

## I. In general

- All contracts, including future contracts, are concluded on the basis of our General Terms and Conditions.
- These General Terms and Conditions apply exclusively. We shall not accept any terms deviating or opposing our General Terms and Conditions unless we have expressly agreed to them in writing.
- These General Terms and Conditions only apply to companies, legal entities under public law, entities under church law or separate estates under public law in the sense of § 310 (1) BGB (German Civil Code).
- Verbal promises, agreements, subsidiary arrangement and alterations become valid only if confirmed by us in writing.

## II. Offer and prices

- Our catalog and quoted prices as well as shipment and freight expenses are subject to changes; cost estimates are non-binding.
- Our prices are in EURO ex works Weikersheim. Packing, shipping (postage/ freight) and loading costs are charged separately.
- Orders not exclusively subject to fixed price arrangements shall be calculated on the basis of the list price valid on the day of delivery (daily price).
- All prices are without statutory value added tax.
- Should the following price factors, i.e. wage costs, raw material costs (e.g. wood, metals and the like), undergo fundamental changes (+/- 10%), prices shall be adjusted in accordance with these factors.
- Obvious mistakes, printing, calculating and typing errors, shall not be binding for us and do not constitute any right to their fulfillment or compensation for damages.

## III. Delivery

- We shall endeavor to meet the specified delivery times; they are, however, non-binding. Partial deliveries are subject to consultation with the purchaser. If partial deliveries are requested by the purchaser, any additionally incurred packing and shipment costs shall be borne by him.
- The delivery time commences with our acknowledgment of the order if at that point in time all technical and commercial information has been provided to us, but not prior to receipt of any required down payment.
- Adherence to the specified delivery dates is subject to the purchaser fulfilling his obligation to cooperate in a timely manner (submission of drawings, data, confirmation of order descriptions, approvals, down payments, etc.). Should these preconditions not be met in due time, the period of delivery shall commence anew. The period of delivery shall likewise be extended in an appropriate manner if obstacles occur due to Force Majeure. Circumstances owed to Force Majeure include, for example, transport impediments, malfunctions and breakdowns, delays in raw material deliveries, any type of labor dispute, unless prescribed otherwise by law.
- In the event of Force Majeure or other unforeseen impediments to our delivery capabilities, we shall be released from our obligation to deliver without giving rise to any duty to compensate damages. This also applies upon the occurrence of unforeseen impediments and circumstances at prior vendors and subsuppliers.
- We reserve the right to change the quantities ordered and to deliver in packing units. Packing units of 100 items or more each are sold in complete packing units if the value of the goods is less than EUR 15. In case of custom-made products, overdeliveries or underdeliveries may be necessary for manufacturing reasons.
- Should the purchaser be in default with payment for previous deliveries, we shall be entitled to withhold deliveries without being obliged to compensate for any losses incurred.
- For orders equal to a net value of goods of EUR 50 and less we ask a surcharge of EUR 15 per order. This does not apply if the order is a partial order/ partial delivery of a larger order.

## IV. Payment

- If not agreed otherwise, the invoiced amount shall be payable net free paying agency within 30 days from invoice date.
- Incoming payments shall be offset against preceding receivables even if payment is made for specifically designated goods. If we send out partial deliveries, which we explicitly reserve the right to, instead of the complete shipment as ordered, the individual invoices for such partial deliveries become due for payment according to their respective invoice dates.
- Cash discount deductions shall be granted only if explicitly indicated on the invoice. We do not, however, grant discounts on the delivery of metal products (e.g. tin plates). We accept a cash discount deduction on the goods invoiced last only upon settlement of all preceding invoices that were due for payment. Different order-related terms of payment may apply.
- Checks, transfer orders or credit card payments shall only be treated as payment after they have been cashed (cleared) and minus all fees and expenses at the value of the day the Euro equivalent is at our disposal. We accept bills of exchange on account of performance only upon prior agreement and condition of their discountability.
- The purchaser may offset payments only if his counter-claims are undisputed or determined by law. The purchaser is not allowed to exercise any right of retention arising from earlier or other transactions relating to the ongoing business relationship, unless such counter-claims have been acknowledged by us or determined by law.
- If the agreed payment date is exceeded (30 days following invoice date), payment is deemed to be in arrears. In this case, we shall be entitled to charge interest on arrears of 9 percentage points p.a., and to execute further deliveries only on a cash-on-delivery or advance payment basis.
- Shipments abroad are subject to advance payment when ordered or after the issuance of a pro forma invoice. Unless agreed upon differently, we retain the right to include down payments in the contract and to consign against COD or CAD.
- Advance payments shall be due upon commencement of production. The amount is indicated in our order acknowledgment.

## V. Withdrawal

- Withdrawal from customized productions is subject to the payment of appropriate compensation. Third-party goods specifically ordered for a purchase order as well as goods already produced or in production must be accepted.
- Changes to current orders are accepted only if production of such parts has not yet begun. Each change causes recommencement of the delivery period. All costs for changes shall be invoiced.

- Catalog goods but not custom-made products may be returned to us upon our express consent within but not beyond 30 days after delivery. The returned goods must be sent free of charge; packaging and goods must be in clean and impeccable condition.
- To cover costs, e.g. for inspection and repacking, we may - in dependence of the complexity - retain up to 20% of the value of the goods.

## VI. Passing of risk, packaging and dispatch

- If the goods are shipped according to special wishes and request of the purchaser and unless otherwise agreed, the risk of accidental loss and accidental deterioration of the goods passes to the purchaser as soon as the goods leave our plant. In all other cases, the Incoterms specified in the offer, order acknowledgment or invoice shall apply.
- If dispatch or acceptance of the ready-to-ship goods is delayed for reasons not within our responsibility, the risk passes to the purchaser when he is informed of the goods' readiness for dispatch.
- We reserve the right to determine the sequence and method of dispatch, the means of transport and the type of packaging.
- Unless agreed upon differently, we insure all shipments against damage or loss during transport at the expense of the purchaser.
- The purchaser is held to inspect the goods for their integrity and completeness immediately upon their receipt. The transport insurance covers transport damage only if the damage has been recorded in writing and the written complaint handed over to the carrier. The circumstances must be described in a record of facts. Freight documents and damage assessments must be sent to us immediately.
- Consequential shipping costs due to an incorrect address provided by the purchaser, or due to a complicated delivery to an address unknown to the forwarder or unforeseen unloading difficulties at the delivery address must be borne by the purchaser.

## VII. Warranty

- We grant a two-year warranty after delivery on all parts produced by us. The warranty applies to the completeness, functional capability and perfect condition of the parts.
- Our warranty for third-party products is limited to the warranty claims we are entitled to against such third party.
- The warranty obligation lapses if the goods consigned by us are modified by others than us.
- We do not accept any warranty claims for damage incurred for the following reasons: incomplete information on the installation site; incomplete information on the complete system and its functionality; incompatibility with products of other manufacturers; unsuitable or inappropriate use or storage; incorrect assembly by the purchaser or third parties; unauthorized attempts at repairs and alterations; normal wear; incorrect or negligent treatment and commissioning; chemical, electrical or other damaging influences unless within our responsibility.
- All electrical and electronic parts are subject to warranty as set forth by VDE requirements. Special 5-year warranty from date of delivery is granted for organ blowers and 2-year warranty from date of delivery for adjustable combination systems. Par. 1-7 (IV) applies accordingly.
- The software used in our systems has been tested as far as possible. The software is meant for the exclusive use in the system provided by us and remains our copyright property. Updates will be charged according to costs incurred.
- If we supply single parts instead of a complete system (e.g. consignment without cabling), our warranty is limited to these parts.

## VIII. Complaints and notification of defects

- The shipment is to be checked for damages, deficiencies and completeness immediately upon their receipt. A detailed inspection of the consignment is to be carried out especially prior to further processing, installation and consumption of the products. Complaints on account of incomplete or incorrect delivery or obvious defects are to be reported in writing immediately but no later than seven (7) days after receipt of the consignment; the written complaint is to be sent to our address in Weikersheim in due time. Concealed defects shall be reported to us in writing immediately upon their discovery. All claims for defects and compensation are deemed null and void if the purchaser exceeds the indicated deadlines.
- If the complaint is filed in a timely and justified manner we shall, at our discretion, eliminate the deficiency or replace the product free of cost. The complained about parts are to be returned to our address in Weikersheim free of charge and thereby pass back into our property.
- Unless agreed otherwise, the invoice address is understood as the place of use of the parts supplied by us. If the purchaser mounted or installed the goods already deficient at the passing of the risk onto or into another item, he shall have the right to claim compensation for expenses incurred for the removal of the deficient and the installation or mounting of the reworked or replaced products (dismantling and installation costs) according to § 439 (3) BGB only according to the following provisions:

Required in the sense of § 439 (3) BGB are only such dismantling and installation costs which concern the removal and installation / mounting of identical products and which incurred on the basis of standard market conditions and which the purchaser could give evidence of by submission of adequate supporting documents in written form. Any purchaser claims to advance compensation of dismantling and installation costs are excluded.

The purchaser has no right to offset dismantling and installation costs unilaterally and without our consent with purchase price requests or other payment claims brought forward by us. Any purchaser claims which go beyond the required dismantling and installation costs, especially expenses for consequential damage caused by the deficiency, e.g. lost profit, downtimes or additional costs for replacement procurement are not considered as dismantling and installation costs and therefore not reimbursable as part of a subsequent performance as in § 439 (3) BGB.

If, in single cases, the expenses claimed by the purchaser for subsequent performance in the sense of § 439 (3) BGB are - in particular in relation to the purchase price of the product in perfect condition and considering the significance of the lack of conformity - disproportional, we shall be entitled to refuse any reimbursement of expenses. A claim is deemed disproportional if it exceeds a value amounting to 100% of the product purchase price in perfect condition or 250% of the reduced value due to deficiency in the sense of § 439 (3) BGB. Any purchaser claims regarding expenses for subsequent performance and in

particular for transport, travel, labor and material costs are excluded to the extent at which such expenses increase because the products were, at a later point in time, transported to another location than the purchaser site or than contractually agreed upon.

- All claims become null and void if the purchaser eliminates the defect himself or through third parties without our express prior consent. In case of the above, we refund exclusively those costs which would have incurred in our own plant.
- In the case of customized products we shall only be obliged to eliminate the defect. Replacement delivery or return of such goods is excluded.
- We reserve the right to external and design changes without notice; such changes do not entitle to file notifications of defects. Deviations from color shades or grains in natural products such as wood etc. shall not justify any notification of defects. Deviations regarding dimensions, weight and quality are permissible according to DIN or customary practice.
- We supply catalog goods according to the version and characteristics customary in our plant at the time of their shipment. These deviations may, for example, be due to technical refinements.

## IX. Liability

- In case of intent or gross negligence on our part or by our representatives or vicarious agents, our liability is subject to the applicable legal rules and regulations. The same applies to any breach of fundamental contractual obligations. Our liability is limited to the predictable and typically occurring damages if intent or gross violation of the contract can be excluded.
- Our liability for culpable injury to life, body or health and our liability set forth by the Product Liability Act remain unaffected.
- Unless agreed upon differently from the above, our liability is excluded.

## X. Reservation of title

- We retain title to the goods until all payments have been settled. In case of breach of contract by the purchaser including default in payment, we are entitled to take possession of the goods.
- The purchaser is obliged to treat the goods with care, to adequately insure them and, to the extent necessary, service them.
- If all or some of the purchase price is still outstanding, the purchaser must inform us immediately in writing if the goods are encumbered with third-party rights or otherwise exposed to third-party intervention.
- The purchaser is entitled to resell the goods subject to retention of title in the normal course of business. In this case, however, he shall assign all claims from resale to us, regardless of whether the goods under retention of title were resold before or after processing. The purchaser is authorized to collect the claim assigned to us notwithstanding our authority to collect the claim ourselves. In this context we undertake not to collect the claim as long as the purchaser meets his payment obligations, has not filed any application for insolvency or similar proceedings and has not ceased making payments.
- If the above mentioned securities exceed the claims to be secured by more than 10%, we shall release the securities at our choice and upon the request of the purchaser.

## XI. Technical specifications

- Dimensions, technical data and illustrations provided in the catalog are not binding and valid only approximately as any further development and improvement in the sense of technological progress may alter the details provided in the catalog.
- The documents handed over to the purchaser are confidential. Drawings and technical specifications must not be made accessible to third parties without our express consent.

## XII. Staging of materials

- Should materials and parts be made available by the purchaser, they shall be delivered in a timely manner, in perfect condition and at his cost and risk. If these obligations are not met, the period of delivery shall be adequately extended. If the supplied material is defective, incorrect or delivered late, the purchaser shall bear any additional costs and expenses for damage.

## XIII. Violation of third-party rights

- If consignments customized according to drawings or other purchaser information infringe third-party rights and in particular industrial property rights, the purchaser shall release us from all claims.

## XIV. Place of performance and venue

- Place of performance and exclusive venue shall - if permitted by law - be our head office in 97990 Weikersheim, Germany.
- The contractual relationship shall be subject to the laws of the Federal Republic of Germany to the exclusion of international private law and UN purchasing law as integrated into German law.
- Should one or several provisions of our General Terms and Condition prove to be unlawful, void or for any reason unenforceable, it shall be replaced by a new provision which comes closest to the sense of the invalid one.