

General Terms and Conditions of Sale

of CMC Klebetechnik GmbH, Rudolf-Diesel-Strasse 4, 67227 Frankenthal, Germany

§1 Scope, Form

- (1) The present General Terms and Conditions of Sale apply to all our business relationships with our customers (hereinafter referred to as “Buyers”). These General Terms and Conditions of Sale apply only if the Buyer is an entrepreneur (§14 of the German Civil Code (*BGB*)), a legal entity under public law, or a special fund under public law.
- (2) These General Terms and Conditions of Sale apply in particular to contracts for the sale and/or delivery of movable goods (hereinafter referred to as “Goods”), regardless of whether we manufacture the Goods ourselves or purchase the Goods from suppliers (§§433, 650 of the German Civil Code (*BGB*)). Unless otherwise agreed upon, these General Terms and Conditions of Sale, in the version valid at the time of the Buyer's order or at least in the version last communicated to the Buyer in text form, also apply to similar future contracts, without reference having to be made to these General Terms and Conditions of Sale again in each individual case.
- (3) Our General Terms and Conditions of Sale apply exclusively. Divergent, conflicting or supplementary general terms and conditions of the Buyer only become part of the contract if and insofar as we have expressly consented to their validity. This approval requirement applies in any and all cases, even if we, for example, carry out the delivery to the Buyer with knowledge of the terms and conditions of the Buyer and do so without reservation.
- (4) In individual cases, individual agreements with the Buyer (including collateral agreements, amendments and changes) have priority over these General Terms and Conditions of Sale. Subject to proof to the contrary, the content of such agreements shall be governed by a written contract or our written confirmation.
- (5) Legally relevant declarations and notifications of the Buyer as they relate to the contract (e.g. setting of deadlines, notification of defects, withdrawal or reduction) must be made in writing, i.e. in written or textual form (e.g. letter, e-mail, fax). Statutory formal requirements and further proof, especially in case of doubt about the legitimacy of the declarant, remain unaffected.
- (6) References to the validity of statutory provisions are only for clarification purposes. Even without such clarification, the statutory provisions apply unless they are directly amended or expressly excluded in these General Terms and Conditions of Sale.
- (7) Insofar as the term “Working Days” is used in these General Terms and Conditions of Sale, it means bank working days (excluding Saturdays and public holidays). Decisive is the registered office of CMC Klebetechnik GmbH.

§2 Conclusion of a Contract

- (1) Our offers are non-committal and non-binding. This also applies if we have provided the Buyer with catalogues, technical documentation (e.g. drawings, plans, calculations, calculations, references to DIN standards), other product descriptions or documents - also in electronic form - to which we own intellectual property rights and copyrights.

- (2) The ordering of Goods by the Buyer is considered to be a binding contractual offer. Unless otherwise stated in the order, we are entitled to accept this contract offer within 10 Working Days of its receipt by us.
- (3) Acceptance of said offer can be declared either in writing (e.g. by order confirmation) or by delivery of the Goods to the Buyer.

§3 Delivery Time and Delay in Delivery

- (1) The delivery time is individually agreed upon or specified by us when accepting the order. If this is not the case, the delivery period is usually about 10 weeks from the conclusion of the contract.
- (2) If we cannot comply with the binding delivery deadlines for reasons for which we are not responsible (unavailability of the service), we will inform the Buyer without delay and at the same time notify the Buyer of the expected new delivery deadline. If the service is not available within the new delivery period, we are entitled to withdraw from the contract in whole or in part. We shall immediately reimburse any consideration already provided by the Buyer. In particular, the non-availability of the service in this sense includes the non-timely self-delivery by our supplier, if we have concluded a congruent hedging transaction, if neither we nor our supplier are at fault, or if we are not obliged to procure in individual cases.
- (3) The occurrence of our default of delivery is determined by statutory provisions. In any case, however, a reminder from the Buyer is required.
- (4) The rights of the Buyer according to §8 of these General Terms and Conditions of Sale and our statutory rights, in particular in the case of an exclusion of the obligation to perform (e.g. due to impossibility or unreasonableness of performance and/or subsequent performance), remain unaffected.

§4 Delivery, Transfer of Risk, Acceptance, Default of Acceptance

- (1) Delivery is ex-warehouse, which is where the place of performance for the delivery and any subsequent performance is. At the request and expense of the Buyer, the Goods will be shipped to another destination (consignment purchase). Unless otherwise agreed upon, we may determine the nature of the shipment (in particular transport company, shipping route, packaging).
- (2) The risk of accidental loss and accidental deterioration of the Goods passes, at the latest, with the transfer of the Goods to the Buyer. However, in the case of a consignment purchase, the risk of accidental loss and accidental deterioration of the Goods as well as the risk of delay shall pass to the forwarder, the carrier or the person or institution otherwise responsible for carrying out the consignment. Insofar as a form of acceptance has been agreed upon, this shall be decisive for the transfer of risk. Furthermore, the statutory provisions of the law on contracting for work and labour apply to the stipulated form of acceptance. The handing over of the Goods or acceptance of the Goods is considered the same if the Buyer is in default of acceptance.
- (3) If the Buyer is in default of acceptance, fails to cooperate or delays our delivery for other reasons for which the Buyer is responsible, we may demand compensation for the resulting damages, including additional expenses (e.g. storage costs). For this we charge a flat-rate fee

in the amount of 10.00 EUR per euro pallet and calendar day, beginning with the delivery date or - in the absence of a delivery period - with the notification of readiness of the Goods for shipment.

We reserve the right to prove higher damages and/or exercise our statutory claims (in particular compensation for additional expenditures, reasonable compensation, termination); the flat rate is, however, to be credited to further money claims. The Buyer may prove that we have incurred no or only significantly lower damages than the above flat rate.

- (4) Excessive or reduced quantities of up to 10% of the order quantity are technically not always avoidable and are therefore expressly agreed upon as part of our contractual performance.
- (5) We may make partial deliveries insofar as these are reasonable for the Buyer, taking into account mutual interests.

§5 Prices and Terms of Payment

- (1) Unless otherwise agreed upon in individual cases, our current prices at the time of the conclusion of the contract apply, ex-warehouse, plus statutory value added tax.
- (2) In the case of a sale by consignment (§4 Para. 1), the Buyer bears the transport costs ex-warehouse and the costs of any transport insurance desired by the Buyer.
- (3) The purchase price is due and payable without deduction within 30 days from the date of invoice and delivery or acceptance of the Goods. However, even within the framework of an ongoing business relationship, we may, at any time, make a delivery in whole or in part, but only against advance payment. We declare a corresponding reservation, at the latest, with the order confirmation.
- (4) With expiry of the above payment period, the Buyer is in default. The purchase price accrues interest at the applicable statutory default interest rate during the period in which the Buyer is in default. We reserve the right to assert further damages if the Buyer is in default. For merchants, our claim to commercial maturity interest (§353 of the German Commercial Code (*HGB*)) remains unaffected.
- (5) The Buyer is entitled to set-off or retention rights only if the Buyer's claim is legally established or undisputed. Upon defective deliveries, the counter-rights of the Buyer remain unaffected in accordance with §7 Para. 6 Sent. 2 of these General Terms and Conditions of Sale.
- (6) If it becomes apparent after conclusion of the contract (e.g. through the filing for the opening of insolvency proceedings) that our claim to the purchase price is at risk due to the Buyer's inability to pay, we may, in accordance with statutory provisions, refuse performance and - if necessary after setting a deadline - withdraw from the contract (§321 of the German Civil Code (*BGB*)). In the case of contracts for the manufacture of specific items (custom-made items), we may declare our withdrawal immediately; the statutory provisions concerning the dispensability of setting a deadline remain unaffected.

§6 Retention of Title

- (1) Until complete payment of all our present and future claims from the purchase contract and an ongoing business relationship (secured claims), we reserve title to the sold Goods.

- (2) The Goods subject to retention of title may not be pledged to third parties or transferred as collateral prior to complete payment of the secured claims. The Buyer shall notify us immediately in writing if an application for the opening of insolvency proceedings is made or if the goods belonging to us are seized by third parties (e.g. seizures).
- (3) In the event of breach of contract by the Buyer, in particular non-payment of the purchase price due, we are entitled to withdraw from the contract in accordance with the statutory provisions and/or demand the return of the Goods on the basis of our retention of title. The request to surrender the Goods does not also include the declaration of withdrawal from the contract; rather, we are entitled to merely request surrender of the Goods and to reserve the right to withdraw from the contract. If the Buyer does not pay the purchase price due, we may only assert these rights if we have previously unsuccessfully set the Buyer a reasonable deadline for payment or if such setting of a deadline is dispensable under statutory provisions.
- (4) The Buyer may, until further notice, resell and/or process the Goods subject to retention of title in the ordinary course of business in accordance with (c) below. In this case, the following provisions also apply.
 - (a) The retention of title shall extend to the full value of the products resulting from the processing, mixing or combining of our Goods, whereby we shall be deemed the manufacturer. If the ownership rights of third parties remain in force in the event of processing, mixing or combination with goods of third parties, we shall acquire co-ownership in proportion to the invoice values of the processed, mixed or combined goods. Furthermore, the same applies to the resulting product as it does to the Goods delivered under retention of title.
 - (b) The Buyer hereby assigns to us any claims against third parties resulting from the resale of the Goods or the product as security in total or in the amount of our possible co-ownership share in accordance with the preceding paragraph. We accept the assignment. The duties of the Buyer mentioned in Paragraph 2 also apply in regard to the assigned claims.
 - (c) The Buyer remains authorized, in addition to us, to collect on the claim. We shall not collect on the claim as long as the Buyer fulfils the Buyer's payment obligations to us, the Buyer continues to properly perform under the contract, and we do not exercise our retention of title right according to Paragraph 3. If this is the case, we may request that the Buyer inform us of the assigned claims and their debtors, provide us with all information necessary for collection and with any related documents, and notify the debtors (third parties) of the assignment. In this case we may also revoke the Buyer's authority to further sell and process the Goods subject to retention of title.
 - (d) If the realizable value of the securities exceeds our claims by more than 10%, we will, at the request of the Buyer, release securities of our choice.

§7 Claims for Defects by the Buyer

- (1) The statutory provisions shall apply to the Buyer's rights in the event of material defects and defects of title (including incorrect and short delivery as well as improper assembly or defective assembly instructions), unless otherwise specified below. In all cases, the statutory special provisions shall remain unaffected upon final delivery of the unprocessed Goods to a consumer, even if the consumer has further processed them (supplier recourse pursuant to

§§478 of the German Civil Code (*BGB*)). Claims arising hereunder are excluded if the defective Goods have been further processed by the Buyer or another contractor, e.g. by incorporation into another product.

- (2) The basis of our liability for defects is, above all, the agreement made concerning the condition/characteristics of the Goods. The documents belonging to the offer, such as drawings, illustrations, technical data, references to standards as well as statements in advertising material, are not specifications of quality, assurances of features or guarantees, unless they are expressly designated as such in writing. We are not liable for the suitability of the product for the purpose intended by the Buyer. The Buyer shall examine the suitability of the products for the intended use and determine if it is suitable for the Buyer's intended use.
- (3) We accept no liability for public statements made by the manufacturer or other third parties (e.g. advertising statements) to which the Buyer has not referred to us as decisive for the Buyer's purchase.
- (4) The claims of the Buyer for defects presuppose that the Buyer has complied with the Buyer's statutory duties of inspection and complaint (§§377, 381 of the German Commercial Code (*HGB*)). In the case of Goods intended for installation or other further processing, an examination must always be carried out immediately before processing. If there is a defect during the delivery or the examination, or at any later time, we must be immediately notified thereof in writing. In any case, obvious defects must be reported in writing within 5 working days of delivery and defects not recognisable during inspection within the same period of time from discovery. If the Buyer fails to properly examine and/or report a defect, our liability for the defect that is not reported at all or not reported in a timely or improper manner is excluded under statutory provisions.
- (5) If the delivered item is defective, we can first choose whether we will provide supplementary performance by rectifying the defect (rectification) or by delivering a defect-free item (replacement). Our right to refuse supplementary performance under statutory conditions remains unaffected.
- (6) We are entitled to make the supplementary performance due dependent on the Buyer paying the purchase price due. However, the Buyer may retain a reasonable part of the purchase price in proportion to the defect.
- (7) The Buyer shall give us the time and opportunity required for the supplementary performance due, in particular the time and opportunity to transfer the rejected Goods for examination purposes. In the event of a replacement delivery, the Buyer shall return the defective item to us in accordance with statutory provisions. Any supplementary performance does not include the deinstallation of the defective item or the reinstallation of it, if we were originally not obliged to install it.
- (8) We shall bear or reimburse the expenses necessary for the purpose of inspection and subsequent performance, in particular transport, travel, labour and material costs as well as any deinstallation and installation costs, in accordance with the statutory provisions, if a defect actually exists. Otherwise, we may demand compensation from the Buyer for the costs arising from the unjustified rectification of the defect (in particular inspection and transport costs), unless the missing defect was not apparent to the Buyer.

- (9) In urgent cases, e.g. if operational safety is endangered or to prevent disproportionate damage, the Buyer has the right to rectify the defect and to demand from us the reimbursement of the objectively necessary expenses. We are to be informed immediately of such a case, and if possible beforehand. The Buyer's right to rectify defects does not exist if we were entitled to refuse corresponding supplementary performance in accordance with statutory provisions.
- (10) If the supplementary performance has failed or a reasonable period to be set by the Buyer for the supplementary performance has expired unsuccessfully or is dispensable according to statutory provisions, the Buyer may withdraw from the purchase contract or reduce the purchase price. However, there is no right of withdrawal if there is a minor defect.
- (11) Claims of the Buyer for damages or compensation for futile expenses exist, even in the case of defects, only in accordance with §8 and are otherwise excluded.

§8 Other Liability

- (1) If these General Terms and Conditions of Sale, including the following provisions, do not stipulate otherwise, we are liable in the event of a breach of contractual and non-contractual obligations in accordance with statutory provisions.
- (2) We are liable for damages - for whatever legal reason - in the context of fault-based liability in cases of intent and gross negligence. In the event of ordinary negligence, we are liable, subject to a milder liability standard in accordance with statutory provisions (e.g. for care in our own affairs), only
 - a) for damages arising from injury to life, limb or health,
 - b) for damages arising from the not inconsiderable breach of an essential contractual obligation (obligation the fulfilment of which is essential for proper performance under the contract and the observance of which the contractual partner regularly relies on and may rely on); in this case, however, our liability is limited to compensation for foreseeable, typically occurring damages.
- (3) The limitations of liability resulting from Para. 2 also apply to breaches of duty by or for the benefit of persons whose culpability we are responsible for under statutory provisions. They do not apply if we fraudulently concealed a defect or assumed a guarantee for the quality of the Goods and for claims of the Buyer under the Product Liability Act.
- (4) The Buyer may only withdraw or terminate the contract if we are responsible for a breach of duty, which does not constitute a defect. A free right of termination by the Buyer (especially according to §§650, 648 of the German Civil Code (*BGB*)) is excluded. Otherwise the statutory requirements and legal consequences apply.

§9 Limitation Period

- (1) Deviating from §438 Para. 1 No. 3 of the German Civil Code (*BGB*), the general limitation period for claims arising from material and legal defects is one year from delivery. If a form of acceptance has been agreed upon, the limitation period begins with such acceptance.

- (2) The above limitation periods arising under sales law also apply to contractual and non-contractual claims for damages of the Buyer, which are based on a defect of the Goods, unless the application of the regular statutory limitation period (§§195, 199 of the German Civil Code (*BGB*)) would lead to a shorter limitation period in specific cases.
- (3) However, claims for damages by the Buyer according to §8 Para. 2 Sent. 1 and 2(a) as well as according to the product liability law become statute-barred exclusively after the legal limitation periods.

§ 10 Choice of Law and Jurisdiction

- (1) These General Terms and Conditions of Sale and the contractual relationship between us and the Buyer is governed by the laws of the Federal Republic of Germany to the exclusion of uniform international law, in particular the UN Convention on Contracts for the International Sale of Goods.
- (2) If the Buyer is a merchant as defined by the German Commercial Code (*HGB*), a legal entity under public law or a special fund under public law, the exclusive - including international - place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship shall be our place of business in Frankenthal, Germany. The same applies if the Buyer is an entrepreneur within the meaning of §14 of the German Civil Code (*BGB*). In all cases, however, we are entitled to file a lawsuit at the place of performance of the delivery obligation in accordance with either these General Terms and Conditions of Sale or a prior individual agreement or at the general place of jurisdiction of the Buyer. Superseding statutory provisions, in particular regarding exclusive responsibilities, shall remain unaffected.

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