

General Terms and Conditions of Sale

of Arnold Klümpen GmbH & Co. KG

Section 1 Scope of application, form

(1) These General Terms and Conditions of Sale (GTCS) apply to all our business relationships with our customers ("Buyers"). The GTCS shall only apply if the Buyer is an Entrepreneur (Section 14 BGB), a legal entity under public law or a special fund under public law.

(2) The GTCS apply in particular to contracts for the sale and/or delivery of movable items ("Goods"), irrespective of whether we manufacture the Goods ourselves or purchase them from suppliers (Sections 433, 650 BGB).

(3) Our GTCS apply exclusively. Deviating, conflicting or supplementary general terms and conditions of the Buyer shall only become part of the contract if and insofar as we have expressly agreed to their applicability. This requirement of consent shall apply in all cases including, for example, if the Buyer refers to its general terms and conditions in the context of the order and we do not expressly object to this.

(4) Unless otherwise agreed, the GTCS in the version valid at the time of the Buyer's order or in any case in the version last communicated to it in text form shall also apply as a framework agreement for similar future contracts, without us having to refer to them again in each individual case. Individual agreements (e.g. framework supply agreements, quality assurance agreements) and information in our order confirmation shall take precedence over these GTCS. In case of doubt, trade terms shall be interpreted in accordance with the Incoterms® issued by the International Chamber of Commerce in Paris (ICC) in the version valid at the time of conclusion of the contract.

(5) Legally binding declarations and notifications of the Buyer in relation to the contract (e.g. setting of deadlines, notification of defects, withdrawal or price reduction) shall be made in writing. Written form within the meaning of these GTCS includes written and text form (e.g. letter, email, fax). Statutory formal requirements and further evidence, in particular in the event of doubts about the legitimacy of the declarant, remain unaffected.

(6) References to the applicability of statutory provisions are for clarification purposes only. Even without such clarification, the statutory provisions shall therefore apply unless they are directly amended or expressly excluded in these GTCS.

Section 2 Conclusion and content of the contract

(1) Our offers are subject to change and non-binding. This also applies if we have provided the Buyer with catalogs, other product descriptions or documents, including in electronic form, to which we reserve the ownership rights and copyrights.

(2) The order for the Goods by the Buyer shall be deemed to be a binding contractual offer. The same applies to individual orders within any existing framework agreements with the Buyer. We are entitled to accept that contractual offer within five business days of its receipt by us.

(3) Acceptance can be declared either in writing (e.g. by way of an order confirmation) or by delivery of the Goods to the Buyer – in each case within the aforementioned period.

(4) Our Goods are natural products. Our information on the object of the delivery or service (e.g. weights, dimensions, load capacity, tolerances, and technical data) as well as representations thereof (e.g. drawings and illustrations, in particular with regard to colors) are therefore only approximate, unless the usability for the contractually intended purpose requires exact conformity. They are not guaranteed characteristics, but descriptions or identifications of the delivery or service. Deviations that are customary in the trade and deviations that occur due to legal regulations or represent technical improvements are permissible, provided that they do not impair usability for the contractually envisaged purpose.

Section 3 Delivery period and delay in delivery

(1) The delivery period shall be agreed individually. Compliance with the agreed delivery period presupposes that all commercial and technical issues between the Buyer and us have been clarified and that the Buyer has fulfilled all obligations imposed on it.

(2) If we are unable to meet binding delivery deadlines for reasons which we are not attributable (non-availability of the service), we shall inform the Buyer of this immediately and at the same time inform the Buyer of the expected new delivery date. If the service is still not available within the new delivery period, we are entitled to withdraw from the contract in whole or in part; we shall immediately reimburse any consideration already provided by the Buyer. Non-availability of the service is deemed to pertain, for example, in the event of late delivery by our suppliers, if we have concluded a congruent hedging transaction, in the event of other disruptions in the supply chain, for example due to force majeure, or if we are not obliged to procure in individual cases.

(3) The time of occurrence of our delay in delivery shall be determined in accordance with the statutory provisions. In any case, however, a dunning letter from the Buyer is required.

(4) The rights of the Buyer pursuant to Section 8 of these GTCS and our statutory rights, in particular in the event of an exclusion of the obligation to perform (e.g. due to impossibility or unreasonableness of performance and/or subsequent performance), remain unaffected.

Section 4 Delivery, transfer of risk, acceptance, default of acceptance

(1) Delivery shall be ex works, which shall also be the place of performance for the delivery and any supplementary performance. If expressly agreed in individual cases, the Goods will be shipped to another destination at the Buyer's expense (sales shipment). Unless otherwise agreed, we are entitled

to determine the type of shipment ourselves (in particular transport company, shipping route, packaging).

(2) The risk of accidental loss and accidental deterioration of the Goods shall transfer to the Buyer no later than upon handover to the Buyer. In the case of sales shipment, however, the risk of accidental loss and accidental deterioration of the Goods as well as the risk of delay shall transfer upon delivery of the Goods to the forwarding agent, the carrier or the person or organization otherwise designated to carry out the shipment. If acceptance has been agreed, it shall be applicable for the transfer of risk. The statutory provisions of the law on contracts to produce a work shall also apply accordingly to an agreed acceptance. If the Buyer is in default of acceptance of delivery, this shall be deemed equivalent to handover or acceptance.

(3) If the Buyer is in default of acceptance or fails to cooperate, or if our delivery is delayed for other reasons which is attributable to the Buyer, we shall be entitled to demand compensation for the resulting damage including additional expenses (e.g. storage costs).

(4) We are entitled to make partial deliveries if:

- the partial delivery can be used by the Buyer within the scope of the contractual purpose,
- the delivery of the remaining ordered Goods is ensured and
- the Buyer does not incur any significant additional work or costs as a result (unless we declare that we agree to bear those costs).

Section 5 Prices and terms of payment

(1) Unless otherwise agreed in individual cases, our price lists current at the time of conclusion of the contract shall apply, ex works, plus statutory VAT.

(2) In the case of sales shipment (Section 4 para. 1), the Buyer shall bear the transport costs ex works and the costs of any transport insurance requested by the Buyer. Any customs duties, fees, taxes or other public charges shall be borne by the Buyer.

(3) The purchase price shall be due and payable net immediately after invoicing and delivery of the Goods (i.e. notification of readiness for collection or – in the case of sales shipment – notification of readiness for handover).

(4) The Buyer shall be in default upon expiry of the above payment period. During the period of default, interest shall be charged on the purchase price at the applicable statutory default interest rate. We reserve the right to assert further claims for losses caused by delay.

(5) The Buyer shall only be entitled to set-off or retention rights to the extent that its claim has been legally established or is undisputed. In the event of defects in the delivery, the Buyer's counterclaims shall remain unaffected, in particular pursuant to Section 7 para. 6 sentence 2 of these GTCS.

Section 6 Retention of title

(1) We shall retain title to the Goods sold until payment has been made in full of all our present and future claims arising from the purchase contract and any ongoing business relationship (secured claims).

(2) The Goods subject to retention of title may neither be pledged to third parties nor assigned as security before payment in full of the secured claims. The Buyer must inform us immediately in writing if an application is filed to initiate insolvency proceedings or if there is a threat of third-party interventions (e.g. seizure) with regard to the Goods belonging to us.

(3) If the Buyer acts in breach of contract, in particular in the event of non-payment of the due purchase price, we shall be entitled to withdraw from the contract in accordance with the statutory provisions and/or to demand the return of the Goods on the basis of retention of title. The demand for return shall not at the same time entail a declaration of withdrawal; rather, we are entitled to demand the return of the Goods only and reserve the right to withdraw from the contract. If the Buyer does not pay the due purchase price, we may only assert these rights if we have previously set the Buyer a reasonable deadline for payment without success or if setting such a deadline is dispensable according to the statutory provisions.

(4) Until revocation in accordance with (c) below, the Buyer is authorized to resell and/or process the Goods subject to retention of title in the ordinary course of business. In this case, the following provisions shall additionally apply.

(a) The retention of title shall extend to the full value of the products resulting from the processing, mixing or combining of our Goods whereby we shall be deemed to be the manufacturer. If, in the event of processing, mixing or combining with goods of third parties, their right of ownership remains, we shall acquire co-ownership in proportion to the invoice values of the processed, mixed or combined Goods. In all other respects, the same applies to the arising product as to the Goods delivered under retention of title.

(b) The Buyer hereby assigns to us as security any claims against third parties arising from the resale of the Goods or the product, in total or in the amount of our possible co-ownership share in accordance with the above paragraph. We hereby accept this assignment. The obligations of the Buyer specified in paragraph 2 shall also apply with regard to the assigned claims.

(c) The Buyer remains authorized to collect the claim in addition to us. We undertake not to collect the claim as long as the Buyer meets its payment obligations to us, there is no deficiency in its ability to pay, and we do not assert the retention of title by exercising a right in accordance with paragraph 3. If this is the case, however, we may demand that the Buyer inform us of the assigned claims and the debtors, provide all information necessary for collection, hand over the relevant documents, and inform the debtors (third parties) of the assignment. However, we are also entitled to disclose the assignment to the third party ourselves. In this case, we are also entitled to revoke the Buyer's authorization to resell and process the Goods subject to retention of title.

(d) If the realizable value of the security exceeds our claims by more than 10%, at the Buyer's request we shall release security, according to our choice.

Section 7 Claims for defects of the Buyer

(1) The statutory provisions apply to the Buyer's rights in the event of material defects and defects of title (including incorrect and short delivery), unless otherwise stipulated below. In all cases, the statutory provisions on the sale of consumer goods (Section 474 et seq. BGB) and the rights of the Buyer arising from separately issued guarantees remain unaffected.

(2) Unless explicitly agreed with the Buyer in an individual case, we do not grant any voluntary guarantees.

(3) Our Goods are natural products, so deviations pursuant to Section 2 para. 4 of these GTCS do not constitute defects.

(4) In principle, we shall not be liable for defects which the Buyer is aware of when the contract is concluded or is unaware of due to gross negligence (Section 442 BGB). Furthermore, the Buyer's claims for defects presuppose that it has fulfilled its statutory inspection and notification obligations (Sections 377, 381 of the German Commercial Code (HGB)). In the case of goods intended for further processing – which generally applies to all our Goods – an inspection must always be carried out immediately before processing. If a defect is discovered on delivery, inspection or at any later time, we must be notified of this in writing without delay. In any event, obvious defects must be reported in writing within seven business days of delivery at the latest and defects that are not recognizable during the inspection must be reported in writing within the same period of time from discovery at the latest. If the Buyer fails to properly inspect the Goods and/or report defects, our liability for the defect not reported or not reported on time or not reported properly shall be excluded in accordance with the statutory provisions.

(5) If the delivered item is defective, we may initially choose whether to provide supplementary performance by remedying the defect (repairs) or by delivering a defect-free item (replacement delivery). If the type of supplementary performance chosen by us is unreasonable for the Buyer in the individual case, the Buyer may reject it. Our right to refuse supplementary performance under the statutory conditions remains unaffected.

(6) We are entitled to make the due supplementary performance dependent on the Buyer paying the due purchase price. However, the Buyer is entitled to retain a portion of the purchase price being reasonable in relation to the defect.

(7) The Buyer shall give us the time and opportunity required to render the due supplementary performance. In the event of a replacement delivery, the Buyer shall return the defective item to us at our request in accordance with the statutory provisions; however, the Buyer shall not have a right of return. Supplementary performance does not include dismantling, removal or similar of the defective item or installation, attachment, or assembly of a defect-free item if we were not originally obliged to

perform these services; the Buyer's claims for reimbursement of related costs ("dismantling and installation costs") remain unaffected.

(8) If a defect actually exists, we shall bear or reimburse the expenses necessary for the purpose of inspection and supplementary performance, in particular transport, travel, labor, and material costs and, if applicable, dismantling and installation costs, in accordance with the statutory provisions and these GTCS. Otherwise, we may demand compensation from the Buyer for the costs incurred as a result of the unjustified request to remedy the defect if the Buyer knew or could have recognized that there was in fact no defect.

(9) If a reasonable deadline to be set by the Buyer for subsequent performance has expired ineffectively or is dispensable in accordance with the statutory provisions, the Buyer may withdraw from the purchase contract or reduce the purchase price in accordance with the statutory provisions. However, there is no right of withdrawal in the event of an insignificant defect.

(10) Claims of the Buyer for reimbursement of expenses pursuant to Section 445a para. 1 BGB are excluded unless the last contract in the supply chain is a sale of consumer goods (Sections 478, 474 BGB). Claims of the Buyer for compensation for losses or reimbursement of futile expenses (Section 284 BGB) shall only exist in accordance with the following Sections 8 and 9, even in the case of defects in the Goods.

Section 8 Other liability

(1) Unless otherwise stated in these GTCS, including the following provisions, we shall be liable in the event of a breach of contractual and non-contractual obligations in accordance with the statutory provisions.

(2) We shall be liable for damages – irrespective of the legal grounds – within the scope of fault-based liability in the event of intent and gross negligence. In the event of simple negligence, we shall only be liable, subject to statutory limitations of liability (e.g. care in our own affairs; insignificant breach of duty) for damages arising from the breach of a material contractual obligation (obligation the fulfillment of which is essential for the proper execution of the contract and on compliance with which the contractual partner regularly relies and may expect to rely); in this case, however, our liability shall be limited to compensation for foreseeable, typically occurring damages.

(3) No limitations of liability shall apply to damages resulting from injury to life, limb or health. Furthermore, they do not apply if a defect has been fraudulently concealed or a guarantee for the quality of the Goods has been assumed or to claims of the Buyer under the Product Liability Act.

(4) The limitations of liability resulting from this Section 8 also apply to third parties and in the event of breaches of obligation by persons (including in their favor) whose fault we are attributable to in accordance with statutory provisions.

(5) The Buyer may only withdraw from or terminate the contract due to a breach of obligation that does not consist of a defect if we are responsible for the breach of obligation. A free right of termination of

the Buyer (in particular pursuant to Sections 650, 648 BGB) is excluded. Otherwise, the statutory requirements and legal consequences apply.

Section 9 Statute of limitations

(1) Notwithstanding Section 438 para. 1 No. 3 BGB, the general limitation period for claims arising from material defects and defects of title is one year from delivery. If acceptance has been agreed, the limitation period commences upon acceptance.

(2) The above period does not apply to claims for compensation for damages of the Buyer arising from injury to life, the body or health or from intentional or grossly negligent breaches of obligation by us or our vicarious agents, which shall in each case expire in accordance with the statutory provisions.

Section 10 Choice of law and place of jurisdiction

(1) These GTCS and the contractual relationship between us and the Buyer shall be governed by the laws of the Federal Republic of Germany to the exclusion of international uniform law, in particular the UN Convention on Contracts for the International Sale of Goods (CISG), and to the exclusion of the conflict of law rules of private international law.

(2) If the Buyer is a merchant within the meaning of the German Commercial Code, a legal entity under public law or a special fund under public law, the exclusive (including international) place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship is our registered office in Kevelaer. The same applies if the Buyer is an Entrepreneur within the meaning of Section 14 BGB. However, in all cases we shall also be entitled to bring an action at the place of performance of the delivery obligation in accordance with these GTCS or an overriding individual agreement or at the general place of jurisdiction of the Buyer. Overriding statutory provisions, in particular regarding exclusive competence, remain unaffected.