

1. General

- 1.1. The following General Terms and Conditions apply in their respective applicable version to all current and future offers, contractual relationships, deliveries, and other services and performances made or offered by Reicat GmbH to Customer.
- 1.2. Purchasing terms or other restrictions of the Customer that contradict or otherwise deviate from these General Terms and Conditions shall not be recognized, even if we fulfill a contract without explicitly rejecting the applicability of such divergent terms, unless our explicit written consent to such terms had been given.
- 1.3. All agreements reached between us and the customer for the purpose of fulfilling the contract must be expressly written in said contract.

2. Offer, Concluding a contract

- 2.1. All offers are non-binding and predicate any obligations, unless they are sufficiently and explicitly indicated as binding or inherently contain a duty of acceptance.
- 2.2. The offer, or the written offer confirmation, shall be determinative for the contents of the contract, in particular for the scope of delivery.
- 2.3. Collateral agreements, amendments, and guarantees of specific characteristics shall only come into effect upon prior written confirmation.
- 2.4. Agreements and understandings reached prior to the conclusion of the contract shall only be effective if explicitly stated in writing within said contract.
- 2.5. The contract is only concluded once the customer has accepted our binding offer in writing in a timely manner, or if we have accepted the customer's order and provided timely written confirmation thereof. No such written order confirmation on our part needs to be made if such a confirmation is not expected under the circumstances or if said confirmation has been waived by the customer.
- 2.6. Technical information (e.g. measurements/weight/performance specifications), assessments regarding order completion time and the offer-related documents (e.g. illustrations, drawings) are only approximately determinative, unless explicitly stated to be binding. The quality and measurements of the material supplied by us is determined exclusively in accordance with the applicable European or German norms and standards.
- 2.7. Title and copyright for cost estimates, drawings, and other documents remains the property of Reicat. Such documents, particularly if marked "confidential", must not be reproduced nor made available to third parties without our express written consent.
- 2.8. Partial deliveries are permitted. In the case of call-off orders we are entitled to produce or procure the full quantity ordered at a single time and place it in storage. Changes requested at a later date can only be taken into account upon explicit agreement. Order dates and quantities can only be complied with as permitted by our delivery and production possibilities.
- 2.9. We are entitled to accept orders and commissions from the customer within a period of three weeks.
- 2.10. Under- or over-fulfillment of an agreed delivery quantity by up to 10% is permitted.
- 2.11. We have the right to transfer our rights and obligations stipulated within a supply contract to another company.

3. Scope of Performance

- 3.1. When rendering the agreed service, Reicat GmbH shall base its actions on generally accepted engineering standards and shall also make use of its own knowledge and experience.

4. Delivery Period

- 4.1. Delivery dates and periods are only binding if explicitly acknowledged as such; such an agreement must be made in writing.
- 4.2. Unless otherwise agreed, the delivery period begins upon receipt of the order confirmation, but not before all commercial and technical questions have been answered.
- 4.3. The delivery deadline shall have been met if, by the time of its expiry, the goods to be delivered have left the vendor's premises or the notice of readiness for shipment has been sent.
- 4.4. Unforeseeable events and those outside our control (e.g. labor disputes, disruption of operations, impediments to transport, raw materials shortages, or government edicts, also affecting our sub-suppliers, as well as incoming deliveries not timely received by us) shall extend the delivery period accordingly.
- 4.5. In these cases, the delivery period shall be suitably extended, provided that delivery does not become impossible; if it should become impossible, we are entitled to withdraw from the contract, in whole or in part, or – at our option – to delay delivery for the period of the impediment. In both cases, Customer shall derive no claims for damages or for rescission of the contract from such delay.
- 4.6. In the event that Customer defaults on acceptance or otherwise violate its duties of cooperation, we are entitled to demand compensation for our losses, including any additional expenses incurred. In this case, the risk of accidental loss or impairment of the item to be supplied also transfers to Customer at the time at which Customer becomes in default of acceptance.
- 4.7. In the event that we default on our obligations for reasons within our control, or if performance of our contractual obligation are impossible for reasons within our responsibility, or if we are able to refuse performance in accordance with §275 Para. 2 and 3 BGB, we shall be liable exclusively in accordance with the statutory provisions, subject to the limitations on liability of these Terms and Conditions, which shall remain unaffected.

5. Transfer of Risk

At the latest with commencement of loading of the items to be delivered on the supplier's business premises, risk of accidental loss or impairment of the items to be delivered transfers to Customer.

In the event that shipment is delayed for reasons outside the supplier's control, the transfer of risk shall occur 14 days from the date upon which the supplier reports its readiness to ship the items to be delivered.

Clauses 1 and 2 apply also in the case of partial deliveries, or if the supplier also provides other services, e.g. shipping, delivery, or setup.

6. Reservation of Title

- 6.1. We retain title to the goods until all claims have been paid, including ancillary claims, claims for damages, and redemption of checks.
- 6.2. Reservation of title shall continue even if individual claims are subsumed in a running account and the balance is calculated and acknowledged. Customer hereby assigns to use the claim and all ancillary rights from the further sale of the goods to us.
- 6.3. If the goods have been processed, mixed, or blended, it is agreed that Customer shall transfer to us partial title to the new goods on a pro rata basis, in proportion to the value of the goods subject to reservation of title to value of the materials mixed or blended with it, and properly stores these goods on our behalf.
- 6.4. If Customer has sold its claim as part of genuine factoring activities, it shall instead assign to us its equivalent claim against the factor.
We shall accept the assignment.
- 6.5. Customer is obligated to provide us at our request with a precise list of claims payable to it, with the names and addresses of the customers, amounts of individual claims, invoice dates, etc. and to provide all information needed to assert the claims assigned to us, as well as to permit the review of this information.
- 6.6. If the invoice value of the security interest provided to us exceeds the total value of all claims, including ancillary claims (e.g. interest, costs), by more than 20%, we are obligated at the request of Customer or of a third party disadvantaged by this excessive security to release some portion of the security interests of our choice.
- 6.7. The goods or assigned claims may not be pledged or hypothecated. We are to be informed immediately of any such pledges, including the name of the pledgee.
- 6.8. If the delivered item is repossessed as a result of the reservation of title, rescission of the contract will only occur if explicitly so declared. We may satisfy our claims by the private sale of the repossessed goods.
- 6.9. Unless earmarked for sale, Customer shall store the goods subject to reservation of title on our behalf at no charge. Customer shall appropriately maintain and repair the goods and safeguard them to the usual degree against normal risks such as fire, theft, and water damage. Customer hereby assigns to us those claims for compensation accruing to it against insurers or other parties liable to pay compensation, up to the amount of the invoice value of the goods. We accept the assignment.
- 6.10. Reicat GmbH may collect on its own behalf the claims assigned to it if Customer is in default on its payment obligations to Reicat with regard to the item subject to reservation of title.

7. Warranty, Notification of Defects, Liability

- 7.1. Prerequisite to the assertion of Customer's warranty rights is that the latter has properly performed its obligations to examine the goods and give notice of any defects identified. The warranty is void if the delivered item is modified without our consent or repaired, unless in the case that working safety would otherwise be at risk or to prevent disproportionately severe damage. In the latter case, the warranty is void even if the repair has been properly and conscientiously performed.
- 7.2. Customer shall inform us in writing of any defects of the item delivered, promptly after having been determined in

accordance with normal business practices, and no later than 10 working days after performance has been made, specifying the defect in question. In the event of hidden defects, notice must be given promptly in text form after the defect is discovered, and no later than within the specified expiry period for defect warranty claims. Neglects the customer to provide notification within the specified period, the performance is considered to have been accepted.

- 7.3. For services such as installation, maintenance, etc., the above provisions shall apply accordingly. However, we shall not be liable for damage not affecting the delivered item directly; in particular, we are not liable for lost profits or other financial losses to Customer.
- 7.4. This exclusion of liability also applies to our advice given orally and in writing, and to attempts to give advice or in any other manner; Customer is not relieved of responsibility for itself determining suitability for the intended application.
- 7.5. The above disclaimer of liability does not apply in the case of losses caused with intent or as a result of gross negligence; however, the amount of compensation is limited to foreseeable losses only. Furthermore, it does not apply if a guarantee of specific characteristics encompassing the risk of consequential losses in accordance with §§ 463, 480 Para. 2 BGB was in force and the losses incurred were a result of a mistake made by Customer.
- 7.6. Our warranty also applies to those parts manufactured by sub-suppliers.
- 7.7. When notice of a defect is given, the warranty period shall be extended for a period of time equivalent to the time elapsed between notification of the defect and its remediation. If the delivered item is replaced in its entirety, the warranty period begins to run as from new; if replaced in part, this shall apply to all parts replaced.
- 7.8. Those parts objected to under warranty remain available to Customer until replaced, at which point they become the property of the supplier.
- 7.9. Insofar as a delivered item has a defect for which we are responsible, we may choose either rework or replacement delivery. If the defect remediation must take place at the site of installation, Customer must supply the necessary auxiliary personnel and resources. Customer is obligated to send the defective part back to us at its own expense. The part becomes our property. Insofar as additional costs are incurred due to the movement of the delivered item to a location other than the place of fulfillment, all such costs shall be borne by Customer. For defects of bought-in products material to the functioning of the delivered item, we are liable in accordance with the manufacturer's liability to us.
- 7.10. If we are not ready or able to remedy the defect or supply a replacement, and in particular if such remedy or replacement should be delayed for an unreasonable period for reasons within our scope of responsibility, or if the remediation/replacement delivery should fail for any other reason, Customer is entitled at its option to withdraw from the sales contract, demand a corresponding reduction in the sales price, or, in the case of a work performance in accordance with §637 BGB, to remedy the defect itself and demand reimbursement for the expenses so incurred. Claims for damages in place of performance due to defects are excluded.
- 7.11. In the event that we violate an essential contractual obligation through negligence, our liability is limited to the amount covered by our product liability insurance; we grant the Customer permission to view the policy.

- 7.12. The warranty period shall extend for a maximum of 12 months after an item is placed into operation, or a maximum of 18 months after delivery, whichever comes first. It is an exclusionary period, and applies also for claims for consequential losses from defects, insofar as no claims for tortious acts could be asserted.
- 7.13. The warranty provisions set out above apply accordingly for repairs and replacement parts. The warranty period and liability terminate with expiry of the original warranty period, extended by the period of interruption to operation resulting from the repair.
- 7.14. However, Reicat GmbH shall not be liable for losses incurred by Customer as the result of the minor negligence of Customer, its legal representatives, agents, employees, or proxies.
- 7.15. Insofar as an exclusion or limitation of liability in our favor exists, this exclusion or limitation of liability applies also for any claims of Customer against the legal representatives, employees, agents, or proxies of Reicat GmbH arising from the same grounds for liability.

8. Warranties

- 8.1. Any warranty must be in writing, and shall only be effective if it describes the contents of the warranty as well as the duration and geographical applicability of the warranty protection with sufficient precision.
- 8.2. In the event that Reicat GmbH has assumed a warranty for the characteristics or durability of the item supplied, Customer may also assert the claims arising from the warranty. This does not apply for defects or damage to the item supplied caused by
 - a. normal wear and tear
 - b. inappropriate handling by Customer

9. Insurance

- 9.1. The conclusion of an assembly insurance policy in addition to liability insurance shall in each case require agreement between Customer and Reicat GmbH.

10. Federal Data Protection Act

- 10.1. We are entitled under Sec. 22 et seq. of the German Federal Data Protection Act [Bundesdatenschutzgesetz, BDSG] to store, transmit, modify, and delete Customer's personal data on the basis of the contract concluded. Customer shall receive notice thereof.

11. Prices and Payments

- 11.1. Prices are ex works, net of statutorily applicable VAT (EU).
- 11.2. Vendor is entitled to demand installment payments in accordance with the costs actually incurred for the contractually agreed performances actually carried out.
- 11.3. Payment must be made after full delivery of the goods or acceptance of the performance and receipt of a proper and auditable invoice. Payment and discount periods shall be measured from the date of receipt of the delivery and invoice, or the date of acceptance in the case of services and other performances.
- 11.4. Invoices are payable at the net invoice amount within 30 days. Repairs and services are always to be immediately

and in full. In the event that Customer defaults on payment, we are entitled to charge default interest at an annual rate of 6% above the then-current discount rate of the German Bundesbank. If we are able to prove that losses greater than this amount were incurred as a result of the default, we may assert claims accordingly.

- 11.5. Customer may only refuse fulfillment of the performances to which it is obligated prior to the vendor's return performance if the claim and counterclaim arise from the same contractual relationship. Claims disputed by us or not yet legally binding do not entitle Customer to withhold or offset payment.
- 11.6. Customer is responsible for full and timely forwarding of payment; payment will only be considered to have been made once fully and finally at our disposal.

12. Copyrights

- 12.1. Insofar as we have supplied items in accordance with drawings, models, patterns, and other documents supplied by Customer, the latter bears full responsibility for ensuring that no industrial property rights belonging to third parties have been infringed upon. In the event that third parties attempt to prohibit us from manufacturing and supplying such items on the basis of such rights in particular, we are entitled, with no obligation to examine the actual legal situation, to immediately cease any further such activity and to demand compensation for damages for any culpable act of Customer. Customer also undertakes to promptly indemnify us against any related claims of third parties.

13. Applicable Law, Interpretation, and Terms, etc.

- 13.1. This contract shall be governed by the laws of the Federal Republic of Germany. The applicability of the UN Convention on Contracts for the International Sale of Goods (CISG) is hereby excluded.
- 13.2. Standard commercial terms shall be interpreted in accordance with the applicable incoterms.

14. Place of Fulfillment and Jurisdiction

- 14.1. The place of fulfillment shall be the place to which Customer wishes the order delivered, unless otherwise specified in the order.
- 14.2. The place of jurisdiction for all disputes arising from or under this contract shall be Hanau.
- 14.3. This applies also if we assert claims through dunning proceedings, if Customer has no general place of jurisdiction within Germany, if Customer transfers its domicile or habitual place of residence outside the Federal Republic of Germany, or if Customer's domicile or habitual place of residence is unknown at the time legal proceedings are instituted. We are also entitled to file suit against Customer at its home office.

Gelnhausen, November 10, 2014