

## General Terms and Conditions of Purchase

The following terms and conditions of purchase apply to all orders made by Schaeffertec GmbH, here forth referred to as “the Buyer”, without requiring express objection by the Buyer. These terms and conditions also apply in the event of an objection by the supplier, here forth referred to as “the Seller”. Additional or deviating agreements of the Seller are only binding if the Buyer has agreed to them in writing.

1. Delivery address:  
**Schaeffertec GmbH  
Kleinbeckstraße 7  
45549 Sprockhövel**
- Acceptance of goods:  
**Monday – Friday 8:00 am – 3:00 pm  
Special agreements are reserved**
2. The Seller bears the risk during transportation.
3. All papers and tags/stickers have to be labeled with order numbers as well as material numbers and material names. Improper packaging slips or invoices may lead to refusal of acceptance and return of invoices.
4. The seller is bound to execute orders in the proper manner that accident prevention regulations, technical measures for occupational safety regulations, and generally accepted safety-related regulations and occupational health regulations are followed. Goods delivered by the Seller must match the requirements of the currently valid regulation of the consumer goods safety ordinance of the Federal Republic of Germany.
5. We are not obliged to accept partial deliveries without previous agreement. We shall be entitled to return such partial deliveries to the Seller at the Seller's expense and risk or to extend the payment period accordingly until receipt of the complete delivery. In the event of quantities being exceeded, we are equally entitled to return the quantity exceeding the contractual delivery quantity. The Seller shall bear the administrative costs arising for us as a result of a partial delivery or excess quantity that has not been agreed upon, as well as any costs of interim storage. Statutory default rights remain unaffected by this stipulation.
6. The legal provisions relating to warranty, damage compensation and cancellation of contract apply with the following specifics:
  - a. The contract is accepted only if the Buyer expressly confirms it in writing.
  - b. The acceptance of the delivered goods by the Buyer does not relinquish the right of notice of defects. The Seller relinquishes the right to object to belated notices of defects. § 377 of the German Commercial Code (HGB) is expressly excluded.
  - c. The Seller expressly ensures proper quality and that the goods are free of material defects and defects of title. The Seller is obligated to compensate all damages caused to the Buyer based, directly or indirectly, on defective delivery.
  - d. Failure to meet a delivery date may lead to the cancellation of the contract by the Buyer without the necessity of specific reminders to the Seller, placing Seller on default, or any other further requirements by the Buyer.
  - e. The statutory limitation for warranty claims is 12 months from the time of discovery of the defects. In case of the purchase of machines, the Seller provides a 12-month guarantee of performance after the acceptance.
7. Designs necessary for the execution of orders that are the Buyer's intellectual property cannot be made accessible to third parties without the Buyer's express agreement. The Seller cannot deliver goods that were made according to the Buyer's information or designs to third parties. The Seller must keep these designs as custodian in direct possession. The aforementioned regulation also applies to drafts, models, and any tools of the like.
8. The place of execution is the same as the place of delivery under point 1.
9. The place of jurisdiction is the court responsible for the domicile of the Schaeffertec GmbH. The laws of the Federal Republic of Germany apply.

## General Terms and Conditions of Sale

All offers by Schaeffertec GmbH, here forth referred to as “the Seller”, are based on the Seller's General Terms and Conditions of Sale. The acceptance of all purchase orders, here forth referred to as “the Contract”, shall be subject to these terms and conditions. Diverging customer, here forth referred to as “the Buyer”, regulations not in conformance with the Seller's General Terms and Conditions of Sale are binding only if expressly acknowledged in writing by the Seller.

### I. Prices and Payment

1. In the absence of express agreement, payments are due, in full and without deductions, immediately after receipt of the invoice by the Buyer. Cash discount agreements do not apply to cargo, postage, insurance, or other shipping costs.
2. If the Buyer defaults on payment, the Seller may charge interest in the amount of 8% above the current basic interest rate of the European Central Bank. A special notice of default is not required.
3. For checks and remittances, the date of receipt of payment is the date the amount becomes available to the Seller. Bill of exchange charges, collection charges, as well as other bank charges, will be assumed by the Buyer.
4. The Buyer can neither offset seller's payment claims nor assert any right of retention; unless there are counterclaims that are undisputed or determined by a final judicial decision.
5. In case of extraordinary preliminary performance by the Seller, a reasonable advance payment can be demanded from the Buyer.
6. If, after entering into the Contract, circumstances should become known to the Seller which put the Buyer's credit worthiness in question, the Seller has the right to demand advance payment, retain undelivered goods, and discontinue further work. The Seller shall also be entitled to these rights if the Buyer defaults on payments for deliveries in the Contract.

### II. Delivery and Shipping

1. When the Contract requires the Seller to ship the goods through a carrier, the risk associated with the shipment is transferred to the Buyer upon delivery of the goods to the carrier, regardless of the form of the bill of lading. If the goods are ready for shipment and the shipment or acceptance of shipment is delayed due to reasons not of the Seller's doing, the risk associated with the shipment shall be transferred to the Buyer upon receipt of notice by the Buyer that the goods are ready for shipment.
2. Delivery dates shall only be enforceable if they are expressly confirmed in writing by the Seller. A delivery date shall be deemed as met if the goods have left the Seller's plant or by receipt of notice by the Buyer that the goods are ready for shipment. In case of delay in delivery, the seller should be granted a reasonable extension of time. On call deliveries have to be taken within 12 month of the formation of the Contract. Disruption of business operations – concerning the Seller, but also the Seller's suppliers – such as strikes, lockouts or any other case of force majeure, does not automatically entitle the Buyer to the termination of the Contract unless the Buyer cannot reasonably be expected to continue to wait. Otherwise, the delivery date shall be extended accordingly to the delay. Termination of the Contract shall be permissible 4 weeks after the beginning of the aforementioned disruptions. In either case of delay or termination, the Seller is precluded from any liability.
3. Should the Seller fail timely delivery, the Seller shall be granted a grace period of at least 4 weeks. The Buyer may withdraw from the contract after that grace period. §361 BGB remains unaffected.
4. Unless the Seller receives special shipping stipulations, goods shall be shipped in accordance with the shipping method deemed most appropriate in the Seller's estimation. Shipment costs will be assumed by the Buyer unless other agreements were made.
5. For invoicing, the weight and number of pieces indicated by the Seller are decisive. Partial delivery to a reasonable extent, production-dependent deliveries, and short shipments of up to 10 % of the total order quantity are permissible.
6. The minimum order value is €500. The Seller is entitled to make a surcharge of € 50,00 to order values below the minimum. The Buyer is obligated to inspect the goods upon delivery.

### III. Retention of Title

1. The Seller retains title of ownership until the purchase price has been paid in full.
2. The following regulation applies only in commercial transactions: Until complete payment of all debts from the business relation between the seller and the buyer the goods delivered remain the complete property of the seller. The buyer is entitled to sell the goods in normal business transactions. Any claims of the Buyer from the resale of the goods are transferred to the Seller; the Seller accepts this assignment. In the event of Buyer's default, the Buyer must give all details on the assigned debt to the Seller. The Seller agrees to release securities that he is entitled to insofar as their value exceeds the amount of the claims being secured against the Buyer, or a third party, by more than 20%.
3. While processing or modifying the goods delivered that are still remaining the Seller's property, the Seller is to be considered to be the manufacturer pursuant to § 950 BGB (German Civil Code) and retains title to the goods delivered at any time during the processing. If third parties participate in the processing, the Seller is limited to a joint property share of the value of the invoice of the retained goods. The property acquired this way is considered to be property subject to retention of title.

### IV. Warranty, Liability, Notice of Defects

1. If the goods delivered by the Seller are not free of material defects, the Seller is first entitled to the choice of repairing or replacing the goods. If the Seller cannot replace the goods, or reworking is impossible or fails, the Buyer is entitled to withdraw from the Contract, or to demand abatement from the purchase price. The same applies if the Seller lets expire a grace period granted to him by the Buyer. The Seller must immediately be informed in writing about any defects found. Recognizable defects must be reported, at the latest, 10 days after acceptance of the goods delivered. Defects not immediately identifiable must be reported without delay after detection otherwise the goods will be considered approved. The goods will also be considered approved if the Buyer does not contest the Seller's rejection of the notice of defect within 4 weeks. In any case, the Seller shall be granted the possibility of reviewing the reported defects. The period of warranty complies with statutory regulations. The Seller does not provide warranty for defects, resulting from unsuitable or improper use or storage, faulty mounting through the Buyer or third parties, natural wear and tear, faulty or negligent treatment, or for consequences of improper modifications made by the Buyer or third parties. The Seller does not provide warranty for any materials provided by the Buyer. Application-technical consultation, statements and information on the suitability and application of the goods made by the Seller are not binding, unless the Seller has declared them as binding in a particular case. The Seller is not exempt from performing tests and trials in reference to the suitability of the goods.
2. Absolute liability claims of the contract partner are excluded. The Seller is furthermore not liable for damages of the contract partner, which are due to a slightly negligent breach of duty, or other slightly negligent action taken by the Seller, his statutory representative, or his vicarious agent. The Seller shall not be liable for damages caused by a vicarious agent that are based on a grossly negligent violation of obligations which are not part of the essential contractual obligations. The liability for damages is limited to the amount typical for transactions of the kind in question. The exclusion and limitation of liability do not apply to injury to life, body or health, as well as claims according to the German Product Liability Act (ProdHaftG).

### V. Place of Fulfillment, Place of Jurisdiction, Validity

1. If the Buyer is a merchant, as defined by German Commercial Code (HGB) or if he does not have a general place of jurisdiction within the Federal Republic of Germany, the place of fulfillment and jurisdiction for all disputes arising from the contractual relationship, including checks, bills of exchange and documents, shall be the Seller's domicile. The contractual relationship shall be subject to German law. The terms of the UN Sales Convention are excluded.
2. Any current or later invalidity of one or more provisions of these general terms of business does not affect the validity of the remaining provisions.