

General Terms and Conditions (GTCs)

1. Delivery

- a. Products are shipped ex works, subject to freight or postage charged at cost, at the buyer's risk, uninsured.
- b. We reserve the right to certain delivery tolerances of plus/minus 10% in relation to the order.
- c. In the event that the agreed delivery period is exceeded, the buyer shall grant a reasonable grace period, which must be at least 4 weeks. No claims for damages can be asserted due to late or missed delivery.

2. Notification of defects

- a. Complaints must be made within 8 days of receiving the goods.
- b. Goods may only be returned with our express consent.
- c. Returns are generally excluded for custom-made products, processed goods and shortened goods.

3. Payment

- a. We grant a discount of 2% for payments made within 10 days of the invoice date, otherwise payment is due within 30 days with no deductions; A 4 % discount applies to payments by direct debit. Export shipments are made against payment in advance with a discount of 4 %.
- b. Payments are only accepted in cash or by bank transfer to one of our principal banks. Discount charges are always charged to the buyer. Deductions from the invoice amounts are not permitted in any case.
- c. Payments are always used to settle the oldest invoice due for payment.
- d. In the event that the debtor defaults on a payment or his financial situation deteriorates, all invoices shall become due with immediate effect; further deliveries will only be made against prepayment.
- e. After the expiration date of the invoice, we are entitled to charge default interest at standard bank rates and we are no longer bound by any delivery agreements until payment is made.

4. Reservation of title

- a. The goods delivered remain our property until payment in full of all our claims including VAT, even if the purchase price has been paid for some deliveries. In the event of unpaid invoices, this reservation of title serves as security for the balance claim.
- b. This also applies to processed goods, even if products from other vendors are incorporated. In this case, the value ratio of our own and third party goods at the time of processing applies as the basis for calculation.
- c. In the event of suspension of payments, composition or bankruptcy proceedings, the buyer no longer has the right to process or sell goods that are subject to reservation of title. In these cases, he is obliged to return the goods that are subject to reservation of title upon our first demand.
- d. If the goods that are subject to reservation of title are sold, the assignment to us of the purchasing price claim including VAT upon conclusion of the sale is considered as agreed, irrespective of whether our goods were processed in conjunction with third party goods or the sale was made to several purchasers.
- e. The pledging of goods or their transfer of ownership by way of security in favour of third parties is excluded. In the event that our goods are seized by a third party, we must be informed immediately.
- f. If a third party debtor insists on his consent to authorise assignments, this must be provided to us in writing before delivery. If this consent is refused, we are authorised by the placement of the order to collect our claim in the name of and for the account of the buyer.
- g. In the event that the payment is duly processed, the buyer is authorised to collect the assigned claims for us on a trust basis. The proceeds must be paid to us immediately, even if payments are received in instalments. In the event of disagreements, we are entitled to collect our claim directly from the third-party debtor, whereby the buyer must issue us with a precise list of debtors.

5. Place of performance and place of jurisdiction

- a. For both parties, this is Annaberg-Buchholz, including for actions relating to bills of exchange or cheques.
- b. If a clause in the aforementioned conditions is declared invalid, the remaining clauses shall remain unaffected.
- c. Any amendment or addition to these conditions can only be made with our consent and in writing.

5. Disclaimer

This English translation is for information purposes only. The original German text is the legally binding version.

Annaberg-Buchholz, 01.01.2015