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## General Terms and Conditions

### I General

1. All offers are non-binding.
2. Orders only are binding with regard to type and scope of the delivery once they have been confirmed by the supplier. Modifications and supplements must be made in writing.
3. In case of ongoing business relations, these conditions also apply to future transactions. In case any of these provisions are or become invalid, the remaining conditions will not be affected.
4. Customers terms and conditions are only binding for the supplier if they have been explicitly accepted by the latter.
5. We do not promise guarantees in the legal sense; manufacturer's guarantees remain unaffected. Our contractual obligations are finally determined by the order and these terms and conditions.
6. We shall inform the buyer immediately whether we accept or deny the order. The invoice is considered as order confirmation, in case the buyer has not received an order confirmation up until the delivery of the order. In this case, the terms of agreement are determined by our order confirmation.

### II Prices

1. All prices are in EURO and apply from the place of delivery exclusive of packaging, customs and import levies plus sales tax at the statutory rate.
2. In case the price agreed on is dependent on the weight of the components, the final price will be calculated based on the weight of the outturn samples provided.
3. In case the cost in wages for our workers or for purchasing (raw) materials increase and we are not responsible for said increase in cost, we are entitled to raise the final price agreed on or the prices according to the valid price list at the time the contract was concluded even after conclusion of the contract. This particularly applies if the expenses increase between the conclusion of the contract and the delivery schedule. In the event of such an increase in price, the customer is allowed to dissolve the contractual relationship within two weeks of being notified about the price increase. Conversely, a decrease in prices shall be passed on to the customer.

### III Obligations to Supply and Accept

1. The delivery period begins after the receipt of all documents necessary for the execution of the order, the advanced payments agreed on and timely provision of material. Lead times stated in our order confirmations refer to the date the goods leave our company. The lead time is considered to be met at the time the customer is notified about the goods' readiness for despatch if the shipment is impossible without fault on part of the supplier. Lead times are set out in calendar weeks. Delivery dates are only approximate (calendar week) unless the customer has mentioned an interest in timely delivery at a certain date and we have agreed upon this date in writing (fixed date transaction). In case an approximate lead time (calendar week) is significantly exceeded, the buyer may specify an adequate extension period. The same applies in case fixed delivery time (on a specified date) is exceeded. After expiration of the extension period, the customer is entitled to demand a default compensation or to withdraw from the contract. However, the customer may only demand compensation if the delivery delay was caused by the supplier's gross negligence. The default compensation is limited to 5% of the part of the delivery that was not delivered according to contract.
2. Reasonable partial deliveries and deviations up to +/- 10% of the order quantities are permitted.
3. The supplier is obliged to accept follow-up orders with reasonable delivery times as long as the supplier holds the property rights to the customer's moulds or is obliged to keep the customer-related moulds. This obligation does not include commitments to earlier price agreements.
4. Call orders must be called off within 12 months. If a call order has not been completely called off and shipped within 12 months, we are entitled to ship the (remaining) quantity without prior notification of the buyer. In special cases, where we have agreed on a longer term with the buyer, we remain the right to make price adjustments.
5. Cases of force majeure entitle the supplier to postpone the delivery for the duration of the obstruction and a reasonable time thereafter or, with regard to the non-completed party, to withdraw from the contract partially or fully. Force majeure shall be equivalent to strikes, lock-outs or unforeseeable, unavoidable circumstances, such as business interruptions, which make timely delivery impossible for the supplier despite reasonable effort; the supplier must provide evidence thereof. This also applies in case the hindrances mentioned above occur during a delay or because of a third-party-supplier. The orderer may demand that the supplier declares within two weeks whether he wants to withdraw from the contract or deliver within a reasonable additional period of time. If the supplier fails to make such a declaration, the orderer may withdraw from the contract. The supplier shall inform the orderer immediately if a case of force majeure occurs. The supplier is obliged to keep impairments for the customer to a minimum if necessary by giving the moulds to the customer for the duration of the disruption.

### IV Packaging, Shipment, Transfer of Perils

1. Unless any other agreements have been made or the customer has expressed an explicit decision, the deliverer chooses packaging and shipment at its own discretion. If the customer makes an explicit decision on packaging and shipment, we are allowed to charge the customer all additional cost that are incurred to us on top of the originally calculated cost.
2. The risk is transferred to the buyer as soon as the goods leave the supplier. This also applies to delivery free of transportation charges. In case of delivery delays that are caused by the buyer the risk is already transferred to the customer with notification of readiness for despatch.
3. Upon written request of the customer the goods will be insured against storage damage, breakage, transport damage and fire damage at the customer's expenses.

### V Securities (Retention of Title, Assignment for Security, Pledging of Receivables)

1. It is the customer's obligation to protect our receivables in accordance with this Section (V) via retention of title (3), assignment of security (4) and pledging of receivables (5) under the following conditions (6).
2. This applies to any debts arising or incurred in the future, for whatever legal reason (in particular including also any balances due), along with cost, interest and value added taxes. This protection involves goods that have not been paid for yet, as well as older goods that have already been paid for worth up until 145% of the respective claim. Final repayments of respective claims will be credited.



against the shipments chronologically whereby the protection of the older shipments is redeemed before the protection of later shipments. Payments on account of performance or in substitution of performance do not count as final payments.

### 3. Retention of Title

All deliveries remain our property until fulfilment of all claims of the supplier against the customer (Goods Supplied Under Reservation). This also applies in case payments for specifically identified claims are made. The customer is obligated to keep all goods supplied under reservation with the due diligence of a prudent businessman.

The customer is not entitled to pledge the reserved goods or to transfer their ownership for collaterals. This exclusion also applies to sale-and-lease-back agreements.

In case the customer infringes upon any of his duties determined by this paragraph (V) or defaults payments or becomes insolvent, we are entitled to demand the immediate surrender of all goods in our ownership and/or financial collateral of all goods. After the retraction of goods which are subject to retention of title, we are entitled to re-sell these by private contract and to credit the sales revenue against the customer's liability. Retracting or pawning the goods is not to be equated with a declaration of resignation of the contract unless it is expressly declared.

When reselling items that are subject to retention of title on credit, it is the customer's obligation to secure our principal and ancillary rights specified in the company's terms and conditions. If and as long as this is the case, the customer is allowed to re-sell all items within the scope of his normal business operations. This authorisation expires as soon as and as long as the buyer defaults on payment. Any treatment or processing by the buyer is considered as having been performed on our instruction but on the buyer's own responsibility without any obligations arising on our part. Any legal transfer of items is done by the customer in his own interest and responsibility.

In case the goods are processed in any way without being combined or mixed with items owned by third parties, we acquire ownership by way of security of the whole new object, in accordance with this section V.

In case the goods are processed in any way by being combined, mixed, processed or blended with items owned by third parties, we acquire co-ownership of the new object in the proportion of the value of our reserved goods to the value of third-party-goods on the date of processing.

If the reserved goods are incorporated in the property of a third party or if any other legal business of the customer leads to the loss of our ownership rights (for example by consumption in order to provide work services), our customer's claims of this legal business shall be transferred to us as a security in the amount of the invoice value of the reserved goods used. This also applies after all goods supplied by us have been processed, combined, blended or mixed with third party goods.

### 4. Assignment by Way of Security

The customer assigns all claims and rights arising from the sale of the reserved goods, particularly remuneration claims and security rights, up to the amount of any outstanding claims as well as any costs and interest to us. This also applies to fraction rights. The customer is obligated to secure all of our principal and ancillary claims in case of resale of reserved goods on credit. As long as the buyer fulfils his obligations to us, he is entitled to the collection of his debts. As soon and as long as this is not the case, the collection of his debts depends on our permission. This also applies to the assignment of claims made by third parties within the scope of (genuine) factoring. Our permission may depend on the premise that the factor either makes payments to us in the amount of the debt or that further securities are appointed. If the customer collects any claims without our permission even though such permission would be necessary, this is deemed to be on trust on our behalf. We are allowed to demand immediate accounting and transfer of the amount collected.

We accept all assignments in accordance with this section V.

### 5. Pledging of Receivables

Additionally to the assignment by way of security, the customer hereby pledges all his claims to third parties deriving from the resale of the goods subject to retention of title. We are allowed to collect and use the pledged claims up to the amount of any outstanding claims as well as any costs and interest in case the customer is in default of a payment of the claims hereby secured. The customer is obligated to secure all of our principal and ancillary claims in case of resale of reserved goods on credit.

### 6. Auxiliary Conditions for Securities

In case the value of the securities appointed for us permanently exceeds our account balance claims (due or payable at a future date) by more than 45%, we must, upon the contracting partner's written request, release securities of our choice.

Upon first request, the customer must immediately supply the name of his client along with all necessary information, particularly on his own claims and/or rights against the client and the location of the reserved goods in written form, so we can assert our rights against our customer's client. In that case, the customer must immediately provide us with all necessary documents and, upon our request, supply appropriate and up-to-date evidence of creditworthiness of third party debtors. We are allowed to notify the third party debtor about our customer's transfer and pledging of receivables by ourselves. We undertake to use this right if and as long as our customer should be in default with a payment of reserved goods.

In case of pawning or any other access by third parties to the reserved goods or receivables assigned and pledged in advance, the customer is obligated to inform third parties of our security rights and to object the pawning. Furthermore, the customer must inform us about this promptly (without undue delay) so we can take third party proceedings. In case the third party is unable to reimburse us any judicial and/or out of court costs of our prosecution, the customer shall be liable for the loss incurred.

All securities according to this section also apply in case an insolvency administrator chooses the execution of the contract in accordance with paragraph 103 InsO (German Insolvency Act). In that case they secure all our claims, also new claims arising by way of the choice of satisfaction towards the insolvency assets.

## VI. Remunerations and Terms of Payment

1. All payments are to be made in EURO to the supplier exclusively.

2. Unless any other agreements have been made, the purchasing price

a) for moulds has to be paid net with 50% upon receipt of the order confirmation, as well as 50% 30 right after presentation of the patterns as per agreement. In case of confirmed order changes made by the customer prior to the completion of moulds, all costs incurred up until that point are to be refunded if they exceed the payments made in advance

b) for partial deliveries or any other services can be paid with a 3% cash discount for advance payment, cash on delivery or within 8 days or in full within 30 days after invoice date. Discount will only be granted under the condition that all previous invoices have already been paid.

3. In case the payment term is exceeded, the customer is in default of payment; without requiring a reminder. From commencement of default, interest shall be 8% above the respective basis interest rate of the ECB, unless the supplier provides evidence that a higher loss has incurred. The customer shall be entitled to provide evidence that a lower loss has incurred.



4. Cheques and bills of exchange shall only be accepted on account of performance. All associated costs have to be paid by the orderer. Offset and enforcement of the right of retention due to any counterclaims of the buyer that are disputed by the supplier shall not be permitted.

5. Non-compliance with conditions of payment or circumstances which raise serious doubt as to the creditworthiness of the orderer, result in the immediate maturity of all demands of the supplier. The supplier shall further be entitled to demand advance payments for all outstanding deliveries as well as to withdraw from the contract after a reasonable period of grace or to demand compensation for non-fulfilment and further to forbid the customer to resell the goods and to reclaim unpaid for goods at the customer's expense. The same rights are entitled to us if the customer is in arrears with a due payment for more than 14 days.

## VII. Moulds

1. The price for the moulds also includes sampling costs, it does, however, not include any costs for testing and processing devices nor any modifications initiated by the customer. Any further sampling costs for which the supplier is responsible are at his expense.

2. Unless otherwise agreed upon, the supplier is and remains owner of the moulds produced for the customer by the supplier himself or by a third party assigned by him. They shall only be used for orders by the purchaser, as long as the purchaser fulfils his duties of payment and acceptance. The supplier is only obligated to replace the moulds free of charge, if they are required in order to provide an output quantity that has been warranted to the orderer. The supplier's obligation to store the moulds expires two years after the last delivery of parts made from the mould after prior notice to the customer.

3. If it has been agreed upon that the customer shall become the owner of the moulds, the ownership is transferred to him after he has paid the purchasing price for the moulds. The handover of the moulds is replaced by the supplier's obligation to store the moulds. Irrespective of the customer's legal right to receive the moulds and the life expectancy of the moulds, the supplier shall be entitled to their exclusive possession until a minimum quantity agreed upon has been purchased and/or until a specified period of time has expired. The supplier must mark the moulds as third party property and, upon the customer request, insure them at the customer's expense.

4. For moulds that belong to the customer in accordance with section 3 and/or moulds lend by the orderer, our liability concerning storage and maintenance shall be limited to the care applied to its own property. The buyer must pay for maintenance and insurance. The supplier's obligations shall expire if the buyer fails to collect the moulds after completion of the order and a corresponding request by the supplier to do so. As long as the orderer has not completely fulfilled his contractual obligations, the supplier has the right to retain the moulds in any case.

## VIII. Warranty and Liability

1. Any information and advice concerning technical applications are not to be understood as essential contractual obligations, especially not as an expert opinion, and do not relieve the customer of the responsibility to check if our goods are suited for the intended processes and purposes. We only accept liability for the usability of our goods for a certain purpose specified by the customer in case we have agreed to do so in written form after diligent examination. The customer's obligation to conduct his own investigations and experiments concerning the usability of the goods for the intended purpose remains unaffected by this.

2. Notice of defects must be made immediately in written form, at least within 2 weeks of the receipt of the delivery. In the case of concealed defects this period shall be extended to one week after discovery of the defect. In both cases, all claims for defects shall become time barred twelve months after the transfer of risk unless any other agreements have been made. In case the law prescribes longer periods of time in accordance with §§ 2 BGB, 479 | BGB and 634 a | 2 BGB, these periods apply.

3. In case of a justified notification of defects – where the pattern samples released in written form by the orderer determine the quality and performance to be expected – the supplier is obliged to a subsequent performance (by elimination of the defect within an appropriate period of time or by supplying defect free items in a subsequent delivery). If he fails to meet this obligation within a reasonable period of time, or if the subsequent performance fails despite repeated attempts, the customer shall be entitled to reduce the purchase price or to withdraw from the contract. Further legal rights (especially reimbursement for expenses order damages due to damage or consequential defects) only exist within the framework of the regulations under IX. The same applies in case we should seriously and finally refuse the subsequent performance, unless we refuse because the subsequent performance should involve disproportionately high cost. Replaced items must be returned to the supplier upon request.

4. Withdrawal from the contract due to non-contractual services is not possible if the breach of duty is insignificant or of the customer is solely or largely and predominantly responsible for the circumstance that would otherwise entitle him to withdraw from the contract.

5. We shall be liable for loss of profit or other financial losses only if the customer may demand damages in lieu of performance.

6. Liability for trading goods shall only be assumed if the delivering works provide substitution.

7. Unauthorized reworking and improper handling shall result in loss of all warranty claims. The purchaser may only rectify defects and claim compensation for appropriate costs after prior notification to the supplier and only in order to prevent greater damage or in case of delay in the rectification of the defects by the supplier.

8. Warranty claims cannot be asserted for normal wear and tear caused by contractual usage.

9. Our liability is limited to the typically predictable damages. Damages must, in any case, be exactly calculated and evidence must be provided.

10. Recourse claims as per §§ 478, 479 BGB shall only exist if the claim by the consumer was justified and only to the statutory extent. They do not apply to any goodwill provisions agreed upon with the supplier and shall presuppose fulfilment of obligations on the part of the party entitled to recourse, in particular the duty to report defects.

## IX General Liability Restrictions

1. In all cases deviating from the terms and conditions above in which the supplier is obligated to make reimbursement for expenses or damages by reason of legal or contractual liability, he shall only be liable if he, his executives or persons employed in performing an obligation for the supplier can be charged with intent, gross negligence or injury to life, limb and health.

2. The fault liability according to the Product Liability Act and the liability for the fulfilment of quality will remain unaffected, in case this has been explicitly agreed upon.

3. Further, the liability for culpable breach of fundamental contractual obligations also remains unaffected; liability is, however, limited to the foreseeable damage arising from this type of contract except for the cases in sentence 1. This does not lead to a change in the burden of proof to the customer's disadvantage.

## X Property Rights



1. The purchaser shall be liable to us with regard to ensuring that any deliveries and services ordered do not violate the property rights of a third party and he must release the supplier from any related claims and compensate him for any damages incurred.
2. Our designs and construction proposals may only be given to third parties with our consent.

#### **XI Place of Fulfilment and Place of Jurisdiction**

1. Place of fulfilment for all services and place of jurisdiction for all disputes arising from the contract is, at the supplier's discretion, either the location of the supplier's company or the customer's location. (This also applies to summary procedures where plaintiff relies entirely on documentary evidence, special procedure deciding claims arising out of a bill of exchange and enforcement proceedings.)
2. German law shall exclusively be applicable excluding the international regulations of the sale of goods.
3. If any provisions of this contract should be held partly or completely invalid or unenforceable or later lose their legal effectiveness or enforceability, the validity of the remaining provisions of the contract shall hereby not be affected. The same applies in case it becomes apparent that the contract fails to cover any specific situation. The invalid or unenforceable provisions or provisions not covered by the contract shall be replaced by appropriate provisions that most closely reflect the original intentions of the parties or what they would have intended based on the meaning and the purpose of the contract if they had considered the point when they concluded the contract or when a provision was subsequently adopted.

#### **XII Scope**

The above terms and conditions only apply to registered traders.

Effective: 19/08/2016.