

General Terms and Conditions of Supply and Payment for Commercial Business Transactions

1. Application of the terms and conditions of business

- a) The following general terms and conditions of delivery and payment of the firm of Otto Stockmayer + Sohn GmbH (hereinafter referred to as „Stockmayer“) are the contents of all present and future quotations and supply agreements. They also apply to warehouse sales and to subsequent orders as long as an amendment has not been notified to the customer and also to the extent that an order has not been specifically confirmed.
- b) Application of all and any contradictory general terms and conditions of business has been ruled out without an objection being necessary.
- c) Deviating agreements shall require express written confirmation by Stockmayer in order to be legally effective.

2. Conclusion of agreement

- a) Quotation documents, illustrations, technical statements and samples shall apply with the customary tolerances. The directives, standards and guidelines valid in the Federal Republic of Germany shall apply to the performance.
- b) The contents and the scope of the contractual relationship shall be stipulated by the written order confirmation from Stockmayer or, if none is given, by supply. If the customer does not challenge the order confirmation or the supply, as the case may be, in writing within a period of two weeks, they shall be deemed accepted. Receipt of the written challenge by Stockmayer shall be decisive for the calculation of the period.

3. Prices and scope of supply

- a) All prices shall be understood in Euros exclusive of value added tax and - to the extent not agreed to the contrary in writing - freight forward destination.
- b) If no express price agreement has been made, the goods shall be charged at the list prices valid on the day of supply. The calculation shall be based on the dimensions, weights and quantities established by the supply warehouse.
- c) Delivery periods shall only be binding if they have been confirmed in writing by Stockmayer. Supply may also be before the expiry of all and any agreed delivery time and also in parts.
- d) The delivery period shall commence with dispatch of the order confirmation and clarification of all technical questions, albeit not before provision of the documents possibly to be procured by the customer which are necessary for performance of the order and before receipt of all and any advance payments which have been agreed.
- e) If supply or manufacture of the goods is made considerably more difficult, obstructed or made impossible by circumstances which are not to be ascribed to culpability of Stockmayer, Stockmayer shall be entitled to postpone the manufacture and delivery by the duration of the prevention plus a suitable run-up time or to withdraw from the contract.
- f) In the event of arrears in supply, the client can withdraw from the contract if a period of grace of no less than 6 weeks set by it has expired. Until the expiry of this period of grace, further-reaching claims, in particular for damages, have been ruled out.
- g) Transport insurance shall only be at the client's express and written request and for its account. The choice of the dispatch route and the means of transport shall be a matter for Stockmayer - if the client has not provided any written requirements. If the dispatch or the acceptance of the ordered goods is delayed for reasons for which Stockmayer is not answerable, the risk of chance destruction shall pass to the orderer with the notification of readiness for dispatch.
- h) All and any consultancy services shall not be part of the scope of the agreement, with the result that liability in this regard has been ruled out.

4. Properties of the goods

- a) Deviations in colour, dimension, weight, thickness, quality and surface shall be admissible within the framework of the tolerances customary on the market and within the possible error limits. In the event of colour deviations, subsequent improvement shall take place, ruling out other warranty rights. Ordered quantities may be exceeded or fallen short of by up to 10% for regular goods and by up to 20% for special productions to the extent that this is not unreasonable for the orderer for good and sufficient reason.
- b) Application, use and processing of the purchased goods shall exclusively be in the purchaser's scope of responsibility. All statements and information about suitability and application of the products supplied by Stockmayer shall be non-binding and shall not release the purchaser from own examinations and tests; in particular, claims to damages resulting herefrom have been ruled out.

5. Payment terms

- a) In a lack of a deviating written agreement, the following payment terms shall apply:
up to 10 days after invoice date: 3% discount.
up to 30 days after invoice date: pure net.
- b) In arrears in payment, cessation of payment, initiation of proceedings serving debt regulation, failure to comply with payment terms and knowledge of circumstances containing a reduction of the customer's creditworthiness, all the claims accruing to Stockmayer against the customer - also in the event of stay of payments - shall become due for payment immediately. In addition, Stockmayer shall be entitled only to perform outstanding orders against advance payment, to withdraw from the contract after setting a suitable period of grace, to take back the conditional commodities at the customer's expense and to demand damages on account of non-performance (if applicable, also liquidated damages according to c).

- c) If the orderer withdraws from the commission or indicates in any other way that it will not fulfil it, Stockmayer can terminate the contractual relationship without notice and demand complete indemnification of the damage incurred by it (including loss of profits) or liquidated damages to the amount of 40% of the total for the order in lieu of the claims otherwise accruing to it. A reduction of the liquidated damages shall only be possible if the orderer renders proof of lower damage.

6. Retention of title

- a) The goods supplied shall remain Stockmayer's property until complete fulfilment of all claims existing against the customer, including subsidiary claims. This shall apply even if the purchase price for individual supplies has been paid. In current account, the reserved title shall apply as securing of the balance claim, even if payments are made on claims which have been specifically designated.
- b) If resale of the supplied goods is intended, the customer shall also agree a reservation of title until complete payment with its customer. As a security, it assigns its own claims against its customer and the owner's claim to return of the goods in advance to Stockmayer.
- c) To secure all the claims from the business relationship, also those originating in future, the customer here and now assigns all claims (including those from current account) with subsidiary rights accruing to it from the resale and other use of the conditional commodities (e.g. combination, blending, processing) equivalent to the value of the invoices to Stockmayer.
- d) Transfer by way of securing and pledging of the conditional commodities are not permitted for the customer.
- e) In the event of the customer's conduct in breach of contract, Stockmayer shall, after setting a suitable period of grace, be entitled to declare withdrawal from the contract and to take the purchased commodities back. After taking them back, it shall be authorised to exploit them, in which context the yield of the exploitation - less suitable costs of the exploitation - shall be offset against the customer's liabilities.

7. Warranty

- a) Notifications of defect shall only be taken into account if they are made in writing, albeit no later than 8 days after receipt of the goods by the purchaser, submitting documents, samples and labels as well as the invoice number and the invoice date. After the expiry of this period, the goods shall be deemed approved without objection. The same shall apply to complaints with a view to the scope of delivery.
- b) For hidden defects, the written complaint must have reached Stockmayer without delay, albeit no later than 8 days after establishment of the defect. If more than 90 days have passed since supply, warranty claims have been ruled out, even in the event of hidden defects. The statutory periods for barring by limitation shall remain unaffected. The onus of proof for the fact that it is a question of a hidden defect shall be with the purchaser.
- c) The right to complain shall be exclusively limited to first choice goods. It shall in particular not apply to special items, sales items and second choice goods. Warranty claims have been ruled out for defects, the cause of which is improper treatment, environmental influences or other influences for which Stockmayer is not answerable. All warranty claims shall expire if changes or attempts at after-work have been made on the objects giving rise to complaint without Stockmayer's consent or outside companies have been commissioned with the after-work.
- d) Inconsiderable deviations from the agreed properties shall not portray a defect. The client must provide Stockmayer with the necessary time and opportunity to examine the defect which has been notified and, if applicable, to remedy it within a suitable period. In lieu of remedying the defect, Stockmayer can at its choice provide a replacement. If neither remedying of the defect nor replacement delivery takes place within the suitable period of grace, the client shall have the right to demand a suitable price reduction or to withdraw from the contract.
- e) Taking back goods already processed or indemnification for them has been ruled out. In addition, damages from defects (including damages from loss of profits) and subsequent damage from the defects have been ruled out, regardless of the legal reason.
- f) The amount of Stockmayer's liability for claims to damages has been limited to the damage typically foreseeable, albeit no more than 10% of the supply price.
- g) The above limitations of liability shall not apply to claims according to §§ 1 et seqq., German Product Liability Act, to claims on account of malice aforethought or deceit, to claims on account of the assumption of a guarantee for the properties or claims on account of an injury to life, limb or health of the client, its executive organs and its employees and not to claims on account of a prevention of performance already existing at the conclusion of the contract which Stockmayer already knew or ought to have known at the conclusion of the contract. A change to the onus of proof to the client's detriment is not connected with the above regulations.

8. Applicable law, place of performance and place of jurisdiction

- a) The entire contractual relationship shall be governed exclusively by the law of the Federal Republic of Germany.
- b) Stockmayer's registered office (Pirmasens) is agreed as the place of performance for the mutual obligations to duty and as the place of jurisdiction.