

General Terms and Conditions of Sale

Effective: 01/2017

1 General Provisions

1.1 All of our goods, services and offers are exclusively subject to these General Terms and Conditions, even if not expressly mentioned at the time of negotiation. We do not acknowledge terms and conditions contradicting or deviating from these General Terms and conditions even if we do not expressly object to them or if we make reference to correspondence from our contract partner which contain references to their terms and conditions. Our General Terms and Conditions shall apply with respect to all contracts with corporate entities, legal entities of public law and special fund entities of public administrative law, and shall obtain also with respect to all future business transactions even if they are not expressly and separately agreed to. Our General Terms and Conditions shall be deemed to have been accepted at the latest from such time as the goods are accepted.

1.2 Terms and conditions of the purchase which contradict or deviate from General Terms and Conditions shall be applicable only if we have expressly agreed to their application in writing.

2 Offer, Formation of Contract, Documents, Tools

2.1 Our sales agents are not authorized to conclude oral ancillary agreements or make any representations extending beyond the contents of the written contract. All provisions of this (sic!) agreement are set forth in the written contract documents. There are no oral ancillary agreements between the parties.

2.2 Delivery times quoted by us are provided with best care but shall be approximate and non-binding unless they have been expressly agreed to be binding. Details of the goods being supplied (e.g. technical data, tolerances, dimensions, weights etc.) and visual representations thereof are merely descriptive and indicative in nature and shall only be contractually binding on us if we expressly confirm this. Technical and design-related changes of the delivery items which are customary in the trade shall remain reserved to the extent that they do not unreasonably impair the customer and do not affect the serviceability of the purchased goods. Using our name as reference for promotional purposes and the like shall only be admissible with our previous consent.

2.3 Our offers are non-binding until the time of conclusion of the contract unless otherwise agreed.

2.4 We reserve title and rights of intellectual property as to design drawings, samples, cost estimates and similar items of business property, whether tangible or intangible. They are at all times to be treated in strict confidence. They may not be made accessible to third parties without our consent. The purchaser shall be fully liable under the provisions of applicable law for any breaches of these obligations.

2.5 If tools are made pursuant to our knowledge and expertise, they shall pass into our ownership even if the purchaser has assumed a portion of the costs of manufacturing or making them.

3 Prices

3.1 Our prices are ex works, including loading of the goods. We shall bear the costs of appropriate and favorably priced standard packing; the purchaser shall bear the costs of any special packing. To the extent we should, in an individual case, assume responsibility for forwarding, the additional costs of any special means of shipping shall be borne by the purchaser. Unloading and transfer to storage shall be the purchaser's concern. The legal rate VAAT as at the date the invoice is generated shall be added to the price. The costs of any goods in transit insurance or similar shall be borne by the purchaser, subject to any agreements to the contrary. Where partial deliveries are affected, each individual delivery may be invoiced separately.

3.2 If the basis for pricing (e.g. increases in price of raw material, material, wage, transport or storage costs) changes at a delivery day which is four months after conclusion of the contract, we shall reserve the right to adjust the prices correspondingly after informing the purchaser. The increase in price can only be claimed by us within two months after occurrence of the respective increases in price. In this respect, the individual cost elements and their increase must be appropriately weighted when fixing the new price. If individual cost elements increase while others decrease, this must also be taken into account when fixing the new price.

3.3 If no prices are agreed at the time the contract is concluded, our applicable prices as at the date of delivery shall govern.

4 Terms of Payment

4.1 Unless otherwise provided for in our order confirmation (or, in the alternative, our invoice), the payment shall be due for payment within 14 days after the invoice date.

4.2 If the purchaser falls into arrears in payment, we shall be entitled to apply delay interest at a rate of 8 percentage points over the base rate of interest. However, we may at any time prove and claim a greater level of interest damages. In cases involving arrearages in payment, we shall be entitled to rescind any rebates, discounts and other concessions. We shall be entitled to require advance payment for further deliveries; and we may accelerate all payments under the contract for immediate payment.

4.3 Where these payment terms are not complied with, in cases of delay or in circumstances which are apt to diminish the creditworthiness of the purchaser, all outstanding liabilities to us shall be immediately due and payable.

4.4 The purchase shall only have rights of set-off if the purchaser's counterclaims have been established as final and absolute, are ready for decision, undisputed or have been acknowledged by us.

4.5 The purchaser shall be entitled to exercise a right of retention to the extent that his counterclaim is based on the same contractual relationship.

4.6 We are not obliged to accept bills of exchange or cheques. Credits given with respect thereto shall at all times be subject to their being honored (by payment, and not in lieu of performance); they shall be valid as at the value date on which we are able to dispose of the corresponding amounts in cash funds. Bills of exchange shall be credited subject to deductions we may incur for any discount, stamp duty and bank fees, including collections fees, if any.

4.7 All of our further and other contractual or legal claims and rights in cases of delay are reserved.

5 Delivery periods and impediments to delivery

5.1 The delivery period shall begin to run as from the time of dispatch of the order confirmation, but not before all documents, licenses, approvals required to be obtained by the purchaser have been delivered to us, and not before the receipt of any agreed down-payment and the resolution of all technical questions.

5.2 If the goods for delivery leave our works prior to or at the end of the delivery period, or if we give notice of our readiness to ship, the delivery period is deemed to have been complied with.

5.3 Where unforeseen impediments arise lying outside the scope of our intent and which we cannot avoid despite having exercised all due care under the circumstances of the case – irrespective of whether such impediments occur with respect to us or with respect to a subcontractor – such as *force majeure* (e.g. war, fire and natural disaster), delays in the supply of major raw materials, etc., we shall be entitled to rescind the supply contract in whole or in part or to extend the period of delivery for a period equal to that of the duration of the impediment. We shall have the same rights in cases of strike or lock-out either as to our works or those of our subcontractor. We shall inform our customers of the existence of such circumstances without delay. We shall inform our customer of the existence of such circumstances without delay and immediately reimburse any payments already made by the customer. If the impediment results in a delay of more than one month, we shall also be entitled to rescind the supply contract completely or in parts.

5.4 In the case of delay in delivery, the purchaser may, after expiration of a reasonable time which has proven unavailing, rescind the contract; in the case of impossibility as to our contractual performance, the customer shall be able to exercise this right without setting a grace period. Notwithstanding sections 5 and 6 and clause 9 (which do not cause a reversal as to the burden of proof), claims for damages (including any consequential damages) are hereby excluded; the same shall apply with respect to claims for reimbursement of expenses.

5.5 To the extent that the delay in supply is due to an intentional grossly negligent breach to our obligations attributable to us, we shall bear liability under the provisions of applicable law; in such cases the fault of our vicarious agent is attributable to us. The same shall apply in cases involving injury to life, limb or health or were we have guaranteed the delivery period. Where we have negligently, but not intentionally, breached a material or "cardinal" obligation of the contract, our liability shall be limited to such damage as is foreseeable and typical for the contract, and beyond such damage we shall, pursuant to section 4, have no liability. The foregoing shall apply *mutatis mutandis* in cases of claims for reimbursement of expenses.

5.6 If a transaction at a fixed date was agreed, we shall bear liability pursuant to the provisions of applicable law. The same shall apply if the purchaser is able to claim that its interest in the performance of the contract has ceased due to the delay occasioned by us.

6 Risk of loss, acceptance of goods, partial deliveries

6.1 Where the liability is to be discharged at the premises of the debtor the risk of loss passes as from the time the goods are selected and made ready for the purchaser according to the contract. The same shall apply where the liability is to be discharged by dispatch as from such time as the goods are passed to the forwarder. The risk of loss in cases where the liability is to be discharged by forwarding shall pass as from such time as the goods leave the factory premises. The same shall apply in cases of delay of the creditor.

6.2 Goods which are delivered shall be accepted by the purchaser, notwithstanding the purchaser's rights under §§ 8, 9 even if they have minor defects. Partial deliveries shall be permissible to the extent it is reasonable to expect the purchaser to accept them.

7 Reservation of title

7.1 We reserve title to all goods supplied by us until such time as the purchaser has paid all liabilities to us from the contractual relationship, both present and future. Reservation of title shall also cover replacement or exchange parts such as motors, control units, etc., even if they are integrated within other equipment, inasmuch as they do not become material components within the meaning of § 93 of the German Civil Code. Where cheque/bill of exchange procedures are followed, our reservation of title shall continue even after the payment of the cheque up until such time as we are released from liability for the bill of exchange in cases of a current account situation (business relationship) we shall reserve title until such time as all payments from the existing current account relationship are received by us; this reservation of title shall cover the acknowledged account balance; in such cases, § 7 hereof shall apply *mutatis mutandis*.

7.2 Where the purchaser is in breach of any contract term, particularly in cases of default in payment, we shall be entitled, after setting a grace period which proves unavailing to retake the goods. A mere retaking of the goods shall not

General Terms and Conditions of Sale

Effective: 01/2017

be equated with a rescission of the contract unless a reasonable period set by us for performance has expired unavailingly and we have expressly declared the rescission. The costs (particularly costs of shipment) we incur as a result of retaking the goods shall be for the account of the purchaser. We shall also be entitled to prohibit the purchaser from reselling or processing, blending or commingling the goods supplied subject to our reservation to title and to cancel the bank debit authority (§ 7V). The purchaser may not demand return of goods which have been retaken without an express declaration that the contract has been rescinded until such time as the purchaser has paid the purchase price in full as well as all costs.

7.3 The purchaser is obliged to treat the goods with care (in particular to store the same in a proper manner and conforming to standards).

7.4 The purchaser may not charge, convey or assign the delivered goods or the liabilities arising in their place, or convey them or assign them as a security. In cases of attachment or other interference of third parties with the good, the purchaser shall inform us in writing without delay so that we may initiate suit in accordance with § 771 of the German Code of Civil Procedure. Any costs of such suit remaining to us pursuant to § 771 of the German Code of Civil Procedure despite our having prevailed in the lawsuit shall be borne by the purchaser.

7.5 The purchaser shall be entitled to resell, process or commingle the purchased goods in the ordinary course of business. However, in doing so the purchaser now assigns to us all of its demands arising from the resale, processing, commingling or from any other legal basis (in particular, as a result of insurance or tort) up to the amount of the final invoiced amount (including VAT) as well as all rights ancillary thereto. If the delivered goods are co-owned by us due to the reservation of title, assignment by the purchaser of its demands shall be to the extent of the co-ownership interest. Where the assigned claim is included within a current account, the purchaser assigns to us now a corresponding portion of the account balance (including of the final balance) form the current account; if interim balances are prepared and if it is agreed that they should be carried forward, then pursuant to the arrangement set forth hereinabove the claim to which we are entitled as a result of the interim balance shall be deemed to be assigned to us also in the next balance. The purchaser shall remain entitled to collect these claims, but our own entitlement to collect the claim ourselves shall remain unaffected thereby. However, we covenant not to collect the claim so long as the purchaser complies with its payment obligations from the proceeds collected by it, is not in default of payment and an application for the institution of insolvency proceedings has not been made and for the purchaser has not ceased making payments. However, if one of the foregoing is the case, the purchaser shall, at our request, inform us as to the assigned claims and debtors and make all declarations necessary to enable us to effect collection, deliver to us the appropriate documentation and give notice of the assignment to the debtor (third party). This shall also apply where the purchaser has re-sold, processed or commingled the purchased goods in breach of the contract.

7.6 The reservation of title shall also extend to all products produced by processing or transforming our goods as at the full value thereof, and such processes shall be deemed to take place for our benefit such that we are deemed to be the manufacturer. If the ownership rights of third parties continue to exist where our goods are processed or transformed together with the goods of third parties, the purchaser grants to us co-ownership as to those goods at a ratio of the objective values of such goods; we furthermore hereby agree in advance that the purchaser shall in such cases keep and maintain the goods for us with due care. If our reservation of title goods are commingled with other personality to create a unitary item or are inseparably commingled with other personality, and if the other personality is to be regarded as the principal element thereof, the purchaser conveys to us a proportionate co-ownership interest to the extent the main element belongs to the purchaser; the purchaser shall store the (co-)owned property which has been so created for us. Otherwise, as to property so created the same provisions shall apply as for goods supplied subject to our reservation of title.

7.7 To secure our claims against the purchaser, the purchaser assigns to us its claims it may have as to third parties with respect to the fusion of the supplied goods with real property. This assignment shall be first in rank before the others.

7.8 The collateral to which we are entitled shall not be covered hereby to the extent the estimated value of our collateral exceeds the nominal value of the claims to be secured thereby by more than 50%. The question of which collateral was released is for us to decide.

8 Liability for defects as to goods or title

We shall bear liability as set forth hereinafter for defects in delivery; to the extent the purchaser is a merchant, however, only in cases where the inspection and notification obligations from § 377 of the German Commercial Code are complied with (as to notification, notification in writing is deemed to have been agreed):

8.1 To the extent that there is a defect in the purchased goods, we shall be entitled to remedy the defect or to deliver non-defective goods at our option (subsequent performance). The prerequisite in this respect is that the defect is not insignificant. If one or both types of such subsequent performance is/are impossible or unreasonable, we shall be entitled to refuse such subsequent performance. We may refuse subsequent performance as long as the purchaser fails to meet its payment obligations to us to an extent corresponding to the non-defective portion of our performance. In the case of subsequent performance, we shall only bear the expenses up to the amount of the purchase price to the extent that such expenses do not increase due to the fact that the purchased goods were brought to another place than the place of performance. We shall bear the expenses necessary for the purpose of subsequent performance, in particular transport, road construction and maintenance, labor and material costs; we shall not bear the costs insofar as

additional costs arise due to the goods being brought to another place than the place of performance.

8.2 If the subsequent performance referred to in section 8.1 is impossible or fails, the purchaser shall be entitled to the option either to correspondingly abate the purchase price or to rescind the contract in accordance with the legal provisions; this shall apply in particular in the case of culpable delay or refusal of the subsequent performance and if it fails for the second time.

8.3 No warranty is given for damages due to the following: incorrect or improper use, defective assembly by the purchaser or third parties, normal wear and tear, defective or negligent handling, unsuitable operating equipment, chemical, electrochemical or electrical forces (to the extent we do not bear fault for them), improper repairs and repairs not previously approved by us, performed by the purchaser or third parties (including with respect to the goods after processing).

8.4 Claims based on defects shall prescribe within one year after delivery of the purchased goods if claims are concerned which are subject to a limited liability under clauses 8 or 9. Goods which have been used corresponding to their customary utilization for a building and caused its defectiveness shall only prescribe after 5 years. The claims for abatement and the exercise of a right of rescission shall be excluded to the extent that a claim for subsequent performance has prescribed. However, in the case of sentence 3 the purchaser may refuse to pay the purchase price insofar as the purchaser would be entitled to do so due to the rescission or the abatement; in the case of exclusion of the rescission and a subsequent refusal of payment we shall be entitled to rescind the contract. No reversal of the burden of proof is contemplated.

8.5 Warranties and guarantees are not validly given unless they are given expressly and in writing.

9 Rescission by the purchaser and other questions of our liability

9.1 Other than in the cases under clause 8, the legal right of rescission of the purchaser shall neither be excluded nor limited. In addition, any legal or contractual rights and claims to which we are entitled shall not be excluded or limited either.

9.2 We shall only be liable without limitation for intention and gross negligence (also of our legal representatives and vicarious agents) and for injuries to life, limb and health. We shall also be liable without limitation if we assume any guarantee and warrant any characteristics where a defect covered by it gives rise to our liability. The liability based on strict liability offences (in particular under the product liability law) shall not be limited either. Any liability under the principles of recourse of the entrepreneur under §§ 478 et seqq. of the German Civil Code shall remain unaffected.

9.3. In the case of other culpable violations of material contractual obligations (cardinal obligations, see section. (8) Sentence 2), our remaining liability shall be limited to the foreseeable damage which is typical for the contract.

9.4 In all other respects, liability for whatever legal ground (in particular claims based on the violation of contractual primary and collateral duties, tortious act and other liability in tort) shall be excluded.

9.5 The same (exclusions, limitations and exceptions thereof) shall apply to claims based on *culpa in contrahendo*.

9.6 With regard to the reimbursement of expenses (with exception of the one under §§ 439 II, 635 II of the German Civil Code), clause 9 shall apply correspondingly.

9.7 Any exclusion or limitation of our liability shall also be effective for our legal representatives and vicarious agents.

9.8 No reversal of the burden of proof is contemplated. Cardinal obligations are material contractual obligations, i.e. such obligations which are distinctive for the contract and on which the contractual partner may rely; thus, they are the material rights and duties which create the prerequisites for the fulfillment of the contract and which are indispensable for achieving the contractual purpose.

10 Place of performance, forum for disputes, applicable law, language of the contract and apportionment of the burden of proof

10.1 Place of performance is the place of dispatch (place of manufacture or storage).

10.2 The forum for all disputes are the courts at the place of our registered office, to the extent that the purchaser is also a merchant, legal person under public law or a special fund entity of public law. The foregoing shall also apply in cases in which the purchaser does not have a general forum for disputes in Germany. We shall be entitled to bring suit against the purchaser in other courts with jurisdiction.

10.3 As to all claims and rights arising under this contract, the non-harmonised law of the Federal Republic of Germany (German Civil Code and Commercial Code) shall apply. The application of the UN convention on international sales is hereby expressly excluded. The contract language is German.

10.4 It is intended that the applicable burden of proof under statutory or case law be changed or shifted by any provision contained in these general Terms and Conditions.

11 Further provisions

11.1 Modifications of the contract are not effective unless they are made with our consent.

11.2 If individual provisions of these General Terms and Conditions should be partially or wholly invalid or void, the remaining provisions hereof shall remain unaffected thereby. The parties covenant to consent to a contractual arrangement by which the economic object and purpose of the invalid or void provision shall be achieved to a reasonable extent.

General Terms and Conditions of Sale

Effective: 01/2017

11.3 We handle all data of the purchaser for the exclusive purpose of transacting business and in accordance with the requirements of the respectively applicable data protection provisions. Upon request, the purchaser shall also be entitled to be informed about its personal data which are collected, processed and used by us.

11.4 All terms and regulations shall be understood as being gender-neutral and otherwise nondiscriminatory within the meaning of the German General Act on Equal Treatment (German abbreviation: AGG).