# General Terms and Conditions of Sale and Delivery



#### I. General

- I. Our supplies and services are based solely on these General Terms and Conditions, insofar as the buyer is a businessperson, legal entity under public law or special fund under public law, upon conclusion of contract. These General Terms and Conditions also apply to all future contracts. These Terms and Conditions are deemed to be accepted at the latest upon receipt of the goods or service. Any assertions by the buyer to the contrary with reference to their Terms and Conditions of Business or Purchase are herewith rejected.
- All agreements made between ourselves and the buyer for the purpose of executing a contract must be set out in writing in this contract. Side agreements shall only be valid if they are set out in writing in the contract or our order confirmation.

## II. Offer and contract conclusion, transfer of rights and duties

- 1. The buyer is bound to their order for six weeks. The purchase agreement is concluded once the seller has confirmed the acceptance of the order for the item of purchase described in further detail therein in writing within this period or once the delivery has been executed. However, the seller undertakes to notify the ordering party without delay if same shall not accept the order.
- Any drawings, illustrations, measurements and weights, consumption of consumables and operating costs do not represent a guarantee of quality and reflect our current knowledge.
- The transfer of the buyer's rights and duties from the purchase agreement shall require the written consent of the seller.

#### III. Pricing

Prices for the item of purchase are quoted ex manufacturer's works without discount and other price reductions, excluding the respectively applicable value added tax. Additional incidental costs (e.g. transport costs, financing costs or TÜV testing) shall be charged additionally.

### IV. Terms of delivery

- Delivery dates and delivery periods are not binding unless expressly designated
  as binding in the contract. Binding delivery dates and delivery periods may only
  be agreed in writing. Delivery periods shall commence upon contract conclusion.
- 2. We shall only be liable for compliance with the agreed delivery dates and the delivery periods insofar as timeous delivery is reasonable for us. In the event of the strikes, lockouts, operational disruptions, force majeure and other events beyond our control that arise in our operations or at one of our suppliers, we shall be entitled to reject the delivery, in whole or in part, without the buyer being entitled to assert damage claims or demand subsequent delivery. Should we decide to deliver despite the difficulties and our delivery is thereby delayed, the following shall apply: The agreed delivery periods and delivery dates shall be postponed by the period of time that we were prevented from fulfilling our obligations through no fault of our own. Should the delay continue for longer than three months, the buyer shall be entitled to withdraw from the contract with respect to the part not yet fulfilled after having set an appropriate period of grace.
- 3. In the event of non-binding delivery periods or delivery dates, we shall only be in default in respect of delivering the goods owed by means of a request by the buyer. A valid request for delivery shall be possible four weeks after the end of the non-binding delivery date or the non-binding delivery period at the earliest.
- 4. Should we default on our delivery, the buyer's potential damages due to the delay in the event of simple negligence shall be limited to 5 % of the purchase price of the services and supplies affected by the delay. Any further claims shall be excluded unless the delay is based on the wilful intent or gross negligence of the seller or their vicarious agents. Furthermore, there shall be no limitation of liability for all claims arising from injury to life, body or health.
- 5. Should the buyer wish to withdraw from the contract and/or demand damage compensation in lieu of performance, the seller must set the buyer an appropriate period of grace after occurrence of default. Any withdrawal and assertion of damage claims in lieu of performance shall only be possible after fruitless expiry of this period of grace. Damage claims in lieu of performance shall be excluded in the event of slight negligence on the part of the seller or their vicarious agents.
- If performance becomes impossible by coincidence during the occurrence of default, we shall only be liable in line with the limitations of liability mentioned in clause 4. We shall not be liable if the damages would have occurred even if delivery had been made in good time.
- 7. If the seller requests changes regarding the execution or the scope of delivery during the term of the delivery period, the continuation of the delivery period shall be interrupted. We shall not be responsible for any delays arising therefrom. The same shall apply if the buyer defaults on their payment or other performance or cooperation obligations.

## V. Delivery, acceptance and transfer of risk

 Any changes to design and form, deviations in colour as well as changes to the scope of delivery by the manufacturer shall remain reserved during the delivery period, provided the changes or deviations are reasonable for the buyer, taking into account the interests of the seller.

- The buyer has the right to inspect the item of the purchase at the agreed place of acceptance within 8 days after receipt of the notification of provision, and the duty to accept the item of purchase within this period.
- 3. Any trial run prior to acceptance shall be kept within the limits of customary trial runs a maximum of 20 km. If the item of purchase is driven by the buyer or one of its authorised representatives in the trial run prior to its acceptance, the buyer shall be liable for any damages arising to the vehicle if the damages are caused by the driver.
- With the acceptance, all risks pass to the buyer unless agreed to otherwise. Any agreements to the contrary may only be made in writing.
- 5. If the buyer defaults on the acceptance of the item of purchase for more than 14 days from receipt of the notification of provision, we may set a period of grace of 14 days for the buyer and state that we shall reject acceptance after expiry of this period. After fruitless expiry of the period of grace, we shall be entitled to withdraw by means of a written declaration and demand damage compensation on account of non-performance. Setting a period of grace shall not be necessary if the buyer seriously and finally refuses acceptance or is obviously not in a position to pay the purchase price within this period.
- 6. Should we demand damage compensation on account of non-performance upon simultaneous withdrawal from the contract, the damage compensation shall amount to 15 % of the agreed purchase price. The damage compensation must be increased or decreased if we prove higher, or the buyer proves lower damages.
- 7. The risk of accidental loss or accidental deterioration of the item of supply shall pass to the buyer as soon as the shipment has been handed to the person executing the transport. If the handover is delayed for reasons that the buyer is responsible for, the risk shall pass to the buyer upon notification of provision.

#### VI. Payment terms

- The purchase price and prices for additional charges shall be payable upon handover of the item of purchase, at the latest however 8 days after receipt of the written notification of provision and handover or remittance of the invoice for payment.
- 2. We are not obligated to accept bills of exchange. In the event of a deterioration in the solvency of a party obligated under a bill of exchange, we shall be entitled to demand payment in cash. If the buyer defaults on meeting their payment obligations, a bill of exchange or cheque is protested, attachments are effected against same or the buyer's financial position deteriorates significantly, we shall be entitled to withdraw from the supply contract, to the extent not already performed, and demand payment in cash for further deliveries. Furthermore, we shall be entitled to withdraw any bills of exchange and cheques in circulation. The costs arising therefrom shall be borne by the buyer.
- 3. Should the buyer delay in the payment of our claims, default interest on the amount of 9 % above the respective base interest rate pursuant to Section 247 of the German Civil Code (BGB) shall be charged. § 288 (3) BGB remains unaffected. We reserve the right to assert further damages.
- We reserve the right to amend our prices based on increases in wages or the price of materials if four months have passed between contract conclusion and delivery.
- If the price of the ordered goods exceeds € 5,000, we shall be entitled to demand advance payment in individual cases.
- 6. The buyer may only offset amounts against our contractual claims if the buyer's counterclaim is acknowledged by us or established by a court of law. The buyer may only assert a right of retention in respect of our claims for unacknowledged or legally established claims if the claim is based on entitlements arising from the purchase agreement.

### VII. Reservation of title

- The following collateral shall be granted to us until all the claims owing to us from the buyer, now or in the future, from the business relationship have been fulfilled:
- The goods remain our property. Any processing or alteration shall always be made for us as the manufacturer, however with no obligation on our part. The buyer shall keep the items under our reservation of title at no charge on our behalf.
- 3. The buyer is entitled to process the goods subject to reservation of title in the ordinary course of business and to sell same provided that the buyer does not default. Pledging or collateral assignments are not permitted without our written consent. The same shall apply to surrender of the goods to third parties for use. As a precaution, the buyer assigns to us already at this point in full any claims arising from the resale of the goods or any other legal grounds. We revocably authorise the buyer to collect the claims assigned to us for our account in their own name, however. The collection authorisation may be revoked if the buyer does not properly meet their payment obligations. In this case, the buyer is obligated to provide us with all the information necessary for collecting the claim and handing us all the related documents.
- 4. In the event of third party access to the goods under reservation of title, in particular attachments, the buyer shall make reference to our reservation of title and notify us immediately so that we may assert our ownership rights. The cost

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- of measures to remedy interventions in our reserved property shall be borne by the buyer.
- 5. If the taking out of fully comprehensive insurance cover was agreed, the buyer shall immediately conclude such for the duration of the reservation of title with an appropriate deductible with the proviso that the rights from the insurance policy accrue to us. The buyer authorises us to apply for an insurance certificate for the fully comprehensive vehicle insurance and to obtain information regarding the aforementioned insurance policy. If the buyer fails to meet this obligation despite our written warning, we shall take out a fully comprehensive insurance policy at the cost of the buyer, pay the insurance premiums and collect same as components of the claim arising from the purchase agreement.
- 6. The buyer has the duty to keep the item of the purchase in proper order during the period of the reservation of title and had to have all the service and repair work required by us professionally executed without delay or to have such executed by a repair shop authorised by us to maintain the item of purchase.
- 7. Should the buyer act in breach of the contract (in particular in respect of payment default), we shall be entitled to withdraw the goods under reservation of title or, if applicable, demand assignment of the buyer's surrender claims in respect of third parties. Our withdrawal, as well as attachment of the goods under reservation of title, does not constitute a withdrawal from the contract.
- 8. We shall release the collateral owing to us upon request by the buyer at our choice insofar as the value of the collateral exceeds the value of the claims by more than  $20\,\%$  in the long term.
- 9. If the laws of the country in which the item of supply is located does not permit reservation of title, we shall be entitled to exercise all the rights that we can reserve in the item of supply. The buyer undertakes to assist in measures that we wish to take to protect our ownership right or, in its place, another right in relation to using the item of supply as collateral.
- 10. During the period of the reservation of title, the right to possess the registration certificate part II (vehicle registration document) accrues to us.
- 11. If the buyer fails to pay the purchase price due or the additional charges, or fails to pay same in accordance with the agreement, we shall have the right to withdraw from the contract and/or demand damage compensation in lieu of performance in the event of culpable breach of an obligation by the customer after having set an appropriate period of grace for performance for the customer. Setting a period of grace shall not be necessary for the cases determined by law. If we are entitled to damage compensation in lieu of performance and if we withdraw the item of purchase, the customary selling price of the item of purchase shall be paid by us on return. Upon request by the buyer, the customary selling price shall be determined by an officially appointed and certified expert. The buyer shall bear the costs of the return and the sale of the item of purchase. Without providing evidence, they shall amount to 5 % of the customary selling price; we may provide evidence of higher costs, and the buyer may provide evidence of lower costs, which shall then be used for the settlement.

## VIII. Claims for defects

- I. If the item displays a defect in quality or title within the prescription period, the cause of which was present already at the time of the passing of risk, the buyer shall be entitled to subsequent performance by repair or replacement, at our choice. The costs required in such a case, such as costs for all wages, material, transport and travel, shall be borne by us to the extent the costs do not increase due to the fact that the item of purchase was subsequently brought to a different location than the registered domicile of the buyer, unless the item of the purchase was brought to such a place in accordance with its intended use. The buyer shall send faulty parts to us at our expense.
- Claims for defects expire 12 months after passing of risk, unless a longer prescription period is mandatory due to recourse claims pursuant to Section 4791 BGB. For remedying defects in integrated parts, the buyer may assert guarantee claims only until expiry of the prescription period that the item of purchase is subject to.
- The buyer shall inspect the item immediately upon delivery. Defects shall be notified in writing within 8 days after delivery or, if the defect was not identifiable during a proper inspection, within 8 days after such defect becoming known (Section 377 HGB).
- 4. We shall not assume liability for used items of purchase.
- 5. Assured a subsequent performance fail, the buyer may withdraw from the contract or reduce the payment without prejudicing further claims for damages. Withdrawal is excluded in the event of only a minor deviation from the agreed quality characteristics or a minor impairment in the usability of the item of purchase.
- 6. Defect claims shall not apply if the detected fault is due to
  - the buyer not having notified a defect without delay, or
  - the item of purchase having been improperly handled or
  - excessively used, or the item of the purchase having been repaired, maintained or serviced by acompany not authorised by us, or
  - parts have been incorporated in the item of the purchase that we have not authorised or the item of the purchase was changed in a manner not authorised by us, or

- the buyer failed to follow the regulations regarding the handling, maintenance and care of the item of purchase (e.g. operating instructions).
- The buyer's recourse claims against us shall only be valid insofar as the buyer has not made any agreements over and above the statutory defect claims with their buyer.

#### IX. Claims for damages and reimbursement of expenses

- I. We shall be liable in accordance with the legal regulations insofar as the ordering party asserts damage claims or reimbursement of expenses (hereinafter: damage claims) based on intent or gross negligence, including the intent or gross negligence of our representatives or vicarious agents. Furthermore, we shall be liable in accordance with the legal regulations if we have culpably violated a major contractual obligation as well as in the event of injury to life, body or health or if we have assumed guarantees.
- 2. Damage compensation for violation of a major contractual obligation is limited to the typically foreseeable damages arising insofar as there is no wilful intent or gross negligence or there is no liability for injury to life, body or health or guarantees assumed by us. In all cases in which liability for damage compensation is limited hereby, these damage claims shall prescribe after 12 months.
- 3. In all other respects, liability for damage compensation is excluded irrespective of the legal nature of the asserted claim. In this regard we shall, in particular, not be liable for damages arising due to the item of supply itself, such as e.g. foregone profits, production stoppages and other financial losses of the buyer.
- 4. The mandatory regulations in the Product Liability Act, as well as liability from guarantees given in writing, remain unaffected.
- Claims for the reimbursement of expenses asserted by the ordering party are limited to the amount of the interest that same has in the performance of the contract.
- If our liability is excluded or limited, this shall also apply to the personal liability of our factory workers, office employees, staff members, representatives and vicarious agents.

#### X. Miscellaneous

- This contract is subject to German law to the exclusion of the conflict of laws. The CISG shall not apply.
- 2. The place of performance is Mildenau. If the buyer is a merchant within the meaning of the German Commercial Code (HGB), a legal entity under public law or a special fund under public law, the place of jurisdiction for all claims arising from the business relationship shall be Mildenau. The same shall apply if the buyer does not have a general place of jurisdiction in Germany or if the buyer relocates is general place of jurisdiction from Germany or their place of residence or place of abode is unknown when a charge is filed.

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