

## **General Sales Conditions**

### **Section 1 General, Scope of Application**

(1) The following General Sales Conditions (GSCs) are part of the contract concluded with us and apply to all our business relations with our customers (hereinafter referred to as: "Buyer"). The GSCs only apply if the customer is a company (Section 14 of the German Civil Code (BGB)), a legal entity under public law, or a special fund under public law.

(2) The GSCs apply in particular to contracts for the sale and/or delivery of movable property (hereinafter also referred to as: "Goods"), irrespective of whether we manufacture the Goods ourselves or purchase them from suppliers (Sections 433, 651 BGB). Unless otherwise agreed, the GSCs in the version valid at the time of the Buyer's order or in any case in the version last notified to him/her in writing shall also apply as a framework agreement for similar future contracts, without us having to refer to them again in each individual case.

(3) Our GSCs shall apply exclusively. Deviating, conflicting, or supplementary general terms and conditions of the buyer shall only become part of the contract if and insofar as we explicitly agree to them. This consent requirement shall always apply, e.g. even if we carry out the delivery to the buyer without reservation and in full knowledge of the buyer's GT&Cs.

(4) Individual agreements made in specific cases with the customer (including collateral agreements, supplements, and amendments) shall always take precedence over these GSCs. Subject to proof to the contrary, the content of such agreements shall be governed by a written contract or our written confirmation.

(5) Legally relevant declarations and notifications that must be provided to us by the buyer after conclusion of the contract (e.g. setting of deadlines, notifications of defects, declaration of withdrawal or reduction) must be submitted in writing or as text (e.g. letter, e-mail, or fax) for validity. Legal formal requirements and the requirement of further proof shall remain unaffected.

(6) References to the validity of legal provisions shall only have clarifying significance. Even without such clarification, legal provisions shall therefore apply insofar as they are not directly amended or expressly excluded in these GSCs.

### **Section 2 Conclusion of Contracts**

(1) Our quotations are subject to change and non-binding. This shall also apply if we provide the vendor with catalogues and other product descriptions or documents, including in electronic form, which we also retain title and copyright to.

(2) An order for Goods by the buyer is considered a binding contractual offer. Unless otherwise stated in the order, we shall be entitled to accept this contractual offer within 2 weeks of its receipt by us.

(3) Acceptance may be declared either in writing (e.g. via order confirmation or invoice) or implied via delivery of the Goods to the buyer.

### **Section 3 Delivery Period and Delivery Delays**

(1) The delivery period shall be agreed individually or specified by us upon acceptance of the order. Delivery appointments or periods are non-binding in principle, but may also be

agreed as binding in individual cases. However, this shall require clarification in the contract.

(2) If we are unable to comply with binding delivery periods for reasons we are not responsible for (non-availability of goods or services), we shall inform the buyer thereof without delay and simultaneously inform them regarding the expected new delivery period. If the goods or services are not available within the new delivery period either, we shall be entitled to withdraw from the contract in whole or in part; we shall reimburse any amount already paid by the customer without delay. In particular, non-availability of goods or services in this sense shall include failure of our suppliers to deliver to us on time because we have concluded a congruent covering transaction. Our legal rights of withdrawal and termination and legal provisions governing fulfilment of the contract in case of exclusion of the obligation to perform (e.g. impossibility or unreasonableness of performance and/or subsequent performance) shall remain unaffected. The buyer's rights of withdrawal and termination in accordance with Section 7 of these GSCs shall also remain unaffected.

(3) The onset of our delivery delay shall be determined in accordance with the legal provisions. In any case, a reminder from the buyer is required.

#### **Section 4 Delivery, Risk Transfer, Acceptance, Default of Acceptance**

(1) Delivery shall be completed "free carrier". The place of performance for all obligations arising from the contractual relationship shall therefore be Dortmund, unless otherwise specified. The Goods will be shipped to another destination (mail order purchase) at the request and expense of the buyer. Unless otherwise agreed, we shall be entitled to determine the type of dispatch ourselves (in particular, the transport company, dispatch route, packaging). The risk of accidental loss shall be regulated by the respective currently applicable Incoterms.

(2) If the customer is in default of acceptance, if the buyer fails to cooperate, or if our delivery is delayed for other reasons which the buyer is responsible for, then we shall be entitled to demand compensation for the resulting damages, including additional expenses (e.g. storage costs).

Storage interest equals 0.5% per month, based on the order value. The lump sum shall, however, be offset against further monetary claims. The buyer shall be entitled to prove that we have incurred no damage at all or only substantially less damage than the lump sum indicated above.

Storage interest shall be limited to 5% of the order value, unless we can prove higher costs.

#### **Section 5 Prices and Payment Terms**

(1) Unless otherwise agreed in individual cases, our prices valid at the time the contract was concluded shall apply, ex stock, plus the applicable legal value-added tax.

(2) Invoices are due within 14 calendar days of the invoice date without any deductions. We reserve the right to demand advance payment from new customers. In case of contracts with a delivery value exceeding EUR 10,000, however, we shall be entitled to demand a down payment of 50% of the purchase price. The deposit is due and payable within 3 days of receipt of the invoice. In case of payment in advance and in case of agreed down payment, processing the order shall only begin after receipt of payment.

(3) Unless a fixed price agreement has been made, we reserve the right to make reasonable price changes due to changes in wages, materials, and distribution costs for deliveries made 4 months or more after conclusion of the contract.

(4) The buyer shall be in default upon expiry of the payment period. We shall be entitled to charge interest at a rate of 9 percentage points above the base rate from the relevant point in time.

(5) The buyer shall only be entitled to offsetting or retention rights to the extent that his/her claim has been legally established or is undisputed. In the event of defects in the delivery, the buyer's counter-rights shall remain unaffected, in particular according to Section 7 para. 9.

(6) If it becomes apparent after conclusion of the contract that our claim to the purchase price is at risk due to the buyer's inability to pay (e.g. due to filing for insolvency proceedings), then we shall be entitled to refuse performance and to withdraw from the contract after setting a deadline, if necessary, in accordance with legal regulations. In case of contracts to manufacture unjustifiable items (one-off production), we may declare our withdrawal immediately; legal provisions concerning the exemption from setting a deadline shall remain unaffected.

### **Section 6 Retention of Title**

(1) We reserve title to the Goods sold until full payment of all our current and future claims resulting from the purchase contract and an ongoing business relationship (secured claims).

(2) Goods subject to retention of title may neither be pledged to third parties nor transferred by way of security prior to full payment of the secured claims. The buyer must inform us immediately in writing if and when third parties access Goods belonging to us.

(3) In case of breach of contract by the buyer, in particular non-payment of the purchase price due, we shall be entitled to withdraw from the contract in accordance with legal provisions and to demand return of the Goods on the basis of our existing ownership and withdrawal. If the buyer does not pay the due purchase price, we may only assert these rights if we have previously unsuccessfully set the buyer a reasonable deadline for payment, or if setting of a deadline is superfluous according to legal provisions.

(4) The buyer is entitled to resell the goods over the course of business, subject to retention of title. In this case, the following provisions shall apply additionally.

(a) The buyer hereby assigns all claims against third parties arising from the resale of the goods to us as security. We hereby accept assignment. The obligations of the buyer stated in para. 2 shall also apply with regard to the assigned claims.

(b) The buyer shall remain authorised to collect the claim alongside us. We shall be obligated not to collect this claim, provided the buyer fulfils payment obligations towards us, is not in default of payment, no application for the opening of insolvency proceedings has been filed, and there is no other defect in the buyer's ability to pay. If this is the case, however, we may demand that the buyer informs us of the assigned claims and their debtors, provides all information necessary for collection, surrenders the relevant documents, and notifies the debtors (third parties) of the assignment.

(c) If the saleable value of the securities exceeds our claims by more than 10%, then we shall release securities of our choice at the request of the buyer.

## **Section 7 Buyer's Warranty Claims**

(1) The legal provisions shall apply to the buyer's rights in the event of material defects and defects of title (including incorrect and short delivery), unless otherwise stipulated below. Supplier recourse according to Section 445a BGB is excluded.

(2) Above all, our liability for defects shall be based on the agreement reached concerning quality of the Goods. With regard to agreement concerning the quality of the Goods, the designated product descriptions (including those of the manufacturer) shall be deemed to have been provided to the buyer prior to his order or included in the contract in the same way as these GSCs. If the quality has not been agreed upon, then legal regulations will be utilised to judge whether a defect is present or not (Section 434, para. 1, sentences 2 and 3 BGB). However, we do not accept liability for public statements made by the manufacturer or other third parties (e.g. advertising statements).

(3) The buyer's claims concerning defects require that the buyer has complied with their legal obligations to inspect and give notice of defects (Sections 377, 381 of the German Commercial Code (HGB)). If a defect becomes apparent during inspection or later, we must be notified of this immediately. The notification shall be deemed to be immediate if it is made within one week of receipt of the Goods; timely dispatch of the notification shall suffice to meet the deadline. The notification must be made in writing. Regardless of the aforementioned obligations to inspect and give notice of defects, the buyer must report obvious defects (including incorrect and short delivery) within three days of receipt of the delivery; timely dispatch of the notice of defects is sufficient to meet the deadline. The notification must be made in writing. If the buyer omits the aforementioned notifications of defects, our liability for any defects not notified shall be excluded.

(4) If the delivered item is defective, the buyer may first demand correction of the defect (subsequent improvement) or delivery of a defect-free item (replacement delivery) as subsequent performance at their discretion. If the buyer does not declare their selection of either of these rights, then we may set a reasonable deadline. If the buyer does not make their choice within the time limit, the right to choose shall pass to us upon expiry of the time limit.

(5) We shall be entitled to make subsequent performance that is owed dependent on payment of the purchase price due from the buyer. However, the buyer shall be entitled to retain a reasonable part of the purchase price in proportion to the defect.

(6) The buyer shall give us the time and opportunity required for the owed subsequent performance, i.e. to hand over the goods subject to complaint for inspection purposes in particular. In case of a replacement delivery, the buyer must return the defective item to us in accordance with the legal provisions.

(7) If subsequent performance has failed or a deadline set by the buyer for subsequent performance has expired unsuccessfully or may be omitted according to legal provisions, the buyer may withdraw from the purchase contract or reduce the purchase price. However, the right of withdrawal does not exist in case of an insignificant defect.

(8) Claims on behalf of the buyer for damages or reimbursement of futile expenses shall only be permitted in accordance with Section 8, otherwise they shall be excluded.

## **Section 8 Other Liability**

(1) If nothing to the contrary arises from these GSCs, including the following provisions, we shall be liable in case of a breach of contractual and non-contractual obligations in accordance with the relevant legal provisions.

(2) We shall be liable for damages due to whatever legal reason in case of intent and gross negligence. In case of simple negligence, we shall only be liable

a) for damages resulting from injury to life, body, or health,

b) for damages resulting from breach of an essential contractual obligation (an obligation that essentially must be fulfilled for proper performance of the contract and upon which the contractual partner regularly relies and may rely); in this case, however, our liability shall be limited to compensation for foreseeable, typically occurring damages.

(3) Liability limitations resulting from para. 2 shall not apply if we have maliciously concealed a defect or accepted a guarantee for the quality of the Goods. The same shall apply to claims on behalf of the buyer in accordance with the German Product Liability Act.

## **Section 9 Statute of Limitations**

(1) Mutual claims on behalf of the contractual parties shall become barred in accordance with legal provisions, unless otherwise stipulated below.

(2) Notwithstanding Section 438 para. 1 no. 3 BGB, the general limitation period for claims arising from material defects and defects of title shall equal one year following delivery. If acceptance has been agreed, the limitation period shall commence upon acceptance.

(3) If we owe damages to the buyer in accordance with Section 8 due to or as the result of a defect, the statutory limitation periods of the law on sales (Section 438 BGB) shall also apply to competing non-contractual claims for damages, unless the application of the regular statutory limitation period (Sections 195, 199 BGB) individually results in a shorter limitation period. Claims for damages on behalf of the buyer according to Section 8 para. 2 (a) and under the German Product Liability Act shall, however, become barred exclusively in accordance with the statutory period of limitation.

## **Section 10 Choice of Law and Place of Jurisdiction**

(1) The law of the Federal Republic of Germany shall apply to these GSCs and all legal relationships between us and the buyer to the exclusion of all international and supranational (contractual) legal systems, in particular the UN Convention on Contracts for the International Sale of Goods.

Preconditions and effects of retention of title according to Section 6, on the other hand, are subject to the law of the respective location of the object, provided the choice of law is inadmissible or ineffective in favour of German law.

(2) If the buyer is a merchant within the context of the HGB, a legal entity under public law, or a special fund under public law, the exclusive, international, place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship shall be our head office in Dortmund. Nevertheless, we shall also be entitled to sue at the buyer's general place of jurisdiction.