

General terms and conditions of the company Ralf Bohle GmbH

applicable to business transactions with contractors

Last updated: 1st January 2016

1. General

- 1.1 All deliveries and services shall be based exclusively on these terms and conditions. Any deviating purchase conditions of the ordering party – including acceptances of orders – shall not be part of the contract. The acceptance of our deliveries shall be regarded as an acceptance of these conditions.
- 1.2 In general, our offers are subject to change. A contract shall only be concluded following our written confirmation of the order – unless agreed otherwise. We can accept orders within 14 days of receipt.

2. Prices and payment

- 2.1 All prices shall include packaging plus the respective applicable value added tax.

If the agreed prices are based on the seller's list prices, and if the delivery is to take place more than four months after concluding the contract, the seller's list prices at the time of the delivery shall apply (minus the agreed percentage or fixed rate discount respectively).
- 2.2 Any individually agreed payment conditions shall apply. Unless agreed otherwise, payment shall be made on the 15th day of the month following the delivery at the latest.
- 2.3 Any exchanges eligible for a discount will only be accepted by us as payment, if this was explicitly agreed in advance. Any credits in regards to exchange rates and checks shall be subject to receipt, minus expenses in regards to the valuation on the day on which we are able to access the exchange value.
- 2.4 The ordering party only has the right to withhold payments or to charge for counterclaims, if their counterclaims have been determined in an undisputed or legally binding manner.
- 2.5 In the case of payment defaults, and should we become aware of circumstances, which could reduce the credit rating of the ordering party, all our demands shall be due immediately without taking into consideration any exchanges included in the duration. In such cases, we shall also be entitled to only carry out outstanding deliveries against pre-payments or securities and – after stipulating an appropriate deadline – to withdraw from the contract and/ or to demand compensation due to non-fulfillment.
- 2.6 Any ownership changes or changes to the ordering party's corporate form shall grant us the right to only carry out outstanding deliveries against pre-payments or securities.
- 2.7 If targets are not met, the ordering party is to pay the legal default interest rate.

3. Reservation or proprietary rights

- 3.1 The delivery items shall remain our property, until all of our demands towards the ordering party based on the business relationship have been fulfilled. If the value of all of the security interests, to which we are entitled, exceeds the amount of all secured claims by more than 20%, we shall release parts of the security interests upon the ordering party's request.
- 3.2 The combining of our reserved goods with the ordering party's products shall be carried out on our behalf as the manufacturer. If the reserved goods are connected to other items permanently, which are not owned by us, we shall acquire co-ownership in the new item in proportion of the invoice value of the goods to the other processed or linked items at the time of the processing.
- 3.3 The ordering party may only sell the reserved goods as part of their ordinary business transactions and under their normal terms and conditions – unless they are in default. The ordering party's claims stemming from the re-selling of the reserved goods shall be transferred to us at this point in time. The ordering party is not allowed to command over the reserved goods in any other way.

If the reserved goods are linked to third party rights, the ordering party's claims shall be transferred to us in proportion of the value of our co-ownership share to the item's total value.

- 3.4 Should the ordering party enter into default, and if circumstances become known, which could reduce the ordering party's credit rating, we shall be entitled to demand the release of the delivered goods. Any costs incurred therewith shall be met by the ordering party. This does not apply, if insolvency proceedings have been requested or opened by the ordering party, and if the ordering party is entitled to rights opposing this based on the insolvency order. When taking back the goods or claiming the reservation of proprietary rights, a withdrawal from the contract shall only be effected, if this has been declared by us explicitly.

4. Delivery time

- 4.1 The delivery time is based on agreements made between the contractual parties. An adherence to them assumes that all questions between the contractual parties have been clarified and that the ordering party has fulfilled all of their duties (for example the provision of a deposit). If this is not the case, the delivery time shall be extended accordingly. This does not apply, if we are responsible for the delay. If a delivery time has not been agreed explicitly, but if it has merely been stated by us, the delivery time quoted by us shall always be non-binding.
- 4.2 An adherence to the delivery time shall be subject to correct and timely deliveries by our suppliers. If the non-adherence to the delivery date has been caused by force majeure, strikes or other events outside of our powers, the delivery time shall be extended respectively. We will notify the ordering party at the start and end of the delay as soon as possible.
- 4.3 Should we experience a delay, the ordering party – if they can prove that they suffered damages as a result of this – may demand compensation for each completed default week at 0.5% each, but no more than 5% of the price for the part of the delivery, which could not be utilized as intended due to the default, overall.
- 4.4 Compensation claims by both the ordering party in case of a delivery default, as well as compensation claims instead of a delivery, which exceeds the limits stated in no. 4.3, shall be excluded in all cases where there is a delayed delivery, even if a delivery deadline has expired. This does not apply in case of mandatory liability due to intent or gross negligence. The ordering party may only withdraw from the contract in line with the legal stipulations, if we are responsible for the delivery delay. The above regulations are not linked to changes in the burden of proof to the disadvantages of the ordering party.

- 4.5 Upon our request, and within an appropriate time period, the ordering party shall be obligated to declare whether they intend to withdraw from the contract due to the delivery delay or whether they insist on the delivery.
- 4.6 If the shipping or mailing process is delayed by more than one month after indicating readiness to ship upon the request of the ordering party, we are entitled to charge storage fees in the amount of 0.5% of the price of the delivery item for each month started, but 5% overall at the most. The contractual parties may evidence higher or lower storage costs.

5. Transfer of risk, shipping and insurances

- 5.1 Deliveries shall be ex works. The risks shall be transferred to the ordering party, as soon as the goods have been delivered to or collected by the forwarding agent – even in the case of prepaid deliveries – and also when shipping products using our own transport facilities.
- 5.2 In the absence of special instructions, we shall be entitled to determine the type of transport and the transport route at our own discretion.
- 5.3 The transport insurance shall be covered by us. The cost of this is included in the agreed sales prices.

6. Guarantee

- 6.1 If parts have material defects within the period of limitation, these parts shall be re-delivered free of charge, if the cause already existed at the time of transferring the risk.
- 6.2 The ordering party has to reprimand material defects to us immediately and in writing (§ 377 of the commercial code (HGB)). Based on the legal requirements, they shall have the right to withdraw from the contract, if we – whilst taking into consideration legal exceptions – fail to act on the legal and appropriate deadline set by us, or if the supplementary performance has failed. If the defects are merely of a minor nature, the ordering party shall be entitled to a reduction in the contract prices. The right to reduce the contractual price remains, however, excluded.
- 6.3 Regarding the costs incurred by the replacement delivery, we shall – if the rejection turns out to be justified – meet the costs for the replacement parts, including shipping, as well as the appropriate installation and de-installation costs.
- 6.4 Material defects shall expire within 12 months. This does not apply, if the law, for example §479 par. 1 of the civil code (BGB) (contribution claim), stipulates longer deadlines, as well as in case of harm to life, the body or health, in case of an intentional or grossly negligent breach of obligations on our side and in case of a culpable concealment of a defect. The legal regulations in regards to the suspension of the statute of limitations, constraints and new deadlines shall not be affected.
- 6.5 If the notice of defects issued by the ordering party turns out to be unjustified, they shall reimburse the respectively incurred costs.
- 6.6 Any contribution claims of the ordering party against us in accordance with § 478 of the German civil code (BGB) (contribution claim of the contractor) shall only be valid, if the ordering party has not made any agreements with his buyers, which go above and beyond the legal warranty claims.
- 6.7 Figure 7 shall apply to all other compensation claims (other compensation claims). Further entitlements by the client against us and our assistants, or entitlements other than those agreed in this figure due to material defects shall be excluded.

- 6.8 There shall be no entitlements in regards to material defects in case of natural wear and tear or damages, which occurred after the transfer of risk as a result of faulty or careless handling, excessive use or unsuitable maintenance resources.
- 6.9 The granting of a guarantee shall require an explicit, written agreement.
- 6.10 If the utilization of a delivery item leads to the breach of commercial property rights or copyrights, we shall obtain the rights for a continued use for the ordering party at our own expense, or we will modify the delivery item for the ordering party in such a way that is appropriate, so that the breach of property rights no longer exists. If this should not be possible under economically appropriate circumstances or within an appropriate deadline, both parties may withdraw from the contract. We shall release the ordering party from undisputed or legally valid demands by the respective owner of the protective rights. The ordering party shall not be entitled to any further rights.

7. Other compensation rights

- 7.1 Any compensation or expense reimbursement claims by the ordering party (hereafter: compensation claims), no matter the legal reason, and especially in regards to breaches of obligations based on the contractual obligations and due to unauthorized actions, shall be excluded.
- 7.2 This shall not apply, if there is a mandatory liability, for example in accordance with the law on product liability, in cases of intent, gross negligence, a harm to life, the body or health, and because of a breach of significant contractual obligations. Compensation entitlements based on the breach of significant contractual obligations shall, however, be limited to foreseeable damages typical for such contracts, unless intent or gross negligence can be evidenced, or there is a liability due to harm to life, the body or health. There shall be no change in the burden of proof to the disadvantage of the ordering party in regards to the above regulations.
- 7.3 Should the ordering party be entitled to compensation in accordance with this figure, this shall expire upon the expiry of the limitation period for material defect claims in accordance with figure 6.4. In case of compensation claims in accordance with the law on product liability, the legal regulations in regards to limitation periods shall apply.

8. Place of jurisdiction, applicable law, severability clause

- 8.1 The sole place of jurisdiction for all disputes resulting directly or indirectly from the contractual relationship shall be Reichshof. We are, however, entitled to submit a claim to the court responsible for the ordering party's registered office.
- 8.2 German material law shall apply to all legal relationships between us and the ordering party, whilst excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- 8.3 Should one of the above stipulations be invalid as a whole or in part, the validity of the remaining stipulations shall not be affected.