

General Terms and Conditions of Sale and Delivery

of REME Möbelbeschläge GmbH, Industriestrasse 48, 33161 Hövelhof, Germany
(hereinafter "Seller")

§ 1 Applicability

(1) All offers, services and deliveries of the Seller shall be made exclusively on the basis of these General Terms and Conditions of Sale and Delivery. These form an integral part of all contracts concluded by the Seller with its contractual partners (hereinafter also referred to as the "Client") for the services or deliveries offered by the Seller. The General Terms and Conditions of Sale and Delivery shall also apply to all future offers, services and deliveries to the Principal, even if they are not separately agreed again.

(2) Any terms and conditions of business of the client or a third party shall not apply. This shall also apply if the Seller does not separately object to their validity in individual cases. Even if the seller refers to a letter that contains or refers to the terms and conditions of the client or a third party, this does not constitute an agreement to the validity of those terms and conditions.

§ 2 Offer, conclusion of contract

(1) All offers of the seller are subject to change and non-binding, unless they are expressly marked as binding.

(2) Purchase orders or orders require the written confirmation of the seller.

(3) Amendments and/or supplements to the agreements made, including these General Terms and Conditions of Sale and Delivery, must be made in writing to be effective. With the exception of managing directors or authorised signatories, the Seller's employees are not entitled to make verbal agreements deviating from this.

(4) Unless the usability for the contractually intended purpose requires exact conformity, information provided by the seller on the subject matter of the service or delivery (such as e.g. weights, dimensions, utility values, load capacity, tolerances and technical data), as well as representations of the same (such as e.g. drawings and illustrations) are only approximately authoritative. These are descriptions or markings of the delivery or service and not guaranteed quality features. Deviations that are customary in the trade, as well as deviations that occur due to legal regulations or represent technical improvements, as well as the replacement of components with equivalent parts are permissible insofar as they do not impair the usability for the contractually intended purpose.

(5) The following permissible tolerances shall be deemed agreed: Width and diameter $\pm 2.5\%$, if measurable, but at least $\pm 1/10$ mm, wall thickness $+ 10\%$. Customary deviations in failure, weight and/or colour do not entitle to complaints about the delivery.

(6) Without the express consent of the Seller, the Client may not make available or disclose to third parties offers or cost estimates of the Seller as well as drawings, illustrations, calculations, brochures, catalogues, models, tools and other documents and aids made available to the Client, neither as such nor in terms of content, nor use or reproduce them itself or have them used or reproduced by third parties.

§ 3 Prices and payment

(1) The prices apply to the scope of services and deliveries listed in the order confirmations.

(2) Invoice amounts are

- within 10 (in words: ten) days from the date of invoice,
- unless otherwise agreed in writing.

(3) The date of receipt by the seller shall be decisive for the date of payment. A cash discount shall only be granted on condition that all payment obligations from previous deliveries have been met in full. No discount shall be granted for the acceptance of bills of exchange. Cheques shall only be deemed to be payment after they have been cashed.

(4) Foreign deliveries shall only be made against the opening of an irrevocable letter of credit or against documentary collection, unless deviating conditions have been expressly agreed.

(5) If the client does not make payment when due, the outstanding amounts shall be subject to interest of 5% p.a. from the due date; the right to claim higher interest and further damages in the event of default shall remain unaffected.

(6) Offsetting against counterclaims of the Client or the retention of payments due to such claims is only permissible insofar as the counterclaims are undisputed or have been legally established.

(7) If, after the conclusion of the contract, the Seller becomes aware of circumstances which are likely to substantially reduce the creditworthiness of the Client and which jeopardise the payment of the Seller's outstanding claims under the respective contractual relationship, the Seller shall be entitled to perform or render any outstanding deliveries or services only against advance payment or the provision of security.

§ 4 Delivery and delivery time

(1) Deliveries shall be made ex works.

(2) Deadlines and dates for deliveries and services promised by the Seller shall always apply only approximately. This shall not apply if a fixed period or a fixed date has been expressly promised or agreed. If shipment has been agreed, delivery periods and delivery dates refer to the time of handover to the third party commissioned with the transport.

(3) The Seller may demand an extension of delivery and performance deadlines or a postponement of delivery and performance dates by the period of time during which the Client does not fulfil its contractual obligations towards the Seller. The rights of the seller arising from default shall remain unaffected by this.

(4) The Seller shall not be liable for impossibility of delivery or for delays in delivery insofar as these have been caused by force majeure or other events unforeseeable at the time of conclusion of the contract for which the Seller is not responsible. These include, in particular, operational disruptions of any kind, strikes, lawful lockouts, shortages of labour, energy or raw materials, difficulties in procuring materials or energy, difficulties in obtaining necessary official permits, official measures or the failure of suppliers to deliver or to deliver correctly or on time, or transport delays. If such events make it significantly more difficult or impossible for the seller to deliver or perform and the hindrance is not only of temporary duration, the seller is entitled to withdraw from the contract. In the event of hindrances of merely temporary duration, the delivery or performance deadlines shall be extended by the period of the hindrance plus a reasonable start-up period. The same shall apply to delivery or performance dates. If the client cannot reasonably be expected to accept the delivery or service as a result of the delay, he may withdraw from the contract by immediately notifying the seller in writing.

(5) If the Seller is in default with a delivery or service, or if a delivery or service becomes impossible for him, for whatever reason, his liability for damages is limited in accordance with § 8 of these General Terms and Conditions of Sale and Delivery.

(6) The Seller shall be free to over- and under-supply by 10 % in terms of quantity, and by 20 % in the case of custom-made products.

§ 5 Place of performance, transfer of risk

(1) The place of performance for all obligations arising from the contractual relationship is Hövelhof.

(2) The risk shall pass to the Client at the latest when the delivery item is handed over to the third party designated to carry out the shipment. The start of the loading process is decisive. If the dispatch or handover is delayed due to a circumstance the cause of which lies with the Principal, the risk shall pass

to the Principal from the day on which the delivery item is ready for dispatch and the Seller has notified the Principal of this.

(3) The Client shall bear the storage costs after the transfer of risk. In the event of storage by the seller, the storage costs shall amount to 0.25% of the invoice amount of the delivery items to be stored per expired week. The assertion and proof of further or lower storage costs shall remain reserved.

(4) The consignment will only be insured by the seller against theft, breakage, transport, fire and water damage or other insurable risks at the express request of the client. The costs for this shall be borne by the client.

§ 6 Warranty, material defects

(1) The delivered items are to be carefully inspected immediately after delivery to the purchaser or to the third party designated by him. The delivered items shall be deemed to have been approved by the buyer with regard to obvious defects as well as other defects that would have been recognisable in the course of an immediate, careful inspection, unless the seller receives a written notice of defect within seven working days after delivery. With regard to other defects, the delivery items shall be deemed to have been approved by the buyer if the notice of defect is not received by the seller within seven working days of the time at which the defect became apparent; however, if the defect was already apparent to the buyer at an earlier time during normal use, this earlier time shall be decisive for the commencement of the period for giving notice of defect. At the Seller's request, a rejected delivery item shall be returned to the Seller carriage paid. In the event of a justified complaint, the Seller shall reimburse the costs of the most favourable shipping route; this shall not apply if the costs increase because the delivery item is located at a place other than the place of intended use.

(2) If the delivered items are defective as to quality, the seller shall first be obliged and entitled to rectify the defect or to make a replacement delivery at his discretion, which he shall do within a reasonable period of time. In the event of failure, i.e. impossibility, unreasonableness, refusal or unreasonable delay of the rectification or replacement delivery, the client may withdraw from the contract or reduce the purchase price appropriately.

(3) If a defect is due to the fault of the seller, the client may claim damages under the conditions set out in § 8.

(4) The warranty shall not apply if the Client modifies the delivery item or has it modified by a third party without the consent of the Seller and the rectification of defects becomes impossible or unreasonably difficult as a result. In any case, the Client shall bear the additional costs of remedying the defect resulting from the modification.

§ 7 Property rights

(1) The Seller warrants in accordance with this § 7 that the delivery item is free of industrial property rights or copyrights of third parties, unless the delivery item was manufactured according to the specifications of the Client. In this case, the client shall guarantee that the items do not infringe the industrial property rights of third parties. This § 7 shall then apply *mutatis mutandis*.

(2) Each contracting party shall notify the other contracting party in writing without delay if claims are asserted against it due to the infringement of such rights.

(3) In the event that the delivery item infringes an industrial property right or copyright of a third party, the Seller shall, at its discretion and at its expense, modify or replace the delivery item in such a way that no third party rights are infringed any more, but the delivery item continues to fulfil the contractually agreed functions, or procure the right of use for the Client by concluding a licence agreement. If he does not succeed in doing so within a reasonable period of time, the Principal shall be entitled to withdraw from the contract or to reduce the purchase price appropriately. Any claims for damages by the client are subject to the limitations of § 8 of these General Terms and Conditions of Sale and Delivery.

(4) In the event of infringements of rights by products of other manufacturers supplied by the Seller, the Seller shall, at its discretion, assert its claims against the manufacturers and upstream suppliers for the account of the Client or assign them to the Client. In such cases, claims against the Seller shall only

exist in accordance with this § 7 if the judicial enforcement of the aforementioned claims against the manufacturers and upstream suppliers was unsuccessful or is futile, for example due to insolvency.

§ 8 Liability for damages due to fault

(1) The Seller's liability for damages, irrespective of the legal grounds, in particular due to impossibility, delay, defective or incorrect delivery, breach of contract, breach of duties during contractual negotiations and tort, shall be limited in accordance with the provisions of this § 8, insofar as fault is relevant in each case.

(2) The Seller shall not be liable in the event of simple negligence on the part of its organs, legal representatives, employees or other vicarious agents, unless this involves a breach of material contractual obligations. Material contractual obligations are the obligation to deliver the delivery item on time, its freedom from defects that impair its functionality or usability more than insignificantly, as well as advisory, protective and custodial obligations that are intended to enable the client to use the delivery item in accordance with the contract or are intended to protect the life or limb of the client's personnel or to protect the client's property from significant damage.

(3) Insofar as the Seller is liable on the merits for damages in accordance with § 8 (2), this liability shall be limited to damages which the Seller foresaw as a possible consequence of a breach of contract at the time of conclusion of the contract or which it should have foreseen by exercising due care. Indirect damage and consequential damage which are the result of defects in the delivery item are also only eligible for compensation insofar as such damage is typically to be expected when the delivery item is used as intended.

(4) The above exclusions and limitations of liability shall apply to the same extent in favour of the organs, legal representatives, employees and other vicarious agents of the Seller.

(5) Insofar as the Seller acts in an advisory capacity or provides technical information and this information or advice is not part of the contractually agreed scope of services owed by the Seller, this shall be done free of charge and to the exclusion of any liability.

(6) The limitations of this § 8 do not apply to the Seller's liability for intentional conduct, for guaranteed characteristics, for injury to life, limb or health or under the Product Liability Act.

§ 9 Retention of title

(1) The retention of title agreed below serves to secure all respectively existing current and future claims of the seller against the client arising from the delivery relationship existing between the contracting parties.

(2) The goods delivered by the seller to the client remain the property of the seller until full payment of all secured claims. The goods as well as the goods covered by the retention of title taking their place in accordance with the following provisions are hereinafter referred to as "goods subject to retention of title".

(3) The Client shall store the reserved goods free of charge for the Seller.

(4) The client is entitled to process and sell the goods subject to retention of title in the ordinary course of business until the event of realisation (paragraph 9). Pledges and transfers by way of security are not permitted.

(5) If the reserved goods are processed by the Client, it is agreed that the processing shall be carried out in the name and for the account of the Seller as manufacturer and that the Seller shall acquire direct ownership or - if the processing is carried out from materials of several owners or the value of the processed item is higher than the value of the reserved goods - co-ownership (fractional ownership) of the newly created item in the ratio of the value of the reserved goods to the value of the newly created item. In the event that no such acquisition of ownership should occur on the part of the Seller, the Client hereby assigns its future ownership or - in the above ratio - co-ownership of the newly created item to the Seller as security. If the reserved goods are combined or inseparably mixed with other items to form a uniform item and if one of the other items is to be regarded as the main item, the Seller shall, insofar

as the main item belongs to it, transfer to the Client pro rata co-ownership of the uniform item in the ratio specified in sentence 1.

(6) In the event of resale of the goods subject to retention of title, the Client hereby assigns to the Seller by way of security the resulting claim against the purchaser - in the event of co-ownership of the Seller in the goods subject to retention of title, in proportion to the co-ownership share. The same shall apply to other claims which take the place of the reserved goods or otherwise arise in respect of the reserved goods, such as insurance claims or claims in tort in the event of loss or destruction. The Seller revocably authorises the Client to collect the claims assigned to the Seller in its own name. The seller may only revoke this collection authorisation in the event of realisation.

(7) If third parties gain access to the goods subject to retention of title, in particular by way of seizure, the Client shall immediately inform them of the Seller's ownership and inform the Seller thereof in order to enable the Seller to enforce its ownership rights. If the third party is not in a position to reimburse the Seller for the judicial or extrajudicial costs incurred in this connection, the Client shall be liable for these to the Seller.

(8) The seller shall release the goods subject to retention of title and the items or claims replacing them insofar as their value exceeds the amount of the secured claims by more than 50%. The choice of the items to be released thereafter shall lie with the seller.

(9) If the Seller withdraws from the contract in the event of a breach of contract by the Customer - in particular default of payment - the Seller shall be entitled to demand the return of the reserved goods.

§ 10 Final provisions

(1) If the Client is a merchant, a legal entity under public law or a special fund under public law or if it has no general place of jurisdiction in the Federal Republic of Germany, the place of jurisdiction for any disputes arising from the business relationship between the Seller and the Client shall be Delbrück or the registered office of the Client, at the Seller's discretion. However, Delbrück shall be the exclusive place of jurisdiction for actions against the Seller in such cases. Mandatory statutory provisions on exclusive places of jurisdiction shall remain unaffected by this provision.

(2) The relations between the Seller and the Client shall be governed exclusively by the law of the Federal Republic of Germany. The United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 (CISG) shall not apply.

(3) Insofar as the contract or these General Terms and Conditions of Sale and Delivery contain loopholes, those legally effective provisions shall be deemed to have been agreed to fill these loopholes which the contracting parties would have agreed in accordance with the economic objectives of the contract and the purpose of these General Terms and Conditions of Sale and Delivery if they had been aware of the loophole.

Hint:

The client acknowledges that the seller stores data from the contractual relationship in accordance with § 28 of the Federal Data Protection Act for the purpose of data processing and reserves the right to transmit the data to third parties (e.g. transport service providers, insurance companies) insofar as this is necessary for the performance of the contract.