

## Terms & Conditions of Sale and Delivery

1. Solely these Terms & Conditions of Sale and Delivery apply. Conflicting or differing conditions of the Buyer shall only be recognized by us if their validity is expressly confirmed by us in writing in a particular case. All agreements between us and the Buyer in connection with the execution of this contract must be made in writing to be valid.
2. These Terms and Conditions of Sale and Delivery also apply to all future transactions entered into with the Buyer insofar as these relate to legal transactions of a similar kind.
3. Orders are to be regarded as offers pursuant to Section 145 BGB (German Civil Code) and we shall have three weeks to accept them. Delivery contracts shall only be brought about following our written confirmation of order.
4. Insofar as we are to supply items according to drawings or samples that the Buyer has made available to us, the Buyer is to provide us with a guarantee that the manufacture and delivery of the items shall not result in any kind of violation of third-party copyrights and industrial proprietary rights. The Buyer is to indemnify us from all third-party claims if such third-party rights are violated.
5. The parties to the contract are obligated to mutually treat as confidential for an unlimited period of time any information being made available by the other party and identified as confidential or which, based on other circumstances, is recognisable as a trade or business secret, and to refrain from recording, disclosing or using it. The parties to the contract will ensure that their respective employees and agents, will be bound by adequate agreements to refrain from using, disclosing or recording such trade and business secrets for an unlimited period of time.
6. We reserve ownership of and copyrights to all documents surrendered to the Buyer in conjunction with awarding the contract such as drawings etc. These documents may not be made available to third parties unless we provide the Buyer with our express approval in that respect. Insofar as we do not accept the Buyer's offer within three weeks, these documents are to be returned to us without delay.
7. New designs shall be based on the information made available to us. We cannot comprehensively inspect the samples in respect of flawless function, safety regulations and valid norms and regulations. It is incumbent upon the Buyer to comprehensively inspect and release the samples.
8. In the absence of written agreements to the contrary, our prices are to be construed ex works and without packaging. Shipping and packaging costs shall be invoiced separately. Unless otherwise agreed, invoiced amounts shall be payable within 30 days from the invoice date without a discount. The granting of a discount is conditional upon the settling of all previously due invoices. Our prices do not include the statutory value added tax. It shall in each case be invoiced separately. In the absence of agreements to the contrary, the purchase price shall fall due in full within one month from the date of invoice. The Buyer shall be in default 30 days after the due date of an invoice or an equivalent payment request. In such a case, interest on arrears shall be charged at 8% above the base lending rate if the Buyer is a merchant. We reserve the right to lodge claims in respect of greater damage caused by delay. Should the Buyer's ability to pay deteriorate between the confirmation of order and delivery, or in the event of a failure to adhere to the terms of payment resulting from other transactions, we shall be entitled to demand advance payment.
9. If the goods are delivered to the Buyer, at its request, the risk of accidental loss or the accidental deterioration of the goods shall pass to the Buyer upon dispatch to the Buyer, at the latest upon leaving the plant/warehouse. This applies irrespective of whether the goods are sent from the place of performance or who carries the freight costs.
10. Binding minimum quantities shall be specified for each call-up in the case of master or call orders. In the absence of written agreements to the contrary, the term of contract shall be for one year. The total quantity must be called within the agreed period. Storage fees shall not be charged in the case of call-ups and terms as per agreement. If the term is exceeded or quantities less than those agreed are called, we reserve the right to charge storage fees of 10% p.a. in relation to the net sales prices. Furthermore, we reserve the right to deliver and invoice outstanding quantities.
11. Stated delivery times are non-binding. We reserve the right to plead non-performance of the contract. The start of delivery times stated by us is conditional on clarification of all technical matters and the timely and proper honouring of the Buyer's obligations. Amendments following the confirmation of order shall entitle us to an adequate extension of the delivery time. The delivery time shall furthermore be extended accordingly in the event of unforeseeable circumstances (e.g. operational disruption, delay in the delivery of raw materials, furthermore all cases of force majeure and strikes). Such hindrances shall not be deemed our responsibility either, if they occur during an existing delay. We shall inform the Buyer as soon as possible of the onset and end of such hindrances. In the event of a default in acceptance by the Buyer, the risk of accidental loss or accidental deterioration of the object of sale shall pass to the Buyer at the time at which the Buyer defaults. We are permitted to provide appropriate partial deliveries at the Buyer's cost. Reasonable variations of plus/minus 10% from the ordered quantities are permitted. Only the delivered quantities are invoiced.
12. We reserve the right to ownership in the delivered item until payment in full of all receivables resulting from the business relationship. This shall also apply if payments are stated as effected for certain goods. We shall be entitled to repossess the object of sale if the Buyer acts in breach of contract. Repossession of goods shall not constitute a withdrawal from the contract as long as this is not expressly declared in writing. The Buyer undertakes to treat the object of purchase with due care as long as ownership has not passed to the Buyer. In particular, the Buyer undertakes to take out a replacement-value

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insurance policy with adequate coverage for the object of sale against damage caused by theft, fire and water. As long as ownership has not passed, the Buyer is to inform us in writing and without delay, if the delivered item is subject to seizure or other intervention by third parties. The Buyer is obligated to inform the executing authority of our title and to provide proof by submitting the corresponding documentation. Insofar as the third party is not able to reimburse us for the court and out-of-court cost of a lawsuit pursuant to Section 771 of ZPO (German Code of Civil Procedure), the Buyer shall be liable for the loss we suffer. The Buyer is entitled to sell the reserved goods during the ordinary course of business, unless any receivables resulting from such sale have been assigned to others. The Buyer assigns to us at this point in time the customer's accounts payable resulting from the sale of the reserved goods in the sum of the total invoice amount agreed with us (incl. VAT). This assignment applies irrespective of whether the object of sale has been sold without or following processing. The Buyer is also authorised to collect the claim following the assignment. This shall not affect our entitlement to collect the claim. However, we shall not collect the claim as long as the Buyer honours its payment obligations from the collected proceeds, does not default in payment and, in particular, no application has been filed in respect of instituting bankruptcy or composition proceedings or payments have not been discontinued. The Buyer shall, at all times, process or modify the object of sale on our behalf. In such a case, the Buyer's right to the object of sale shall continue in respect of the converted item. Insofar as the object of purchase is processed with other items that we do not own, we shall acquire co-ownership in the new item in proportion of the objective value of our object of sale to that of the other processed items at the time of processing. The same applies in the case of blending. Insofar as the goods are blended such that the Buyer's item is to be seen as the principle item, it is deemed as agreed that the Buyer shall assign to us proportionate co-ownership and shall store the wholly or co-owned item created in such a manner on our behalf.

13. The Buyer's warranty rights are conditional on the Buyer honouring in due form its obligations to inspect and provide notification of defects pursuant to Section 377 of HGB (German Commercial Code). The period for providing notification of obvious defects is limited to 5 working days after hand-over or delivery or, in the case of hidden defects, to 5 working days following the discovery of such hidden defects. We are to be given the opportunity at all times to provide subsequent performance within a period of reasonable length. The above regulation shall not affect claims under a right of recourse. Insofar as the object of sale contains a defect for which we are responsible, we shall be entitled, at our discretion, to either rectify the defect or provide a replacement delivery. We do not assume the cost of call-backs. If the subsequent review of claims for defects shows that these were unjustified, the Buyer shall carry the cost of the review and transport. In the absence of written agreements to the contrary, the warranty period shall be limited to one year, starting from delivery of the goods supplied by us to our Buyer at the place of performance. This period also applies to

claims for compensation due to consequential damage provided that no claims are lodged based on unlawful acts.

14. The Buyer shall only be entitled to set off if its counter-claims have been legally established, are undisputed or have been recognised by us. The Buyer shall only be entitled to exercise a right of retention insofar as its counter-claim is based on the same contractual relationship.
15. Insofar as the Buyer is a merchant, the place of jurisdiction is the court with jurisdiction for our registered office. However, we are also entitled to bring an action against the Buyer at the court with jurisdiction for the Buyer's place of residence. Our registered office is deemed the place of performance. Variations in this respect must be agreed in writing. German law is deemed as agreed for deliveries abroad.
16. If a regulation of our Terms and Conditions of Sale and Delivery is invalid, this shall not affect the validity of the other provisions. The invalid clause shall be replaced by one that reflects the economic intent of the invalid clause.

Version September 2016

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