

1. SCOPE OF APPLICATION

- 1.1 The following terms and conditions shall apply to all contracts which relate to orders by SCHÜTZ GmbH & Co. KGaA, unless stipulated otherwise by individual agreement. They can be accessed at any time on www.schuetz.net/agb.
- 1.2 Agreements made prior to or at the time of conclusion of contract which deviate from these provisions shall be made in writing. Conflicting or supplementary Terms and Conditions of Sale of the supplier shall not be accepted by us. This shall also apply if we accept a delivery or service without reservation though knowing about Terms and Conditions of Sale.

2. ORDER · DELIVERY · PASSING OF RISK

- 2.1 Our orders are exclusively given in writing. Any oral agreement requires written confirmation. The supplier shall immediately confirm our order in writing (quoting the order number), at the latest within 5 days, unless we explicitly waive the need to do so in writing.
- 2.2 Agreed deadlines are binding. They are kept if
 - a) deliveries have arrived on the due date within our usual business hours at the place of delivery specified by us, and, in case assembly and installation are necessary, if these have been accepted partially, respectively finally in writing,
 - b) services have been carried out at the place of performance specified by us and partial, respectively final written acceptance has been given. We shall immediately be informed in writing about any noticeable delay stating the reasons and foreseeable duration of such.
- 2.3 Advance and partial deliveries and services require our prior written consent.
- 2.4 If agreed deadlines are not met, we are entitled to claim liquidated damages of 0.2% of the net value of the delayed delivery or service per complete day, up to a maximum of 5%, which will be credited against the damage that really occurred. We are entitled to claim such liquidated damages until final payment.
- 2.5 Deliveries are subject to Incoterms (2010), unless stipulated otherwise, DAP (within the EU) or DDP (outside the EU) to the place of delivery named in the order, including packaging. In case of installation and assembly, the risk of destruction, loss and deterioration shall only pass to us with the signing of the acceptance protocol. Acceptance shall not be deemed replaced by launch of operations or use of the goods delivered.
- 2.6 All documents (especially declarations of conformity, test and quality certificates, operating and assembly instructions) which are necessary for executing the order have to be supplied free of charge in English language.
- 2.7 Subcontracts to third parties regarding the execution of our orders shall only be issued after our prior written consent.

3. PRICES · PAYMENT · SET-OFF · ASSIGNMENT · RETENTION

- 3.1 Prices agreed at the time of conclusion of the contract shall apply, in Euro, plus, if applicable, value added tax (VAT) at the respective statutory rate. Maturity interest is not owed.
- 3.2 Invoicing shall take place after delivery and provision of services to our "Rechnungswesen" (Accounts Department) at our place of business. Invoices shall be submitted to us as a single copy and shall in particular contain the tax number or value added tax identification number, date of issue, quantity and type of goods, date of delivery or provision of services, order number and number of delivery note as well as the price.
- 3.3 We will effect payment within 30 days of receipt of proper delivery and service carried out under the contract and of a correct invoice.
- 3.4 Our claims deriving from defective delivery or provision of services according to clauses 7 and 8 exist regardless of any payments made.
- 3.5 Claims against us shall not be assigned. We have to be informed immediately about any transfer of claims or contract caused by operation of law.
- 3.6 We are entitled to set off and exercise rights of retention. The right to set off also includes claims which we or any other of our group companies has against the supplier or against one of its group companies.
- 3.7 The supplier is only entitled to set off in case of claims which are undisputed or established by final enforceable judgment. The supplier is only entitled to a right of retention if the claim is undisputed or established by final enforceable judgment and based on the same contractual relationship.

4. TITLE · PROPERTY RIGHTS · RIGHTS OF USE

- 4.1 The title to goods ordered is transferred to us with their receipt or acceptance at the place of delivery, however, no later than upon payment of the purchase price. We are entitled to resell, process and dispose of the goods prior to payment in any other way in the ordinary course of business. Delivery under a prolonged or extended retention of title is excluded.
- 4.2 Tools, moulds, models, samples, materials, parts, plans, drafts, drawings, data storage mediums, process descriptions, calculations, conditions, economic terms, prices as well as any other documentation or information ("Business and Technical Information") which we provide to the supplier for executing an order remain our sole property. Property rights embodied therein belong exclusively to us. The supplier is neither entitled to file applications for industrial property rights nor to claim any rights of prior use. Granting of licences or other rights of use has not been agreed.

5. CONFIDENTIALITY

- 5.1 Our Business and Technical Information which we provide to the supplier or which the supplier became aware of otherwise ("Confidential Information") must not be disclosed, passed on to third parties, duplicated, reproduced, analysed or used for any purpose other than the one agreed, without our prior written consent. This does not apply to information of which the supplier is able to provide written proof that
 - a) it was publicly known when it has been provided or has become known afterwards without a violation of confidentiality by the supplier,
 - b) it has already been known to the supplier when it has been provided or
 - c) it has been passed on to the supplier by a third party without breaching any confidentiality obligation.
- 5.2 The supplier's employees as well as sub-contractors and their employees, who are involved in the processing of an order, shall be separately obliged to confidentiality in writing before disclosure or passing on of Confidential Information.
- 5.3 The supplier undertakes to treat our Confidential Information with proper care, mark it as our property, protect it by means of necessary and appropriate safety measures and store it so that it can be separated from other information at any time.
- 5.4 The supplier undertakes to immediately cease to use our Confidential Information, including any possible duplication, reproduction or analyses if an order is not executed or the contractual cooperation is terminated. Our Confidential Information shall immediately and completely be returned, including any possible duplication, reproduction or analyses, or, if return is impossible because of the information's nature, be irretrievably destroyed. The supplier has to confirm its complete return or destruction to us in writing. There is no right of retention.
- 5.5 The confidentiality obligation shall exist for 10 years from termination of contractual cooperation.

6. QUALITY CONTROL · FOREIGN TRADE · SOCIAL AND ETHICAL STANDARDS

- 6.1 The supplier maintains a quality management system according to the requirements of ISO 9001. He shall confirm, at the latest with acceptance of our order, our quality requirements, provided to him in specific documents.
- 6.2 The supplier shall provide us with all necessary data and inform us in writing about any obligation to obtain permits in order to be able to comply with all national, European and US foreign trade and customs requirements.
- 6.3 The supplier ensures that the deliveries and services are procured or produced according to internationally accepted social and ethical standards all along the supply chain.
- 6.4 The supplier grants us the right to check compliance with the requirements listed in clauses 6.1 to 6.3 upon prior notice within the usual business hours.

7. CLAIMS FOR DEFECTS

- 7.1 Deliveries and services have to comply with the agreed specifications, be free from defects of quality and from rights of third parties and fit for the intended use as well as be in line with the relevant national and international legal provisions.
- 7.2 The acceptance of delivery or services is subject to inspection for defects. Weights, measurements and quantities are determined by the results of our inspection of incoming goods.
- 7.3 Obvious defects will be notified by us to the supplier within 10 working days after receipt of goods, hidden defects within 10 working days after discovery.
- 7.4 In case of defects of quality or title the supplier shall, at our choice, repair or replace the goods (supplementary performance).
- 7.5 If supplementary performance is failed definitively within the period of time set by us, we are entitled to either claim a reasonable reduction in the agreed price or to withdraw from the contract. Claims for damages or compensation regarding futile expenses, in particular costs of transport, travel, labour, material, processes and machines, shall remain unaffected.
- 7.6 In case of imminent danger, e.g. to avoid own delay or other damages, we are entitled, at supplier's cost, to repair the goods ourselves or have them repaired by a third party or to purchase the goods from third parties.
- 7.7 Claims for defects become time-barred in 36 months from passing of risk, unless longer periods of time are provided by law, e.g. for buildings or goods which have been used for a building according to their usual manner of use.

8. LIABILITY FOR DAMAGES AND EXPENSES · PRODUCT RECALL

- 8.1 The supplier is liable to us, irrespective of the legal grounds, for damages or reimbursement of expenses to the extent provided by law.
- 8.2 This also applies in case of prevention of damages, e.g. measures of our customer service department and in case of recall of our products.
- 8.3 The supplier shall indemnify and hold us harmless from and against all claims of third parties at his own cost upon our first request, as long as they are based on defective deliveries or services or if they have been raised by third parties against us for violation of their rights by deliveries or services provided by the supplier.
- 8.4 We are entitled to withdraw from all contracts for deliveries and services which have not yet been carried out and to return the deliveries and services against refund of the purchase price if a public warning has been issued, based on real or suspected risks to health and environment (especially not to purchase the goods anymore).
- 8.5 Claims for damages and expenses become time-barred in 36 months from the statutory limitation period's start, unless longer periods of time are provided by law.

9. INSURANCE

- 9.1 The supplier has to maintain an appropriate public and product liability insurance for all deliveries and services until they have become time-barred. This insurance shall include the Business and Technical Information which we provide and the risks of product recall.
- 9.2 A current confirmation by the insurer shall be immediately submitted to us upon our request.
- 9.3 The supplier's liability according to clauses 7 and 8 is not limited by the extent of the public and product liability insurance.

10. APPLICABLE LAW · PLACE OF PERFORMANCE · JURISDICTION · LANGUAGE · SEVERABILITY CLAUSE

- 10.1 German law shall apply exclusively, with the exception of its provisions on conflict of law and the United Nations Convention on Contracts for the International Sale of Goods (UN Sales Convention).
- 10.2 Place of performance is at our place of business in Selters/Westerwald as long as we do not specify another place of delivery in the order.
- 10.3 Exclusive jurisdiction for all legal disputes relating to these terms and conditions and the commercial relationship is Koblenz. We are entitled to bring any such dispute before any other legally competent court.
- 10.4 The contractual language is English.
- 10.5 If one or more clauses of these terms and conditions are void or non-enforceable, nothing in this shall prejudice the validity and enforceability of the remaining clauses.