatives and vicarious agents in the case of culpability.

11.2 If we assume liability in the case of violations of essential contractual obligations due to slight negligence, the liability to pay damages shall be limited to the typically occurring damages.

11.3 In all other cases, our liability shall be excluded. This also applies to liability for our employees, representatives and vicarious agents.

12. Liquidated damages

12.1 If we can claim damages instead of the performance of service, then this shall amount to 15% of the consideration.

12.2 The damage claim is to be set higher or lower if we prove higher damage or if the Customer proves lower damage.

13. Statute of limitations

13.1 Our claims for payment shall come under the statute of limitations in five years at the earliest.

13.2 Claims for defects and damages by the Customer shall come under statute of limitations in one year, provided there is no other provision mandatorily prescribed by law.

13.3 The beginning of the period of limitation shall depend on the respective legal provisions.



14. Applicable law, place of performance, place of jurisdiction

14.1 The law of the Federal Republic of Germany, excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG), shall exclusively apply to these General Terms and Conditions of Business and to the entire legal relationship between us and the Customer.

14.2 The place of performance and place of jurisdiction for all obligations arising from the contract shall be our official business location.

15. Final provisions

Should an agreement or these General Terms and Conditions of Business contain any loopholes, those legally valid provisions which the contractual partners would have agreed upon in accordance with the economic objectives of the agreement and the purpose of these General Terms and Conditions of Business, had they discerned the loophole, shall be deemed to have been agreed upon, in order to fill in such loopholes.

Note:

The Customer notes that we store data from the contractual relationship pursuant to §28 Federal Data Protection Act (BDSG) for the purpose of processing data and reserve the right to transmit the data to third parties (e.g. insurance companies), to the extent that it is necessary for the fulfilment of the contract.

The European Commission provides a platform for settling disputes online. This is accessible at: <http://ec.europa.eu/consumers/odr/>. We shall neither be obliged nor prepared to take part in a dispute resolution procedure before a Consumer Arbitration Board.

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