

General Terms and Conditions



■ Section 1 General Provisions

- (1) All our deliveries, services and offers shall be exclusively provided on the basis of the present terms and provisions, even if they are not expressly referred to in negotiations. Our General Terms and Conditions shall apply to all agreements with entrepreneurs, legal entities under public law and special assets under public law and thus also for all future business relationships, even if they are not explicitly agreed upon once again. Upon acceptance of the goods at the latest, our General Terms and Conditions shall be considered accepted.
- (2) Any conflicting conditions or those conditions of the ordering party which deviate from our conditions shall apply only if we consented to their application both explicitly and in writing. Even if we make reference to any letter of the ordering party in which the ordering party's General Terms and Conditions or any reference to such GTC are contained, this shall not be deemed as any acceptance of such terms and conditions.
- (3) We assume that the ordering party, just like we ourselves, is not working with the technology of L Ron Hubbard and is not a member of the International Association of Scientologists (IAS), not a member of the Worldwide Institute of Scientology Enterprises (WISE), not a member of the Scientology Church or any other related grouping. We further assume that the contracting partner is not acting on behalf of other sects or political groupings. If this is the case, however, we shall be informed by the ordering party accordingly before the agreement is concluded. Any violation of this obligation shall be deemed to be a considerable breach of trust; statutory claims shall remain reserved.

■ Section 2 Offer, Conclusion of the Agreement, Documents, Moulds and Tools

- (1) Our sales employees shall not be authorised to make oral ancillary agreements or representations going beyond the content of the written agreement. Any and all arrangements made within the framework of this agreement are set out in the written contractual documents. Ancillary verbal agreements have not been made.
- (2) Information on delivery times shall be approximate and non-binding, unless their binding effect has expressly been confirmed. Information on the subject matter of delivery (e.g. technical data, tolerances, dimensions, weights, etc.) as well as its presentation shall only be mere descriptions and characterisations, which shall be binding only if their binding effect has explicitly been confirmed. Technical and constructive modifications customary in the trade with regard to the subject matters of delivery shall remain reserved, provided that they do not affect the ordering party to an unreasonable degree and only to the extent that they do not affect the usability of the purchase item.
- (3) Unless agreed upon otherwise, our offers may only be accepted within a period of ten (10) days after the offer date.
- (4) We retain title of ownership and copyright to all design drawings, samples, cost estimates and similar company objects of tangible or intangible nature. Such objects shall be treated strictly confidential at all times. They may not be made available to third parties without our prior approval. In the case of any violation of these obligations, the ordering party shall be liable in full extent in accordance with the statutory regulations. Reference advertising with our name and the like shall only be permitted after prior approval.
- (5) We shall be entitled to invoice to the ordering party the costs of any mould, tool, artwork or comparable object required for the provision of services. Upon full payment, the ownership shall pass to the ordering party. These objects shall be kept by us in safe custody for the ordering party and have to be handed over to the ordering party upon request.
- (6) Packaging made available on loan is to be sent back to us by the ordering party for services in Germany within a period of three (3) months of the date of invoice at the latest; for services provided abroad, within a period of six (6) months of the date of invoice, free of charge, in a proper condition and without product residues. If the ordering party does not fulfil this obligation in a proper and timely manner, we shall be entitled to demand compensation from the ordering party for the costs of replacement and/or the costs of cleaning and disposal; the right to assert any further damage or expense shall remain with us. The risk of the proper return in due time shall be borne by the ordering party; the findings of the incoming goods inspection shall be authoritative. Packaging and packing aids that remain with the ordering party may only be used again or reused after the company logo and the company name, the trademark or any other designation used in the course of business have been blacked out. Apart from that, the respective current packaging regulations shall apply, provided that their area of application has been opened up.

■ Section 3 Prices

- (1) Our prices shall be ex works, excluding loading, excluding packaging. Unloading and warehousing shall be the responsibilities of the ordering party. All prices shall be subject to the respective statutory value added tax applicable on the date of invoicing. Subject to any other arrangement, the costs of any transport or similar insurance agreed upon shall be borne by the ordering party. In the case of partial deliveries, each delivery may be invoiced separately.
- (2) In the event of any modification to the basis for pricing on any day of delivery four (4) months after the conclusion of the agreement (e.g. price increases with regard to raw materials, material, payroll, transport or storage costs), we reserve the right to make a corresponding price adjustment after informing the ordering party. Such price increase may only be asserted by us within a period of two (2) months after occurrence of the respective price increases. In this context, the individual cost elements as well as their increase must be appropriately weighted when the new price is defined. In the case that individual cost elements increase, others in turn decrease, then this must be taken into account, too, when the new price is defined.
- (3) If no prices have been agreed upon when the agreement is concluded, our prices applicable as of the date of delivery shall apply.

■ Section 4 Payment Terms

- (1) Unless provided for otherwise in the order confirmation (alternatively, the invoice), then the price shall be due for payment net (without deduction) within a period of ten (10) days of the date of invoice.
- (2) If the ordering party falls into arrears with payment, we shall be entitled to charge default interest in the amount of eight (8) percentage points above the respective base interest rate. In this context, we may provide evidence of and invoice any higher interest loss at any time. In the case of any default of payment, we shall also be entitled to revoke any rebate, discount or other benefit agreed upon. We shall be entitled to accept further deliveries only against cash in advance.
- (3) Any non-compliance with the payment terms, default or other circumstances suitable to reduce the creditworthiness of the ordering party shall result in all our claims becoming immediately due.
- (4) The ordering party shall be entitled to any right of set-off only if the ordering party's counterclaims have been established by force of law, are ready for decision, are undisputed or have been acknowledged by us.
- (5) The ordering party shall be entitled to exercise any right of retention only to the extent that the ordering party's counterclaim is based on the same contractual relationship or if the counterclaim has been established by force of law, is ready for decision, is undisputed or has been acknowledged by us.

- (6) We shall not be obliged to accept bills of exchange or cheques. Credit notes in this regard shall always be deemed subject to their encashment (by way of payment, not in substitution of performance); they shall be granted at the value on the day on which we can dispose of the respective equivalent value. Bills of exchange shall be credited in consideration of the charges of the discounts invoiced to us, the stamp duty and bank fees and, as the case may be, collection costs.
- (7) Any further contractual or statutory claim in any event of default shall remain reserved.

■ Section 5 Delivery Time and Obstacles to Delivery

- (1) The delivery period shall begin upon dispatch of the order confirmation, but not before the provision of any document, approval and clearance to be furnished by the ordering party, as well as before the receipt of any down payment agreed upon and clarification of all technical issues.
- (2) The delivery deadline shall be deemed to have been complied with if the subject matters of delivery have left the factory gates prior to the expiry of the delivery period or upon notification of their readiness for dispatch.
- (3) Should unforeseeable events occur which cannot be attributed to our will and which we, despite exercising reasonable care according to the circumstances of the case, could not prevent - no matter whether they occur on our or on a subcontractor's premises - such as, for instance, force majeure (e.g. war, fire and natural disasters), delays in delivery of essential raw materials, etc. - we reserve the right to extend the delivery period by the duration of such event. We shall be entitled to the same rights in the event of strikes and lockouts on our premises or those of our upstream suppliers. We shall inform the ordering party about such impediments without delay and immediately reimburse to the ordering party any service already rendered by them. In the event that the unforeseeable event results in any postponement of more than one month, we shall also have the right to withdraw from the delivery agreement either in whole or in part.
- (4) Correct and punctual self-delivery shall remain reserved. We shall inform the ordering party of any delay. To the extent that we do not receive proper or prompt supply from our own suppliers and we cannot be held responsible for such circumstance, then the time of performance shall be suspended by a corresponding duration. In this case, we shall be free to declare our withdrawal from the agreement with regard to the goods not delivered, if the time of performance is extended for a period of more than one month due to such incorrect or unpunctual self-delivery. As far as permissible under competitive law, we shall assign to the ordering party our claims against the supplier on the grounds of such delivery in violation of the agreement. Any further claim for compensation of damages or reimbursement of expenses on the part of the ordering party against us shall be excluded.
- (5) In the case of any default in delivery, the ordering party may withdraw from the agreement following the expiry of an appropriate period of grace to no effect; in the case that our performance is impossible, the ordering party shall be entitled to such right even without setting a period of grace. Claims for compensation of damages (including any possible consequential damage) shall be excluded, notwithstanding Paragraph 6 and Section 10, which do not have as their object any reversal of the burden of proof; the same shall also apply to any reimbursement of expenses.
- (6) If a fixed-date transaction has been agreed upon, we shall be liable in accordance with the statutory provisions; the same shall apply if, due to the delay for which we are responsible, the ordering party can claim that the ordering party's interest in the fulfilment of the agreement has become void.
- (7) In the event that dispatch is delayed upon the request of the ordering party, then we shall charge the ordering party, commencing one week after notice of the readiness for dispatch, the costs incurred within the framework of the respective storage.

■ Section 6 Transfer of Risks

- (1) In the case of any obligation to collect what is owed at the place of business of the debtor, the risk shall pass to the ordering party once the goods have been separated and made available in accordance with the agreement. The same shall also apply in the case of any obligation to dispatch what is owed to the place of business of the debtor. In the case of any obligation that the debtor has to perform at the place of business of the creditor, the risk shall pass once the factory premises are left. The same shall also apply in the event of any delay on the part of the creditor.
- (2) Delivered items must be received by the ordering party even if they have slight defects, irrespective of the rights of the ordering party that result from Sections 8 - 10. Partial deliveries shall be permitted to the extent that such deliveries are not unconscionable for the ordering party.

■ Section 7 Retention of Title

- (1) We retain title to any and all goods delivered by us until the ordering party has settled all current and future claims resulting from the business relationship. The retention of title shall also comprise spare or replacement parts, such as motors, control units, etc., even if such parts are installed in other devices, as they do not become an integral part in this way within the meaning of Section 93 German Civil Code (*Bürgerliches Gesetzbuch, BGB*). In performing the check/bill of exchange procedure, our retention of title shall continue to exist even after check payment until our release from the liability under bills of exchange. In the case of any current account relationship (business relationship), we retain title until receipt of all payments from the existing current account relationship; such retention shall also comprise the recognised account balance; in such cases, the regulations of this Section 7 shall apply accordingly.
- (2) If the ordering party acts in a way contrary to the contractual obligations, in particular in the event of any default of payment, we shall be entitled to take back the goods after specifying a deadline date to no avail. The mere taking back of the goods shall only constitute withdrawal from the agreement if a suitable period of grace for performance set by us has expired fruitlessly and withdrawal has been expressly declared. The costs incurred by us due to such taking back of goods (in particular transport costs) shall be borne by the ordering party. Furthermore, we shall also be entitled to prohibit the ordering party from any resale or processing, combination or mixing of the delivered goods subject to retention of title and to revoke the direct debit authorisation (Section 7 V). The ordering party may request delivery of the goods taken back by us without any explicit declaration of withdrawal only after complete payment of the purchase price as well as all associated costs.
- (3) The ordering party shall be obliged to handle the goods with due care (including necessary inspection and maintenance work).
- (4) The ordering party may neither pledge and/or transfer by way of security nor assign the subject matter of delivery and the claims representing this item. In the event of any seizure or any other action by third parties, the ordering party shall be obliged to notify us in writing without delay so that we can bring an action in accordance with Section 771 German Code of Civil Procedure (*Zivilprozessordnung, ZPO*). Any legal costs remaining to us for bringing such action in accordance with Section 771 German Code of Civil Procedure, regardless of our prevailing in the said action, shall be borne by the ordering party.

- (5) The ordering party shall be entitled to resale, to process or to mix the purchase item in the ordinary course of business; in this context, however, the ordering party shall already now assign to us all claims resulting from such resale, processing or mixing or from any other legal ground (in particular from insurance policies or unauthorised acts) in the amount of the final invoice value agreed upon with us (including value added tax) as well as all ancillary rights. In the event that the delivered goods are co-owned by us due to such retention of title, then the claims are to be assigned in relation to the value of our joint ownership shares. If the delivered goods are sold together with third-party goods, which are not the property of the ordering party, the resulting claims shall be assigned to us in the ratio of the final invoice value of the goods secured by our retention of title to the final invoice value of such third-party goods. If the claims assigned are taken into account in a current invoice, the ordering party shall already now assign to us a corresponding part of the balance (including the final balance) from the current account; if interim balances are drawn and if it is agreed that such interim balances shall be carried forward, then the claim from the interim balance to which we are entitled in accordance with the above stipulation shall be treated as having been assigned to us for the next balance. Even after assignment of such claims the ordering party shall remain entitled to collect such claims; our right to collect such claims shall remain unaffected. We shall be obligated, however, to not collect the claim as long as the ordering party fulfils their payment obligations resulting from the proceeds collected, is not in default of payment and if no application for the initiation of any insolvency proceedings has been filed or stoppage of payment exists. If this is the case, however, the ordering party shall, at our request, notify us of the claims assigned and the respective debtors, provide us with all information necessary for the collection, hand over the associated documents and inform the debtor (third party) of the assignment. The same shall also apply if the ordering party resells, processes or mixes the purchase item in violation of the agreement.
- (6) The retention of title shall also cover the full value of the products produced as a result of such processing or transformation of our goods, with these actions being performed for us so that we are considered the manufacturer. In the event that any contractual goods are processed or transformed in connection with other goods which are not owned by us, then we shall acquire co-ownership in proportion to the relevant objective values of such goods, in which case it shall be agreed that the ordering party shall take good care of the goods for us. If our goods subject to retention of title are combined or inseparably intermingled with any other movable property to form a uniform object, and if the other property is to be regarded as the main component, it shall be agreed that the ordering party shall assign to us co-ownership on a pro rata basis to the extent that the ordering party is the owner of the other property. The ordering party shall hold our (jointly) owned property in safe custody for us. The same shall otherwise apply to goods produced in this manner as for those delivered under retention of title.
- (7) In order to secure our claims, the ordering party shall also assign to us any claim against them which are created against a third party by combining the subject matters of delivery with real property. Such assignment shall have priority over any other claim.
- (8) The securities to which we are entitled shall not be taken into account as far as the estimated value of our securities exceeds by 50% the nominal value of the claims to be secured; it shall be our decision which securities will be released in this respect.
- (9) As far as the validity of the retention of title in the destination country is tied to special prerequisites or special requirements of form, the ordering party shall take care that they are complied with.

■ Section 8 Liability for Defects and Warranty of Title

We shall be liable as follows for defects with regard to the delivery; in so far as the ordering party is a merchant, however, we shall be liable only in the case that the ordering party is in proper compliance with the obligations of examination and objection in accordance with Section 377 German Commercial Code (*Handelsgesetzbuch, HGB*):

- (1) Insofar as the purchase item is defective, we reserve the right to either remedy the defect or to supply a faultless item (supplementary performance). This shall be subject to the defect not being inconsiderable in this case. If one or both type(s) of such kind of supplementary performance is/are impossible or disproportionate, we shall have a right of refusal in this respect. We shall be entitled to refuse supplementary performance for as long as the ordering party fails to fulfil their payment obligations towards us to the extent which would correspond to the faultless part of the performance. In the case of supplementary performance, we shall bear the necessary expenses only up to the amount of the purchase price, provided that these costs have not been increased by the fact that the purchase item has been transported to any place other than the place of fulfilment. We shall bear the expenses necessary for the purpose of supplementary performance; in particular transport, mileage, work and material costs; the obligation to bear the costs shall be excluded in so far as the transport of the goods to any place other than the place of fulfilment entails any additional costs.
- (2) Should the supplementary performance mentioned in Section 1 above be impossible or fail, the ordering party shall have the right to choose between either an appropriate discount on the purchase price or a withdrawal from the agreement in accordance with the legal provisions; the same shall apply, in particular, in case of culpable delay or refusal of supplementary performance, and as well in the case it fails for a second time. Any further claim on the part of the ordering party that is based on whatsoever legal reason (in particular any claim based on fault upon conclusion of the agreement, any violation of contractual principal and incidental duties, reimbursement of expenses except for those under Section 439 II German Civil Code, any tortious act or any other tort liability) shall be excluded or limited in accordance with Section 10 hereunder.
- (3) No warranty shall be accepted for any damage due to the following reasons: unsuitable or improper use; faulty mounting by the ordering party and/or third parties; natural wear and tear; faulty or negligent handling; unsuitable operating materials; deficient construction work; unsuitable subsoil; substitute materials; chemical, electrochemical or electrical influences (as far as we are not responsible for them); any modification or repair work on the part of the ordering party or third parties which is improper and has been carried out without prior approval by us.
- (4) Any claim for defects shall become time-barred within a period of one year after delivery of the purchase item, provided that these are claims that are subject to limited liability in accordance with Section 8 or Section 10. The statutory limitation period shall be five (5) years for a product which has been used for a building in accordance with its customary use and which thus caused the defectiveness of the latter. Claims for price reduction and rights to exercise any right of withdrawal from the agreement shall be excluded to the extent that the claim for supplementary performance has lapsed. The ordering party may refuse to pay the purchase price in the case of Sentence 3, however, to the extent that the ordering party would be entitled to do so on account of such withdrawal or reduction of the purchase price; in the case that withdrawal is excluded and subsequent payment is refused, we shall be entitled to withdraw from the agreement. The statutory periods of limitation in the case of any recourse of the entrepreneur in accordance with Sections 478 et seq. German Civil Code shall remain unaffected. A reversal of the burden of proof shall not be intended.
- (5) Assurances and guarantees shall only be considered as being effective if they have been made explicitly and in writing by us.

- (6) Any exclusion of our liability shall also apply to our legal representatives and auxiliary agents.

■ Section 9 Agreements for Work and Agreements for Work and Materials, Service Agreements

- (1) We shall be liable for any defect to the contractual services provided by us in accordance with Section 8 I - III, V, VI. The ordering party shall be entitled to the legal right to self-execution in accordance with Section 637 German Civil Code; the claim shall be excluded if we are also entitled to refuse supplementary performance.
- (2) Any claim for supplementary performance, compensation for damages and reimbursement of expenses shall become time-barred within a period of one year after acceptance, provided that these are claims that are subject to limited liability in accordance with Section 9 or Section 10. This shall not apply to building structures and works whose outcome consists in performing planning and supervisory activities in this context; in this case, the limitation period shall be five (5) years. The claims for self-execution, price reduction and rights to exercise any right of withdrawal shall be excluded to the extent that the claim for supplementary performance has become time-barred and we refer to this fact. The ordering party may refuse to pay the purchase price in the case of Sentence 3, however, to the extent that the ordering party would be entitled to do so on account of such withdrawal or reduction of the purchase price; in the case that withdrawal is excluded and subsequent payment is refused, we shall be entitled to withdraw from the agreement.
- (3) Cost estimates shall be subject to payment.
- (4) In the case of agreements on the delivery of movable goods to be manufactured or produced, Section 8 shall apply.
- (5) In the case of defects with regard to services under any service agreement, Section 10 shall apply accordingly.

■ Section 10 Withdrawal from the Agreement and Other Form of Liability on Our Part

- (1) Except in the cases provided for in Section 8 and Section 9, the legal entitlement of the ordering party to withdraw from the agreement shall neither be excluded nor limited. Likewise, any statutory or contractual rights and claims to which we are entitled shall be neither excluded nor limited.
- (2) We shall be liable without restriction only for intent and gross negligence (also for our legal representatives and auxiliary agents) as well as for injury of life, limb and health. We shall also be liable without limitation for guarantees or assurances given if it is precisely a defect that is covered by such a guarantee or assurance which triggers our liability. There shall be no limitation in the case of any liability resulting from any absolute offence (in particular in accordance with the German Product Liability Act) either. Moreover, this shall not affect any potential liability in accordance with the principles of recourse of the entrepreneur in accordance with Sections 478 et seq. German Civil Code.
- (3) In the case of any other culpable breach of major contractual obligations (cardinal obligations, see Para. 8 Sentence 2), our remaining liability shall be limited to the contract-typical foreseeable damage.
- (4) Apart from that, liability shall be excluded for whatever legal reason (especially claims due to the violation of main or secondary contractual obligations, illicit acts, as well as any other tortious act).
- (5) The same (exclusions, limitation and exceptions) shall also apply to claims from culpa in contrahendo (fault arising in conclusion of an agreement).
- (6) In the case of any reimbursement of expenses (except for those under Sections 439 II, 635 II German Civil Code), Section 10 shall apply accordingly.
- (7) Any exclusion or any limitation of our liability shall also apply to our legal representatives and auxiliary agents.
- (8) A reversal of the burden of proof shall not be intended. Cardinal obligations shall be essential contractual obligations, i.e. such obligations which characterise the agreement and which the contracting partner can rely on; it is a matter of essential rights and obligations, which are preconditions for the execution of agreements and are essential to achieve the purpose of the agreement.

■ Section 11 Place of Fulfilment, Place of Jurisdiction, Applicable Law and Distribution of the Burden of Proof

- (1) The place of fulfilment shall be the place of dispatch (facility or warehouse location).
- (2) The place of jurisdiction shall be Munich, provided that the ordering party is also a merchant, a legal entity under public law or a special fund under public law. The same shall apply in the case that the ordering party does not have a general place of jurisdiction in Germany, has relocated its place of residence or customary place of abode to a location outside of Germany after the conclusion of the agreement or in the event that the ordering party's place of residence or customary place of abode is not known at the time any action is filed. We shall be entitled, however, to also sue the ordering party at any other admissible place of jurisdiction.
- (3) With regard to all claims and rights under this agreement, the non-harmonised laws of the Federal Republic of Germany shall apply (German Civil Code (BGB), German Commercial Code (HGB)). The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) as well as any conflict of law provisions of the Introductory Law to the German Civil Code (*Einführungsgesetz zum Bürgerlichen Gesetzbuch, EGBGB*) shall be explicitly excluded. The contract language shall be the German language.
- (4) None of the provisions agreed upon within the framework of these entire terms and conditions shall be deemed to reverse either the statutory or the case-law burden of proof.

■ Section 12 Other Provisions

- (1) Any change of the agreement can only become effective in agreement with us.
- (2) Should individual provisions of the present terms and conditions be invalid or void either in whole or in part, then the remaining provisions shall remain unaffected thereby. The contracting partners shall be obligated to agree to a regulation by means of which the intent and purpose will largely be reached which the invalid or void provision had aimed at in the economic area.
- (3) All terms and definitions used shall be neutral in gender and shall in all other respects be non-discriminatory within the meaning of the German General Law of Non-Discrimination (*Allgemeines Gleichbehandlungsgesetz, AGG*).
- (4) We shall handle all of the ordering party's data exclusively for the purpose of the business transaction and in accordance with the requirements of the respective valid provisions on data protection. Upon written request, the ordering party shall also be entitled to a right of access to the personal data collected, processed and used with respect to them.

Status as of: August 2014