

General Terms and Conditions of Delivery and Payment

Scope of application

The following General Terms and Conditions of Business apply to all companies within the terms of Article 310 of the German Civil Code. All contracts, deliveries and other services including consultancy, information and similar are performed in accordance with these terms and conditions of business.

Exclusive applicability of these terms and conditions of business

All deliveries and services are performed in accordance with these terms and conditions. These also apply to all business relationships, even where not expressly agreed. In addition, we are not bound by the terms and conditions of the customers and purchaser even if we - the supplier - do not expressly object to them on receiving them.

We are only bound by other terms and conditions of business if we expressly agree to them in writing.

Amendments to the contract or its terms and conditions of business

Verbal agreements, assurances of characteristics and subsequent amendments to the contract are only valid if confirmed by us in writing.

Clause 1 Scope of delivery and services, offer and development

1. Scope • The supplier's written confirmation of order shall prevail with regard to the scope of delivery. In the event of a written offer from the supplier with a binding timescale and a time limit for acceptance, the offer shall prevail unless a punctual confirmation of order is in place.

Where there is no confirmation of order, e.g. in the event of a cash sale, the issuing of the invoice is regarded as confirmation of the order.

This is unless the offer is described as without obligation. In this event, the contract, even in the event of a written offer with a binding timescale and a time limit for acceptance, only enters into force if there is a written confirmation of order.

With repair orders we are also entitled to rectify such defects that only become apparent during the work. We are also entitled to supply, in part or in whole, other items of an equal value in lieu of directly performing the repair.

We are entitled to provide partial deliveries and partial services unless otherwise agreed to in writing. Furthermore, unavoidable variations in quantity of up to +/- 5 to 10 % are not regarded as too low a quantity.

Clause 2. Offer and copyright • Information forming part of the offer such as illustrations, drawings, details on weights and dimensions and other performance data are only approximate unless expressly set out as binding. They are then only binding if this is expressly agreed in writing.

Title and copyright to quotes, drawings and other documents including of a tangible and intangible nature, even in electronic form, are reserved for the supplier. They may not be disclosed to third parties, and this applies in particular to information and documents designated as confidential. They are to be returned immediately on request or where the order is not placed.

2. Price, payment deadlines and conditions, right to offset and retention.

The purchase price covers payment for the delivered goods from the supplier's premises.

1. Surcharges • The legally applicable rate of VAT is added to the price. Incidental expenditure, in particular packaging, carriage, insurance premiums and assembly are invoiced separately. This also applies to any prior carriage charges.

2. Amendments • If, after the contract has been entered into, circumstances relating to the price, applicable when the contract was entered into, change, the price applicable on the day of delivery plus VAT applies. This does not apply if there are less than four weeks between the contract being entered into and the expected date of delivery and the customer is not included in the category of persons stated in Article 310 of the German Civil Code.

3. Payment deadlines and conditions • Payment is due no later than 14 days after the date of invoice without discount. A individually agreed deduction is not allowed where claims to purchase prices relating to earlier invoices due have not been settled. Any discounts are to be deducted from the gross invoice amount. If it is unclear when the invoice or payment demand is received, payment shall be made no later than 14 days after the due date and receipt of the counter performance.

Despite the customer having different provisions, we are entitled to first offset payments against previous debts of the customer. Where charges and interest have already been incurred we are entitled to first offset the payment against the charges, then the interest and finally against the principal.

A payment is not regarded as made until the amount is available to us.

We reserve the right to accept bills of exchange. They are only accepted pending full discharge of the debt and only apply once payment has been paid. Discount charges are borne by the customer.

Where the payment deadline is exceeded, arrears interest of 9 % above the applicable base rate may be charged in accordance with the German Discount Transfer Law (Diskontüberleitungsgesetz) without notice of default being required. The discount rate applicable at the due date shall apply. Higher arrears interest are to be set if we demonstrate costs with a higher rate of interest. Other claims are not excluded by this.

Where the customer fails to meet its payment obligations or those resulting from retention of title, or we become aware of other circumstances bringing the customer's creditworthiness into question, we are entitled to demand payment of the outstanding debt in full, even receivables with a later due date attached, or to demand additional securities. With delays in payment we are entitled to halt delivery until the payments due have been made.

4. Offset and retention • The customer may neither offset nor assert a right of retention with claims that have not been expressly recognised by us unless the claim has the force of law.

A deduction due to a notice of defects is subject to the same restrictions.

Clause 3 Retention of title

1. Retention • We retain title to all goods delivered by us until payment of the balance. In this respect, all deliveries are regarded as one associated delivery transaction. With a current invoice, retained title is regarded as security for our balance claim. Where the country in whose territory the item is delivered does not allow retention of title, but does however grant the supplier other rights

to the item delivered, then we are entitled to exercise all such rights. The customer is obliged to undertake at its expense all measures required to bring into effect and maintain the right of retention or another right to the delivered item in its place.

We are entitled to insure at the customer's expense the delivered item against theft and damage due to breakage, fire, water and other damage unless the customer has taken out insurance itself with the stipulation that the rights under the policy are available to us.

The customer undertakes to safeguard our title/joint title with the care of a prudent businessman from destruction, reduction or loss, including with regard to its customers.

The customer may only sell or otherwise dispose of goods subject to our retention or joint title in a proper business transaction. The customer shall assign to us claims arising from the onward sale or other legal basis relating to the goods subject to reservation in full by way of security and with all ancillary rights.

The customer may neither pledge nor offer the delivered item as security.

2. Extended retention of title • Manipulation and reorganisation are always in our favour, however without obligation for us. Where the goods are combined by the purchaser with other items to form a unified item and the other item is to be regarded as the main item, the customer is obliged to transfer the pro rata joint title, insofar as the main item belongs to it. The customer shall safeguard our title and joint title at no charge.

Where the customer sells on the delivered goods in accordance with the provisions of the contract, it shall hereby assign to us all claims with all ancillary rights arising from the sale until full payment of all debts to us.

3. Duty of disclosure • The customer shall inform us immediately in the event of pledges as well as attachments or other orders by third parties.

With a justified reason the customer is obliged at the request of the supplier to notify the third-party purchaser of the assignment and to provide us with information and handover documents required to assert our rights. Costs and damages shall be borne by the customer.

4. Release • We will release the securities held by us where their value exceeds the receivables to be secured by more than 20 % in total. We are responsible for selecting the securities to be released.

5. Obligation to return • Where the customer acts in breach of the agreement, in particular by delaying payment, we are entitled to recover the delivered item on simple request at the customer's expense and the customer is obliged to surrender it.. Where applicable, assignment of the customer's claim to surrender against third parties may be requested. Our right to demand damages remains unaffected.

6. Effect • Assertion of retention of title and the pledging of the delivered item or the requirement to return in the event of payment arrears are not regarded as termination of the contract..

The customer is liable for all damages arising on assertion of the right of retention as a result of recovering the delivered item. Where the delivered item has been used, then without proof of damage we are entitled to invoice the customer a reduction in value of 25 % for the first six months and a further 10 % for each further six month period commenced. In addition, the customer shall bear any costs in excess of the reduction in value for returning it to the original condition. Notwithstanding this, the customer is permitted to provide evidence that our damages are significantly lower than the estimated amount.

Clause 4 Term for deliveries and services, consequences of default and damages.

1. Determination of deadline • With regard to the deadline for deliveries or services, the mutual written statements shall prevail, otherwise the terms and deadlines stated by us are non-binding. Meeting the deadline requires all commercial and technical matters between the parties to the contract to have been clarified, the timely receipt of all documents to be delivered by the customer, required licences, releases, the timely clarification and approval of plans, compliance with the agreed payment conditions, payment of any agreed advances and other obligations. Where these conditions are not met in time, the deadline will be extended accordingly.

2. Meeting the deadline • Meeting the deadline is subject to the proper and timely delivery of supplies and raw materials.

The deadline is regarded as having been met:

a) With deliveries without installation or assembly, if the operationally ready shipment is delivered to or collected from dispatch within the agreed deadline for delivery or provision of the service. Where delivery is delayed for reasons due to the customer, the deadline is regarded as having been met on notification of the shipment being ready within the agreed deadline;

b) With delivery including installation or assembly, as soon as this occurs within the agreed deadline.

c) Where acceptance testing is required, the deadline for acceptance shall - unless with justified non-acceptance- prevail, failing that notification of readiness for acceptance testing.

3. Failure to meet the deadline and damages • Where failure to meet the deadline for deliveries or services can be demonstrated as due to mobilisation, war, insurrection, lockout or the occurrence of unforeseeable obstacles beyond our control, the deadline is extended accordingly. This also applies where the circumstances occur with subcontractors. We are also not responsible for the aforementioned circumstances if they arise during a pre-existing delay. We will notify the customer as soon as possible of the start and end of such obstacles in significant cases.

Where the deadline is not met for reasons other than those set out in Section 3, Paragraph 1, the customer is entitled, where it can reasonably demonstrate that it has suffered due to the delay, to demand delay compensation for every full week of the delay of 0.5 % to a full 5 % of the value of that part of the deliveries or services that could not be appropriately put into operation due to individual associated items not being completed in time.

Claims for damages by the customer exceeding the threshold of 5 % set out in paragraph 2 are excluded in all cases of subsequent delivery, even after expiry of any grace period in place. This does not apply in cases of liability due to intent or gross negligence. A further condition for this limitation to liability is that the customer is also a business person and the business belongs to their trading concern. (Art. 310 BGB)

4. Right of withdrawal • The right of the customer to withdraw after the ineffectual expiry of a grace period granted to the supplier remains unaffected.

5. Warehousing charges • Where shipment or delivery is delayed at the request of the customer, then commencing one month after notification of readiness to ship, warehousing charges of 0.5 % of the invoice amount may be invoiced to the customer for every month started. The warehousing charges are limited to 5 % unless higher costs can be proven. Notwithstanding this we are entitled, after setting and ineffectual expiry of an appropriate deadline, to dispose of the delivered item in a different manner and to deliver to the customer with an appropriately extended deadline.

Clause 5 Shipping, transfer of risk and obligation to inspect

1. Transfer of risk, obligation to inspect • Risk is transferred to the customer even if carriage paid delivery has been agreed:

- With delivery without installation or assembly, if the operationally ready shipment is delivered to or collected from dispatch. Packaging is performed with all due care. Shipping is at the best judgement of the supplier. The shipment will be insured against damage due to breakages, transport and fire at the request and expense of the customer.
- With delivery with installation and assembly, on the day of being accepted at the customer's site. Where a test operation is agreed, after this has been performed without issue. This is provided that the test operation or, as may apply, acceptance at the customer's site follows immediately after operational installation or assembly.

Where the customer does not accept the offer of a test operation or acceptance at its own site, then after a period of fourteen days after this offer has expired, the risk for the period of the delay transfers to the customer.

- If shipment, delivery or the commencement or performance of installation or assembly is delayed at the request of the customer or for reasons that it is responsible for, then risk for the period of the delay is transferred to the customer. Notwithstanding this, the supplier is obliged, at the request and cost of the customer, to affect the assurances demanded of it.
- The customer is not entitled to refuse acceptance testing where a non-significant defect is present.

2. Shipping costs • Shipping costs are to be borne by the customer. Packaging costs are to be borne by the customer and where applicable we will invoice these at cost price.

3. Obligation to inspect • The customer is obliged to inspect all delivered items immediately on receipt for accuracy, completeness and lack of visible defects and to notify the supplier of any complaints immediately in writing. Written notification of defects that are not visible is to be given immediately on discovery. (See also Clause 6, Section 2). Where notification is not made punctually, the customer loses its entitlements to performance and warranty claims.

Clause 6 Liability for defects, customer's obligation to cooperate, warranty period

We provide a warranty for the delivered item being free from defects and the guaranteed features for a period of 12 months. This does not apply where the obligation is breached intentionally or with gross negligence. Other than that, Article 444 and 479 of the German Civil Code remain unaffected.

1. Periods • The start of the warranty period is set in accordance with statutory provisions:

- as on the day of transfer with deliveries,
- as of the day of acceptance testing with assembly performed by the supplier.

Deadlines longer than statutory ones only apply if our suppliers' warranty extends beyond it. Any warranty claims arising from such deliveries are to be made against our suppliers. (see also Clause 7, Section 7)

The warranty period is reduced to six months for machines and machine parts operated in multiple shifts.

The above periods also apply to parts with non-visible defects.

Warranty claims are time-barred on expiry of the 12-month period.

2. Obligation to cooperate • It is a matter for the customer to inspect parts not immediately put into operation within the 12-month period for hidden defects or, as may apply, to test the part as it is intended to be used.

3. Deadline amendment • Where the provisions regarding a deadline are invalid or a case is not covered, a period of no more than 12 months will apply as of delivery of the parts to the customer.

Clause 7 Scope of the warranty

Claims by the customer for defects require it to have fully complied with the obligations to investigate and examine incumbent on it under Article 377 of the German Commercial Code.

1. Defect • The exclusion of discrepancies common to the sector requires express written agreement. The same applies to warranties. Our details on items to be delivered and services to be provided in our catalogues, brochures and price lists only depict descriptions, depictions or reference points unless otherwise stated in the confirmation of order. Minor, insignificant discrepancies compared to catalogues or previously delivered goods are not regarded as defects.

The customer shall itself check whether goods ordered from us are suitable to be used as intended by them. Unsuitable goods only represent a defect if we have confirmed suitability to the customer in writing.

Where our assembly, installation, operating or maintenance instructions are not followed, amendments are made to the products, parts are replaced or consumables used that do not correspond to the original specifications, then defect claims only exist if the purchaser provides proof that the defect was not caused by this but already existed on the transfer of risk.

2. Improvements or, as may apply, replacement deliveries and costs • Where the goods have still not been delivered to an end user, we may choose to meet the warranty claim with improvements or replacement delivery.. Where subsequent deliveries or improvements fail, the customer may opt for a reduction in payment or to withdraw from the contract. Notwithstanding this, the right to withdrawal and a claim for damages in lieu of performance only exists where the defect cannot be remedied. The right of the customer to claim damages is covered by Clause 8.

Where the goods have already been delivered to an end user, the customer is in principle only entitled to make any claims for defects against us that its customer has made against it. This does not apply where the goods have been taken back due to goodwill provisions not agreed with us. In addition our customer is not entitled to withdraw if it has had to take back the goods because it has not properly complied with its obligation regarding subsequent performance, in particular because it is at fault for having allowed a deadline for subsequent performance granted to it to lapse without effect.

We are only obliged to reimburse expenditure in accordance with Art. 439 Sec. 2 of the German Civil Code where the customer has notified us immediately in writing in advance of the demand for supplementary performance, the intended type of supplementary performance and the estimated associated costs and we have not objected with immediate effect. The customer is bound to follow our proposals regarding a more favourable version of supplementary performance.

Title to replaced parts passes back to us.

Where we breach non-performance related obligations in accordance with Art. 241 Sec. 2 of the German Civil Code, the customer is entitled to a right to withdraw and a claim for damages in lieu of performance in addition to the statutory provisions, and only if it has warned us in advance in writing and despite this the breach has still continued.

Where a defect is remedied, we bear the costs arising from the improvement or supplementary performance, delivery and shipping of the improved or subsequently delivered part provided and insofar the costs do not involve sending the purchased item somewhere other than the place of performance, with reasonable removal and installation. Otherwise costs are borne by the customer.

Increased costs for subsequently improving the replacement arising from the object being taken outside of the territory of the Federal Republic of Germany shall be borne by the customer. This also applies where by way of exception a fitter needs to be sent. The supplier shall bear the costs that would have arisen if the part had remained in Germany.

The dispatching of a fitter can only be requested if the part in question cannot be removed and sent.

The dispatching of a fitter cannot be requested if there is violent conflict or other serious risks for the life and limb of the despatched fitter in the area in question.

After agreement with us the customer shall provide us with the time and opportunity to perform all subsequent improvements and replacement deliveries that appear necessary to us, otherwise we are released from liability for the resulting consequences.

3. Further rights of the customer • Claims for a reduction in price or cancellation of the delivery contract (conversion) only exist if further attempts at subsequent improvements or replacement delivery are not acceptable to the customer.

4. In-house delivery parts • The warranty only extends to our delivery parts. We offer no warranty whatsoever where circumstances beyond our control such as information and services of the customer are able to influence the function of the delivered item and the customer does not prove that the delivered item is not adversely affected by them.

The warranty does not apply to defects due to the parts being used with other than recommended equipment.

5. Other faults • Warranty claims do not exist if the fault is due to failing to comply with operating, maintenance and installation specifications, unsuitable or improper use, incorrect assembly or, as may apply, commissioning by the customer or third parties, incorrect or negligent handling, incorrect storage, unsuitable equipment, chemical, electro-chemical or electrical influences, provided they are not responsible for them, attempts at repairs undertaken without our agreement and natural wear, interventions undertaken by either the customer or third parties on the delivered item, as well as other circumstances that arise after the transfer of risk that we are not at fault for. Wear and tear to wear parts as part of normal use is not regarded as a defect.

6. Assured features • Assured features must be individually specified as such in writing.

7. Further claims • Further claims by the customer, in particular to make good damage other than to the delivered item itself (with the exception of harm to life, limb and health) are excluded unless intent or gross negligence is involved, unless the damage is covered by insurance.. (see also Clause 8)

8. Referral to third parties in the event of ineffectual subsequent improvements • Where defects are not caused by our organisation we are entitled to refer the customer to our suppliers with regard to possible warranty rights, where the customer itself belongs to the category of persons stated in Clause 310 of the German Civil Code, in particular where the customer is a business person and the order comes under its business transactions.

Clause 8 Claims for damages

1. Limitation to liability • Claims for damages due to a positive breach of a contractual obligation, fault when the contract was entered into and non-permitted trading are excluded provided the damage was not caused by intentional or negligent behaviour. Claims for damages due to harm to life, limb and health as well as claims under German Product Protection Law remain unaffected.

Where one of the obligations significant for meeting the purpose of the contract is negligently breached, liability is limited according to the amount to typical damages for comparable businesses of this type foreseeable on entering into the contract or subsequently when the breach was committed, otherwise Art. 44 of the German Civil Code applies. This applies equally to damage to the customer's property, pecuniary loss such as loss of profit, and all other conceivable damage with the exception of injury.

This limitation to liability applies to the same extent along with the supplier to executive boards and management. This disclaimer of liability applies accordingly to performing and vicarious agents as well as other employees of the supplier.

2. Partial liability and impossibility in the event of default and impossibility • Clause 4 Section 3 of these terms and conditions of business applies to claims for damages due to default.

In the event of impossibility, the same applies as with default with the stipulation that damages are limited to 30 % of the value of the order. Paragraph 1 of this section applies unrestricted to the remaining amount.

3. Referral to third parties • Where damage arises due to the use of faulty parts, the supplier is entitled to refer the customer to its subcontractors with regard to claims for damages unless paragraph 1 of this section already applies. This does not then apply if the customer does not belong to the category of persons stated in Clause 310 of the German Civil Code or the supplier has acted with intent or gross negligence.

4. Loss of profit. Interruption to business • Liability under paragraph 3 of this section only applies for damages for loss of profit or interruption to business unless the exclusion of liability under paragraph 1 already applies.

Clause 9 Force majeure, release from the obligation to deliver

In the event of force majeure and other unforeseeable, extraordinary and circumstances without fault such as difficulties in procuring materials, disruption to operations, strike, lock-outs, problems with transport, interventions by the authorities, problems with the energy supply etc., even if occurring at the upstream supplier, the lead time is extended accordingly if the supplier is prevented from complying with its obligation. Where the delay in delivery lasts longer than four months, the purchaser is entitled to withdraw from the contract. Where the lead time is extended or the supplier released from the obligation to deliver, then the purchaser (customer) is unable to make any resulting claims for damages. The supplier may only refer to the stated circumstances if it notifies the purchaser immediately.

Where we do not receive a delivery ourselves despite having placed corresponding orders with a reliable supplier, we are released from our obligation to deliver and are entitled to revoke the contract.

In this case, we will inform the ordering party without delay about the unavailability or delayed availability of the item to be delivered or, as may apply, delivery to us.

Clause 10 General provisions

1. One of the parties to the contract lacking in funds • Where, after entering into the contract, it becomes evident that our claim to consideration is at risk due to the customer's inability to perform, in particular due to the customer exceeding its credit limit or open, overdue invoices, we are entitled to delay performance of the contract until the purchaser provides consideration or security for it. We are entitled to withdraw from the contract if we have granted the customer a grace period to provide consideration or a security without success.

Where one party to the contract ceases payments or bankruptcy proceedings regarding its assets or judicial or extra-judicial insolvency proceedings are brought, the other party is entitled to withdraw from the non-performed part of the contract.

The application to open insolvency proceedings entitles us to withdraw from the contract and to demand the return of the delivered item.

2. Partial invalidity • Where a provision of these terms and conditions and further agreements entered into is or becomes invalid, the remainder of this contract will not be affected. The parties to the contract are obliged to replace the invalid provision with one that comes as close as possible to it economically.

3. Applicable law • The law of the Federal Republic of Germany shall apply to the exclusion of all others unless otherwise agreed.. Application of the uniform law on the sale of goods in the Hague Convention is excluded.

4. Content check for these terms and conditions • When checking the suitability of these terms and conditions it should be borne in mind that the supplier almost exclusively supplies business people under the terms of Article 310 of the German Civil Code and that a large part of the delivered items are not produced in-house, giving rise to an appropriate restriction on liability and warranty.. This is particularly so as the supplier is also supplied on the basis of comparable terms and conditions of delivery.

5. Article 310 German Civil Code • Reference in the above provisions to Article 310 of the German Civil Code concerns the commercial nature of the customer and the condition that the contract relates to the operation of the customer's commercial enterprise.

6. Jurisdiction • Jurisdiction lies with the courts of Frankfurt am Main or, at the choice of the supplier, the location of the business premises where the delivery is made if the customer belongs to the category of persons stated in Article 310 of the German Civil Code, has no general domestic place of jurisdiction, it moves its domicile or usual place of residence abroad after entering into the contract or its place of residence at the time when proceedings is not known. The supplier is also entitled to bring proceedings at the location of the customer's main or subsidiary office.

7. Data protection • We are entitled to store and process all customer data received in connection with performance of the contract in accordance with the provisions of the German Federal Data Protection Act for internal purposes.

Otherwise our data protection provisions and data protection policy apply, which can be referred to on request. They can also be viewed on our homepage.

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