

# General Terms and Conditions of Slickers Technology GmbH & Co. KG

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## § 1 General

Our terms of sale are valid exclusively; Purchaser's regulations to the contrary or differing from our terms of sale will in no event be binding upon us, unless we expressly agreed to its validity in writing. Our terms of sale also apply, if we execute delivery to the Purchaser without any reservation and with the knowledge of contradictory conditions or conditions of the Purchaser which deviate from our terms of sale. Our terms of sale apply only towards companies as defined by § 310 paragraph 1 BGB (German Civil Code). These terms of sale also apply for all future transactions with the Purchaser, provided they are a matter of related legal transactions. Contractual additions, modifications or oral agreements require our written confirmation in order to be legally effective.

## § 2 Offers and Conclusion of Contract

Our offers are subject to change and non-binding. We retain the right for technical changes as well as the right for changes within the reasonable limits. If the order is to be qualified as quotation according to § 145 BGB (German Civil Code), we can accept it within 2 weeks in writing or by delivery of the merchandise. Order confirmations, however, cannot be generated before all commercial and technical issues have been clarified. The prices quoted in our offers are binding for 3 months as from the date of the offer. We reserve all ownership rights and copyright in images, drawings, cost estimates, samples and other information regardless of whether tangible or intangible form, also in the form of electronic data. The disclosure of such information to third parties is subject to our prior, explicit written approval to the Purchaser. Subsequent requests for changes require our explicit confirmation and entitle us to modify the price accordingly.

## § 3 Prices and Payment Terms

Unless otherwise stated in our offer, our prices are ex works, excluding packaging shipping and insurance. Statutory value added tax is not included in our prices; it is separately shown in the invoice at the statutory rate on the day of invoicing. The deduction of any discount is subject to a special written agreement. Unless otherwise stated in the order confirmation, the net purchasing price (without deduction) is due for payment within 30 days of invoice date. The legal regulations concerning the consequences of delay in payment apply. The Purchaser is only entitled to offsetting rights if his counterclaims are determined legally valid, undisputed or recognised by us. Furthermore he is only entitled to exercise the right of retention insofar as its counterclaim is based upon the same contractual relationship.

## § 4 Delivery and Transfer of Risk

The shipping is always effected on account and at own risk of the Purchaser. Unless otherwise instructed by the Purchaser regarding the type of dispatch, we choose the most suitable type of shipping. We are not obliged to choose the most cost-effective type of shipping. The risk passes to the Purchaser with the hand-over of the merchandise to the carrier. In principle a pre-acceptance date is to be carried out at the Seller's plant before the agreed delivery date. A final acceptance of the line or the product takes place at the Seller's plant and is to be stated after the settlement of Purchaser's requests expressed during the pre-acceptance and, if necessary, after the elimination of defects complained by the Purchaser. When the parties agree to a delivery date different from the delivery date agreed, the agreed terms of payment will not be affected. Should a postponement cause additional expenses for the Seller, the Purchaser has to repay these expenses to the Seller within 30 days as of invoice date. Compliance with our delivery obligation is conditional upon the in-time and due and proper fulfilment of the Purchaser's obligations. The defence of non-fulfilment of contract is reserved. If the Purchaser falls in default of acceptance or culpably violates any other obligations to cooperate, we are entitled to claim compensation for the damage we incurred in this respect including any additional expenses. Further claims and rights are reserved. If the conditions under paragraph (7) are present, the risk of accidental destruction or accidental deterioration of the purchased goods passes to the Purchaser at the point of time, when the Purchaser entered into the state of default in acceptance or debtor's delay.

## § 5 Installation / Start-up

Installation and/or start-up are charged according to our valid cost rates for services at the time of order according to time spent, unless an inclusive price is expressly agreed. The cost rates include standard hand tools of the installer/start-up engineer. Should excess baggage cause costs with international assignments, the Purchaser is to repay these costs to the Seller. The Purchaser guarantees that a line delivered as well as necessary equipment and tools are available at the point of installation at the time when the installers arrive. Further the Purchaser guarantees that the project site can be entered safely and that the working conditions meet German and European laws and regulations. Should the installation/start-up be interrupted for a not insignificant period of time by the Purchaser, the Seller can charge the services performed until then. Installers are not authorized to issue or accept legally binding declarations.

## § 6 Warranty

Claims of defects of the Purchaser require that he has duly met his obligation to inspect and give notice of defects as stipulated by law according to § 377 HGB (German Commercial Code). When manufacturing products as per Purchaser's drawings the Seller's liability is restricted to the construction according to such drawings, regardless of other restrictions on warranty and liability. If the purchased goods show a defect, the Purchaser is entitled to, according to his own choice, subsequent fulfilment in the form of an elimination of defects or delivery of a new, defect-free product. In the case of elimination of defects or delivery of replacement we are obliged to bear all costs necessary for the subsequent fulfilment, especially the costs of transportation, ways, work and material so far as these are not increased by the fact that the purchased goods were transferred to another place than the place of performance, in particular when subsequent fulfilment has to be carried out at lines or delivered items abroad, which the Purchaser has dispatched already to a foreign purchaser, the Purchaser has to bear additional costs caused by subsequent fulfilment works abroad. If the subsequent fulfilment fails, then the Purchaser is entitled to withdrawal or to demand price reduction, according to his choice. We are liable in accordance with the statutory provisions provided that the Purchaser asserts claims for damages that are due to intent or gross negligence, including the intent or gross negligence of our representatives or agents. Insofar as we are not accused of an intentional contract violation, the liability for damages is limited to the predictable, typically occurring damages. We are liable in accordance with the statutory provisions if we culpably violate a fundamental contractual obligation; in this case the liability for damages is also limited to the predictable, typically occurring damages. The liability for culpable harm of life, the human body, or health remains unaffected, this applies also to the liability mandated under the Produkthaftungsgesetz (German Product Liability Law). Insofar as has not been agreed otherwise above, the liability is excluded. The limitation period for defect claims is 24 months calculated from the transfer of risk. If the Purchaser carries out alterations at the purchased product transferred without prior written approval by the Seller, the Seller's warranty obligation expires. For spare parts and individual parts for machines and lines delivered by us, we assume the material warranty for 24 months. After the installation by the Purchaser any warranty claim expires, provided we do not expressly agree to an installation by the Purchaser. The limitation period in the case of a

delivery regress as per §§ 478, 479 BGB (German Civil Code) remains unaffected; it is five years, calculated from delivery of the defective item.

## § 7 Reservation of Proprietary Rights

We retain ownership of the purchased goods until receipt of all payments from the delivery contract. If the Purchaser's behaviour is in breach of contract, in particular in payment arrears, we are entitled to re-possess the purchased goods. With the taking back of the purchased goods by us goes a withdrawal from the contract. After withdrawal of the purchased goods, we are entitled to their liquidation, the liquidation proceeds are to be credited to the liabilities of the Purchaser – minus appropriate liquidation costs. The Purchaser is obliged to treat the purchased goods carefully, in particular he is obliged to sufficiently insure them at his own cost against fire and water damage and theft at the original value. As far as maintenance and inspection work is necessary, the Purchaser must carry out such work at his own cost on time. In the case of seizures or any other intervention of a third party, the Purchaser is obliged to inform us in writing without delay, that we may file a suit in accordance with § 771 ZPO (German Code of Civil Procedures). Insofar as the third party is not able to reimburse us the court costs and extra-judicial costs of an action pursuant to § 771 ZPO (German Code of Civil Procedures), the Purchaser is liable for our loss. The Purchaser is entitled to resell the purchased goods in the ordinary course of business; but even now he assigns to us all claims equivalent to the final invoice amount (including VAT), which he is entitled to from resales against his customers or third parties, and this independent of the fact whether the purchased goods are resold without or after processing. The Purchaser is entitled to collect such receivables also after the assignment. Our right to collect the claim ourselves remains unaffected by this. However, we commit ourselves not to collect this claim as long as the Purchaser meets his payment obligations resulting from the proceeds collected, and as long as he is not delayed in payment, and in particular notably has not applied for composition or bankruptcy proceedings or has suspended payments. If this is the case, however, we can require the Purchaser to give us details of the claims assigned and the debtors, supply all information necessary for collection, hand over the relevant documents and notify the debtors (third parties) of the assignment. The processing or transformation of the purchased goods by the Purchaser is in each case performed for us. If the purchased goods are processed together with other items not belonging to us, we acquire co-ownership of the new item according to the proportion of the value of the purchased goods (final invoice amount including VAT) to the other items processed at the time of processing. For the item produced as a result of this processing, the same applies as to the purchased goods delivered subject to reservation of ownership. If the purchased goods are inseparably mixed with other items not belonging to us, we acquire co-ownership of the new item according to the proportion of the value of the purchased goods (final invoice amount including VAT) to the other items mixed at the time of mixing. If the mixing is performed in such a manner that the item of the Purchaser is to be regarded as the principal item, then it is deemed agreed that the Purchaser transfers to us a prorata co-ownership. The Purchaser will store for us the sole or joint ownership that has arisen in this way. The Purchaser also assigns to us the claims for securing our claims against him, which arise due to the combination of the purchased goods with real estate against a third party. We oblige to release the securities due to us upon request of the Purchaser to such an extent as the realisable value of our securities exceeds the claims to be secured by more than 10%, the selection of the securities to be released is incumbent upon us.

## § 8 Copyright and Property Rights

The Seller reserves all ownership rights and copyright in drawings, cost estimates, samples and similar information whether tangible or intangible form - also in the form of electronic data. The disclosure of such information to third parties is prohibited. The Seller is obliged to disclose information and documents determined as confidential by the Purchaser to third parties only with the Purchaser's approval.

## § 9 Applicable Law/ Place of Jurisdiction

In case the Purchaser is a merchant, our headquarters is the place of jurisdiction; we are, however, entitled to bring suit against the Purchaser at the court in his area of residence. The law of the Federal Republic of Germany is valid, the validity of the UN purchasing law is excluded. If the order confirmation does not specify otherwise, our headquarters is the place of performance.