

GENERAL CONDITIONS OF SALE

LEIPA Georg Leinfelder GmbH

1. Range of applicability, general information:

- These General Conditions of Sale (hereinafter referred to as „GCS“) shall apply to all contracts; also to additional services, advice and information which LEIPA Georg Leinfelder GmbH (hereinafter referred to as “Contractor” or “Seller”) concludes as the seller, supplier or contractor. These GCS shall apply only to entrepreneurs (Section 14 of the German Civil Code); legal entities under public law or special funds under public law in accordance with Section 310 paragraph 1 sentence 1 of the German Civil Code.
- These GCS shall apply exclusively to all sales and supply transactions, including cost estimates, additional services, provision of advice and information. Upon the placing of an order/ awarding of a contract by the buyer of ordering party (hereinafter referred to as “Ordering party”, “Buyer” or “Customer”) these GCS shall be considered as acknowledged and as forming part of the contract. Any conflicting or deviating conditions of the Ordering party are hereby expressly contradicted insofar as they deviate from the statutory provisions. They only become part of the contract if the Seller expressly agrees in each case. These GCS shall also apply if the Seller unconditionally provides the service to the Ordering party even though he is aware of conflicting conditions or conditions deviating from these GCS.
- These GCS as amended shall also be applicable as a framework agreement for future contracts on the sale and/or the supply of movable items with the same Customer without an explicit reference to these General Conditions of Sale being required in each individual case; in that case the Seller shall immediately inform the Buyer of any amendments to these GCS.
- Formal agreements made with the Customer in a particular case shall always have priority over these GCS. The content of such agreements shall be determined by a written contract or the confirmation given in writing.
- Legally relevant declarations and notifications to be made by the Buyer vis-à-vis the Seller after the conclusion of the contract (such as setting deadlines, notice of defects, notice of repudiation or reduction of the purchase price) shall be given in writing in order to be effective.

2. Conclusion of contract:

- The offers submitted by the Seller are subject to confirmation and non-binding; in particular, any product specifications sent in the course of contract negotiations do not constitute binding offers.
- Offers submitted by the Seller are binding only in exceptional cases if they are made in writing. The Seller shall be bound to firm offers no longer than four weeks after dispatching the offer.
- Apart from that contracts do not take effect until they are confirmed at least in electronic form or by the Seller commencing to execute the order.

3. Prices, conditions of payment, settlement of accounts:

- Unless otherwise agreed in an individual case, the prices effective at the conclusion of contract plus statutory value-added tax should apply. The quantities and numbers of units determined by the Seller shall be decisive for the determination of the purchase price.
- Apart from that and unless otherwise agreed, the following conditions of payment shall apply for the payment of invoices:
 - 2 % discount for payment within 14 days from the date of invoice,
 - Net for payment within 30 days.
- The Buyer is entitled to rights of set-off and retention only to the extent that his claim has become final and absolute. In case of deficient supplies reciprocal rights of the Buyer shall remain unaffected.
- Should it turn out after the conclusion of the contract that the entitlement to the purchase price is endangered by the Buyer's lack of solvency (e.g. petition for the opening of insolvency proceedings), according to statutory provisions the Seller is entitled to withhold performance and, if applicable after setting a deadline, to rescind the contract (Section 321 of the German Civil Code). Regarding contracts on the production of specific items (making to specification), the Seller may declare rescission without delay; the statutory provisions concerning the dispensability of setting a deadline shall remain unaffected.
- The Buyer agrees with the electronic transmission of the invoices (Section 14 paragraph 1 sentences 7, 8 of the German Value Added Tax Act).
- Insofar as direct debiting is agreed, the Buyer shall issue to the Seller at the latter's request the SEPA Business to Business Direct Debit Scheme mandate for participation in SEPA direct debiting on a separate form.

4. Delivery, partial deliveries:

- Delivery will be made according to the confirmation of order. Unless otherwise agreed the delivery will be ex works LEIPA (Incoterms 2010).
- In case of force majeure or disruptions of operation at the Seller or his suppliers, which temporarily prevent the Seller without any fault on his part to deliver the object of purchase at the agreed date or within the agreed period, the delivery dates and delivery periods will be extended by the duration of the disruption plus a reasonable restart time but not longer than a total of four months at the most. If the disruption persists longer than four months, both parties to the contract, but the Customer only after fixing a reasonable deadline for delivery, shall be entitled to withdraw from the contract. Other rights of withdrawal shall remain unaffected. The above provisions shall also apply in case of the Seller's late self-delivery by his suppliers insofar as the Seller has concluded a congruent hedging transaction.
- The Seller is entitled to deliver excess or short quantities for production-related reasons.

5. Default of acceptance

In the event that the Customer is in default of acceptance or violates other obligations of cooperation, the Seller, without prejudice to his other rights, is entitled to properly store the products at the cost and risk of the Customer. In the event of storage by the Seller the storage cost is 0.25 % of the net purchase price of the stored delivery items per week passed. Claiming and providing evidence of other or lower storage costs are reserved.

6. Retention of title:

- Until all of the Seller's receivables resulting from the business relationship with the Customer have been paid in full, the delivered products shall remain the Seller's property.
- With an open account, the retained title is deemed to serve as security for the outstanding balance due to the Seller. The Customer is only allowed to dispose of products subject to retention of title („retained products“) in the regular course of business. The Customer is not entitled to make any dispositions endangering the Seller's property. The Customer already now assigns the receivables resulting from the resale to the Seller; the Seller already now accepts this assignment.
- In the event that the Customer sells the retained products after they have been processed or transformed or combined with other goods or together with other goods, assignment of the receivables is considered to be agreed only up to the amount of the portion corresponding to the price agreed between the Seller and the Buyer plus a safety margin of 10 % of that price.
- The Customer is revocably authorized (at the Seller's reasonable discretion) to collect the receivables assigned to the Seller in trust on behalf of the Seller.
- The retained products are always processed or transformed for the Seller. If the retained products are processed together with other items, the Seller acquires joint ownership of the new item created in the ratio of the value of the retained products to the other processed items at the time of processing. In all other respects, the same conditions as for the products supplied under the retention of title shall apply to the new item resulting from the processing.
- In case the retained products are combined with other items, the Seller acquires joint ownership of the new item in the ratio of the value of the retained products to other items at the time of their combination. If the combination is made in a way that the Customer item must be regarded as the main item, it is deemed agreed that the Customer transfers proportionate joint ownership to the Seller. The Customer shall keep safe on behalf of the Seller the jointly owned product created in this way.
- In case the realizable value of the securities exceeds the aggregate of the Seller's claims by more than 10 %, the Customer shall be entitled to demand release to such extent.
- In case of deliveries to other jurisdictions where the foregoing provisions on the reservation of title do not have the same security effect as in Germany, the Customer shall do everything to create without delay corresponding rights of security in favour of the Seller. The Customer shall co-operate in all measures such as registration, publication, etc. which are necessary and conducive to ensuring the effect and enforceability of these security rights.
- At the Seller's request, the Customer shall adequately insure the retained products and assign to the Seller the claims arising from the insurance contract.

7. Duty of inspection and notification of defects, warranty:

- The precondition for the Buyer's claim for defects is that he complied with his statutory duty to inspect and report non-compliance (particularly Sections 377, 381 of the German Commercial Code).
- The Seller is entitled to make the remedial performance owed conditional upon the Buyer paying the purchase price due.
- The Buyer may claim damages or compensation of futile expenses only in accordance with sub-paragraph 8; they are excluded in all other respects.

8. Compensation for damages:

- The Seller shall be liable for damages - for whatever legal reason - in case of malicious intent and gross negligence. In case of ordinary negligence the Seller shall only be liable for:
 - Damages resulting from loss of life, bodily harm, injury or illness,
 - Damages resulting from the violation of material contractual obligations (obligation whose fulfilment is a prerequisite for the proper implementation of the contract in the first place and in which the contracting party normally trusts or may trust); in this case the liability shall be limited to compensation of the foreseeable, typically occurring damage.

- In any case, liability shall be limited to the compensation of the foreseeable damage typical for the type of contract. Claims for damages asserted by the Customer arising from contractual penalties, which contracting parties impose on the Customer are in no event foreseeable by the Seller or typical for the contract in the foregoing sense.
- Insofar as the damage is covered by an insurance policy taken out by the Customer for the relevant risk, the Seller shall only be liable for any disadvantages of the Customer connected with it, e.g. increase of insurance premiums or loss of interest until settlement by the insurance company.
- Any claims for compensation by the Customer, which result for whatever reason either directly or indirectly from the object of purchase or its delivery, shall be excluded unless otherwise provided in the foregoing stipulations. In particular, the Seller shall not be liable for the consequences of improper modification, use or handling of the purchased object.
- The limitations of liability resulting from the preceding paragraphs shall not apply to the extent the Seller maliciously concealed a defect or has given a quality guarantee for the goods. The same shall apply to any claims of the Buyer in accordance with the German Product Liability Act.

9. Limitation of actions:

- In deviation from Section 438 paragraph 1 No. 3 of the German Civil Code, the period of limitation for claims with regard to defects in quality or title BGB shall be one year from delivery. Insofar as acceptance is agreed, the period of limitation shall begin at the acceptance date.
- The foregoing periods of limitation described in the law of sale also apply to the Buyer's contractual and non-contractual claims for damages, which are based on a defect of the goods, unless the application of the normal statutory limitation period (Sections 195, 199 of the German Civil Code) would result in a shorter limitation period in a particular case. The limitation periods according to the Product Liability Act shall remain unaffected in any case. Apart from this, statutory limitation periods shall exclusively apply to claims for damages by the Buyer in accordance with sub-paragraph 8.

10. Data protection:

The Customer is informed in accordance with Section 33 Paragraph 1 of the Federal Data Protection Act (BDSG) that the Seller stores the customer data in machine-readable form and uses them within the purpose of the contractual relationship with the customer and for marketing purposes.

11. Place of jurisdiction and choice of law:

- To the extent permitted by law, Frankfurt (Oder) is the exclusive – including international – place of jurisdiction for all disputes arising from the contractual relationship. The Seller is entitled to take legal action against the Buyer at any other place of jurisdiction.
- The law of the Federal Republic of Germany is exclusively applicable, excluding the UN Convention on Contracts for the International Sale of Goods (CISG).

12. General provisions, supplementary agreements, final provisions:

- References to statutory provisions are included for the purpose of clarity only. For this reason statutory provisions apply even without such clarification unless they are explicitly excluded in these General Terms and Conditions.
- Should one or several provisions of these conditions be void, the validity of the remaining provisions shall in no way be affected. The parties agree already now that the void provision shall be deemed replaced by a provision coming as close as possible to the sense and purpose of the void provision.

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