

I. GENERAL TERMS

1. These General Terms and Conditions of Sale (GTC) apply specifically to contracts for the sale and delivery of movable goods ("Goods"), regardless of whether we manufacture the goods ourselves or purchase them from suppliers. The GTC apply in their current version.
2. All offers are made based on the following conditions. These are the basis of all offers and agreements and are accepted by placing an order or accepting the delivery or service for the duration of the entire business relationship. Deviating terms and conditions that are not expressly accepted in written form are not binding for us, even if they have not been expressly rejected.
3. The following regulations apply exclusively to business transactions between the user and companies within the meaning of § 14 BGB; for consumers in accordance with § 13 BGB, the statutory provisions apply.

II. OFFERS AND OFFER DOCUMENTS

1. Our offers are subject to change and non-binding. This also applies if we have provided the customer with catalogues, technical documentation, other product descriptions or documents - also in electronic form.
2. If the order is to be qualified as an offer in accordance with § 145 BGB, we can accept it within two weeks. Acceptance can be made in writing (e.g. by order confirmation) or by delivery of the goods to the customer. Collateral agreements and amendments require the written confirmation of the supplier.
3. The submission of each offer is subject to timely delivery by our suppliers, insofar as we are not responsible for the non-delivery ourselves, in particular if we have concluded a congruent coverage transaction with our supplier in sufficient time. If the service is not available, we shall inform the customer immediately and refund any consideration paid.
4. The documents relating to the offer, such as cost estimates, illustrations, drawings, weights and dimensions and other documents are subject to change and are only binding if this is expressly agreed in writing. We reserve the right of ownership and copyright to cost estimates, illustrations, drawings or other documents. They may only be passed on to third parties with our written consent.
5. Technical application advice, whether verbal or in writing, is only non-binding and does not release the customer from the obligation to carry out his own tests, considering the intended application purposes.
6. If the contract with the purchaser is not concluded within the offer period, the purchaser is obliged to return the documents attached to the offer immediately at his own expense and to destroy or delete any copies of the corresponding documents and/or files made by him at his own expense.
7. The buyer is responsible for ensuring that the design drawings submitted by him do not infringe the industrial property rights of third parties. If claims are nevertheless asserted against us by third parties due to infringements of industrial property rights, the buyer is obliged to indemnify us in full.

III. PRICES AND PAYMENT CONDITIONS

1. Unless otherwise agreed, prices are ex works, excluding the cost of any packaging and excluding VAT. VAT is shown separately in the invoice at the statutory rate on the day of invoicing. Packaging costs will be invoiced separately.
2. Unless otherwise agreed, the purchase price is payable net within 14 days of the invoice date. If this period expires without payment, the customer is in delay without a reminder.
3. We reserve the right to increase the prices for contracts with an agreed delivery time of more than two months in accordance with the cost increases that have occurred due to collective labor agreements or material price increases. If the increase amounts to more than 5% of the agreed price, the buyer has a right of cancellation, which he must express to us in writing.
4. Cheques and bills of exchange are only accepted on account of payment. The costs of discounting are to be paid by the buyer. If a bill of exchange proves not to be discountable and is not honored, the purchase price must be paid within eight days of our request.
5. If the purchaser is in delay of payment or if the purchaser's financial situation significantly worsens, our entire credit balance becomes due immediately, even if it relates to receivables from other deliveries. During the period of default, interest will be charged on the purchase price at the applicable statutory default interest rate. In addition, we reserve the right to claim further losses caused by delayed payment.
6. The purchaser is not authorised to charge up claims, irrespective of the legal grounds on which they are based, which are not undisputed or have not been legally established. The buyer may only assert a right of retention insofar as it is based on claims arising from the purchase contract.
7. With the exception of claims for payment in accordance with § 354 a of the German Commercial Code (HGB), the buyer is not authorised to assign outstanding claims against us.

IV. DELIVERY, TRANSFER OF RISK AND ACCEPTANCE DELAY

1. Delivery is ex works, which is also the place of fulfilment for the delivery and any subsequent fulfilment. At the request and expense of the Buyer, the goods will be dispatched to another destination (sale to destination). Unless otherwise agreed, we are entitled to determine the type of dispatch (in particular transport company, dispatch route, packaging) ourselves.
2. The risk of accidental loss and accidental deterioration of the goods passes to the buyer upon handover or, in the case of sale by dispatch, upon delivery of the goods to the forwarding agent, carrier or other person or organization designated to carry out the shipment. If acceptance has been agreed, this is decisive for the transfer of risk. In all other respects, the statutory provisions of the law on contracts for work and services shall also apply accordingly to an agreed acceptance. If the Buyer is in default of acceptance, this shall be considered equivalent to handover or acceptance.
3. Transport damage must be documented on the delivery note. Delivered goods must be accepted by the Buyer, even if they are defective, without prejudice to the rights under Section VI.



4. If the buyer is in default of acceptance, fails to co-operate or if our delivery is delayed for other reasons for which the buyer is responsible, we are entitled to demand compensation for the resulting damage including additional expenses (e.g. storage costs).
5. If we are obliged to take back packaging material (in particular transport packaging) on the basis of the German Packaging Ordinance (VerpackungsVO), the customer must return the corresponding material to us at his own expense and risk and bear the costs of any necessary disposal.
6. We are authorised to make reasonable partial deliveries and partial services at any time.
7. A production-related excess or short delivery of up to 10% of the ordered quantity is permissible.

V. DELIVERY TERMS AND DELAYS

1. An agreed delivery period applies only after clarification of all technical and commercial details. In this respect, delivery periods are generally non-binding. Delivery dates are only binding if the delivery date has been confirmed in writing to the customer as binding.
2. If the delivery period is exceeded for reasons for which we are responsible, we are liable in accordance with the statutory regulations.
3. The delivery deadline is met if the delivery goods have left the warehouse by the time it expires or if the buyer has been notified that the goods are ready for dispatch, provided that the buyer is responsible for collection or dispatch.
4. Force majeure and events which, through no fault of our own, temporarily prevent us from delivering on the agreed date or within the agreed period authorize us to postpone delivery for the duration of the hindrance plus a reasonable start-up period. If the delivery time is extended or if we are released from our obligation, the buyer cannot derive any claims for damages from this. If such disruptions lead to a delay in performance of more than four months, the buyer may withdraw from the contract. Other rights of cancellation remain unaffected.

VI. WARRANTY

1. Claims for defects on the part of the purchaser presuppose that he has fulfilled his statutory duties of inspection and notification of defects. If a defect is discovered during the inspection or later, we must be notified immediately in writing. The notification is then considered as immediate if it is made within two weeks after delivery in the case of obvious defects and within two weeks after discovery in the case of hidden defects, whereby the timely dispatch of the notification is sufficient to meet the deadline.
2. The limitation period for material defects is 1 year for newly manufactured goods, with the exception of those whose durability/usability is specified as shorter. The sale of used goods is subject to the exclusion of any liability for material defects and defects of title, unless the defect was fraudulently

concealed or a guarantee for the quality of the goods was given (§ 444 BGB).

3. Our liability for third-party products is limited to the assignment of the warranty claims to which he is entitled against the supplier of the third-party product. These warranty claims correspond at least to the warranty provisions of this contract. If the third party does not fulfil the buyer's justified claims despite a court judgement, we are liable to him in accordance with these provisions.
4. If the goods are defective, the buyer can demand subsequent fulfilment, at our discretion either by remedying the defect or by replacement delivery. We may refuse the chosen type of subsequent fulfilment if it is only possible at disproportionate cost. In this case, the buyer's claim is limited to the other type of subsequent fulfilment. Subsequent fulfilment is considered to have failed after the second unsuccessful attempt. If the subsequent fulfilment fails, the buyer may cancel the contract or reduce the purchase price.
5. These General Terms and Conditions apply accordingly to goods that are delivered as replacements as part of a subsequent fulfilment.
6. The place of subsequent fulfilment is determined in accordance with IV.1, except where this represents a considerable inconvenience for the buyer in exceptional cases. In this case, the place of subsequent fulfilment is the address of the buyer deposited with us at the time of conclusion of the contract.
7. The expenses required for the purpose of subsequent performance, in particular transport, travel, labor and material costs, will be paid by us if a defect actually exists. Otherwise, we may demand compensation from the buyer for the costs incurred as a result of the unjustified request to remedy the defect (in particular inspection and transport costs), unless the lack of defectiveness was not recognizable to the buyer.
8. The customer must address any claims for the removal of defects to us in writing.

VII. RESERVATION OF TITLE

1. The delivered goods remain our property until all payments arising from the business relationship have been received in full. In the event of breach of contract by the buyer, in particular delay in payment, we are authorised to withdraw from the contract and demand the return of the goods subject to retention of title. After taking back the delivery goods, we are authorised to dispose of them. The buyer is obliged to compensate us for the difference between the purchase price and the realisation proceeds. We reserve the right to assert further claims against the buyer.
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 to open insolvency proceedings or if third parties have access to the goods belonging to us (e.g. seizures).
3. The purchaser is entitled to resell the purchased goods in the ordinary course of business; however, he hereby assigns to us all claims in the amount of the final invoice amount (including



VAT) of his claim which accrue to him from the resale against his customer or third parties, irrespective of whether the purchased goods have been resold without or after processing. The buyer remains authorized to collect this claim even after the assignment. Our authorization to collect the claim ourselves remains unaffected by this. However, we undertake not to collect the claim as long as the purchaser fulfils his payment obligations from the collected proceeds, is not in default of payment and, in particular, no application is made to open insolvency proceedings. If one of the aforementioned circumstances occurs, the purchaser must, at our request, provide all information necessary for the collection of the assigned claim, hand over the relevant documents and inform the debtor (third party) of the assignment.

4. Any processing or remodeling of the purchased goods by the buyer is always carried out on our behalf. If the purchased goods are processed with other goods not belonging to us, we acquire co-ownership of the new product in the ratio of the value of the purchased goods to the other mixed goods at the time of processing. In all other respects, the same applies to the resulting product as to the goods delivered subject to retention of title.
5. If the purchased goods are inseparably mixed with other goods not belonging to us, we acquire co-ownership of the new goods in the ratio of the value of the purchased goods to the other mixed goods at the time of mixing. If the mixing takes place in such a way that the buyer's goods are to be regarded as the main goods, it is agreed that the buyer transfers co-ownership to us on a pro rata basis. The buyer shall keep the single ownership or co-ownership thus created for us.
6. We undertake to release the securities to which he is entitled at the buyer's request to the extent that the realizable value of his securities exceeds the claims to be secured by more than 10%; we are responsible for selecting the securities to be released.

VIII. LIABILITY

We are liable for damages in accordance with the statutory provisions if the buyer

- a) asserts claims for damages based on a separate contractual guarantee of quality or the Product Liability Act;
- b) asserts claims for damages based on malice, intent or gross negligence, including intent or gross negligence on the part of our representatives or authorized agents. In the case of gross negligence, however, liability is limited to the foreseeable, typically occurring damage;
- c) asserts claims for damages relating to injury to life, limb and/or health, irrespective of the degree of the underlying fault; and/or
- d) asserts claims for damages or other claims which relate to the breach of our essential obligations, the so-called cardinal obligations, irrespective of the degree of the underlying fault. Cardinal obligations are those obligations that the contract must grant the customer in accordance with its meaning and purpose or whose

fulfilment is essential for the proper execution of the contract and on whose compliance the contractual partner may regularly rely. Such cardinal obligations are therefore in particular

- the obligation to supply only safe products;
- the obligation to deliver only defect-free products;
- the obligation to ensure the supervision of our authorized agents;
- the obligation to exercise the diligence of a reasonable businessperson in commercial transactions; and
- the obligation to deliver on time if a binding delivery date has been agreed.

Except in cases a) to d), liability for damages is excluded.

IX. MANUFACTURE OF TOOLS AND RETENTION OBLIGATIONS

1. For the manufacture of special tools and moulds, we charge a share of the tool costs, whereby the tools and moulds remain our property.
2. The tooling cost shares stated in an offer are only valid as an estimate. We are authorized to adjust the tooling cost share upwards or downwards without the consent of the customer, unless the calculated cost share increases by more than 5%.
3. If moulds or tools are provided to us by the buyer for use in their orders, we are obliged to store and maintain them carefully.
4. If the purchaser does not pay for the goods manufactured and delivered from the moulds and tools provided, or does not pay on time, we obtain a lien on the purchaser's tools and moulds until the outstanding invoice amounts have been paid in full. This lien arises as soon as we come into ownership of the moulds and tools.
5. Our retention obligation expires - irrespective of the purchaser's ownership rights - at the latest 3 years after the last production from the mould or tool. After expiry of the retention obligation, we are authorized to scrap/dispose of the affected unused moulds and tools without notifying the buyer.
6. Tools, samples and other devices produced in the course of contract fulfilment remain our property without any additional agreement or contract amendment.

X. DATA PROTECTION

1. In accordance with § 33 BDSG, we would like to point out that all customer and supplier-related data is stored and processed by us with the aid of electronic data processing.

XI. FINAL PROVISIONS

1. German law applies to the exclusion of the laws on the international sale of goods (in particular the UN Convention on Contracts for the International Sale of Goods) and private international law, even if the buyer has its registered office abroad. German is agreed as the contractual language



between the parties for the entire duration of their contractual relationship.

2. If the purchaser is a business person, a legal entity under public law or a special fund under public law, the exclusive - also international - place of jurisdiction for all disputes arising from the contractual relationship is our registered office in Schotten. However, we are also entitled to sue the buyer at his general place of jurisdiction.
3. Should individual provisions of the contract with the Buyer, including these GTC, be invalid, this will not affect the remaining provisions. The parties undertake to replace the ineffective clause with an agreement that comes closest to the economic purpose of the ineffective clause.

A. Schüth GmbH, Schotten

General Management

