

General Terms and Conditions

As on January 2019

put forth by the company STABIL VERBINDUNGSTECHNIK GmbH (hereinafter referred to as "STABIL")

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General Terms and Conditions

§ 1 General information / Scope of application

(1) The terms and conditions shall hold applicable to all present and future business relations between STABIL and the customer.

(2) Deviating, conflicting or supplementary General Terms and Conditions of the customer shall not become part of the contract, even if STABIL is aware of them, unless their validity is explicitly agreed upon in writing.

(3) STABIL's General Terms and Conditions shall also apply, if STABIL carries out the delivery to the customer waiving all restrictions knowing that the terms and conditions of the customer conflict with or deviate from the general terms and conditions.

§ 2 Offer / Quotation documents

(1) Offers are subject to alteration.

Information provided by STABIL in relation with goods and prices in the course of the ordering process is non-binding.

On STABIL's order form, the customer declares the binding application for the conclusion of a sales contract. STABIL shall confirm receipt of the order immediately by e-mail. The confirmation of receipt does not constitute a binding acceptance of the order. However, STABIL may combine the confirmation of receipt with the acceptance of the order. Acceptance by STABIL shall be deemed to have taken place at the latest upon delivery of the ordered goods by STABIL. An explicit declaration of acceptance by STABIL to the customer is not required.

(2) Agreements deviating from the order are only in force, if they are confirmed by STABIL in writing or by e-mail.

(3) If significant increases in raw material prices, wages, taxes, public charges and / or difficulties arising from laws and / or legally binding regulations of another kind occur prior to the execution of the order, which demonstrably have a significant influence on STABIL's calculation of the offer, STABIL shall be entitled to charge a reasonable surcharge. Within the meaning of this provision, changes of at least 10% are essential.

(4) STABIL reserves the right to make reasonable technical changes and changes in shape, colour and/or weight.

Adherence to technical data or other information / details from catalogues, printed matter, parts lists and/or drawings / sketches etc. shall only be confirmed to the extent that individual data, dimensions or details thereof are expressly contained in the technical description of the

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offer. In case of general reference to documents or drawings, only the function shall be deemed to have been confirmed.

(5) Irrefutably recognisable errors in the offer or the written order confirmation entitle STABIL to withdraw from the contract notwithstanding any other rights. In this respect, the customer cannot make any claims to damages.

(6) If the order is to be qualified as an offer pursuant to § 145 BGB (German Commercial Code), STABIL may accept it within 2 weeks.

Acceptance may be declared either in writing or by performance of the service and notification thereof to the customer or by delivery of the goods to the customer.

(7) The conclusion of the contract is subject to the proviso that STABIL's suppliers deliver to STABIL in conformity with the contract and in due time. This shall only apply in the event that STABIL is not responsible for the failure in delivery, particularly if a congruent hedging transaction is concluded with STABIL's supplier.

If STABIL is nevertheless unable to perform the said services, the customer must be informed without undue delay that the service cannot be provided. The quid pro quo paid by the customer shall be refunded immediately.

(8) STABIL reserves ownership rights and copyrights to illustrations, drawings, calculations and other documents; they may not be made accessible to third parties. This applies in particular to written documents marked "confidential". Any disclosure to third parties requires the explicit written consent of STABIL.

These documents must be returned to STABIL free of charge without having to request as soon as they are no longer required. The customer is liable for loss and damage. These items / documents must be returned at any time upon request. The customer has no right of retention. Documents / objects must be stored securely and may not be reproduced without the prior written consent of STABIL.

In case of objects / documents for which industrial property rights exist in favour of STABIL and / or which are owed as business / trade secrets, the customer is only permitted the usage expressly authorised by STABIL insofar as certain types of usage are not permitted to every third party.

§ 3 Scope of delivery

(1) The customer is obligated to state the individual specification of the respective delivery item according to the intended individual type of usage in his order taking all technically relevant factors into account.

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If any such customer's details are missing or incomplete, the general product details of STABIL shall apply in addition, if necessary.

(2) The written order confirmation by STABIL shall be crucial for the scope of the delivery. If the contract is concluded by acceptance of a temporary offer from STABIL, the content of the offer from STABIL shall be authoritative for the subject matter of contract.

Subsidiary agreements and amendments require written confirmation by STABIL.

(3) The customer gains ownership of the packaging material. The customer shall ensure that the packaging is disposed of at his own expense pursuant to the statutory provisions and shall release STABIL from the obligation pursuant to § 4 of the Packaging Ordinance or § 15 of the Packaging Act (obligation to take back transport packaging). Otherwise, the provisions of the Packaging Ordinance or from 1.1.2019 of the Packaging Act shall hold applicable.

(4) We reserve the right to make design or shape changes attributable to technical improvements or statutory requirements during the delivery period, provided that the delivery item or the agreed delivery is not substantially changed and the changes are acceptable for the customer.

§ 4 Prices / Terms of Payment

(1) If no special agreement has been made, price would be calculated accordingly - "on a free issue basis" plus the applicable statutory value added tax.

(2) The purchase price is due for payment within 30 days of the invoice date. STABIL grants a discount of 3% on payments made by the customer within 14 days of the invoice date. If the customer is in default of payment, STABIL shall be entitled to demand default interest at a rate of 9% p.a. above the base interest rate. STABIL shall be entitled to assert any higher damage caused by default that can be proven. For his part, the customer is entitled to prove that the damage was lower.

(3) The customer shall only be entitled to rights of set-off or retention, if his counterclaims have been legally established, are undisputed or have been recognised by STABIL. The customer is only entitled to exercise a right of retention insofar as his counterclaim is based on the same contractual relationship. STABIL shall be entitled to set off payments against the oldest claim due, even if the customer's redemption terms are contrary to these.

(4) If a significant deterioration occurs in the financial circumstances of the customer after conclusion of the contract or if STABIL becomes aware of a previously occurring deterioration in the financial circumstances after conclusion of the contract - which gives rise to serious doubts about the creditworthiness of the customer, STABIL shall be entitled to

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demand advance payment or provision of security at its discretion. STABIL is entitled to withdraw from the contract, if the customer does not comply with this request.

(5) The prices shall apply exclusively to a delivery and service within the Federal Republic of Germany.

§ 5 Delivery time / delay / cancellation costs

(1) The start of the delivery period stated by STABIL presupposes the clarification of all technical questions as well as the timely and proper fulfilment of the customer's obligations.

This particularly includes any documents to be procured or prepared by the customer, such as drawings, descriptions, permits to be submitted by the customer, releases and the crediting of agreed down payments on the part of the customer to STABIL's account.

If one of these prerequisites is missing or if ambiguities exist for which the customer is responsible, the delivery period specified by STABIL is suspended until the obstacle has been removed by the customer.

(2) The delivery period shall be deemed to have been observed, if the delivery item has left the factory by the end of the agreed delivery date or the delivery date specified by STABIL, but at the latest by the end of the calendar week following this date or, in case of debts to be collected, if the readiness for dispatch has been notified to the customer by the end of the calendar week specified on the order confirmation.

(3) The delivery period shall be extended appropriately, if unforeseen events occur for which STABIL is not responsible, insofar as such obstacles demonstrably affect the completion or delivery of the subject matter of the contract. This shall also apply, if these circumstances occur at the end of STABIL's subcontractors.

This applies in particular to obstacles arising within the framework of industrial disputes, such as strikes and lock-outs.

STABIL is not responsible for delays in delivery due to the aforementioned circumstances, even if they occur during an already existing delay. STABIL must inform the customer of the beginning and end of such obstacles as soon as possible.

(4) STABIL shall only be in default with a delivery, if the customer has set a grace period of two weeks in text form and STABIL lets this grace period elapse unused.

(5) If the customer is in default of acceptance or if he violates other duties to cooperate, STABIL shall be entitled to claim the damage incurred by STABIL, including any additional expenses. In this case, the risk of accidental loss or accidental deterioration of the purchased item shall also pass to the customer at the time at which the latter defaults on acceptance.

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(6) If the delivery of the subject matter of the contract is delayed at the request of the customer, the customer shall be charged at the beginning of the month following notification of readiness for dispatch the costs arising from storage, but in the event of storage in one of STABIL's plants, it would be at least 0.5% of the invoice amount for each month commenced.

STABIL reserves the right to prove higher damages and the customer reserves the right to prove lower damages.

In addition, STABIL shall be entitled to withdraw from the contract after expiry of a reasonable period of time notified to the customer or to dispose of the delivery item otherwise after expiry of a reasonable period of time notified to the customer and to supply the customer in accordance with the contract within a reasonable, extended period of time.

(7) If the customer withdraws from an order placed without justification, and if the customer has been set a reasonable period for subsequent performance, STABIL shall be entitled without prejudice to the possibility of claiming higher actual damages, to claim 10% of the sales price for the costs incurred by processing the order and for lost profit.

The customer reserves the right to prove that the loss suffered is less than this .

(8) If STABIL is in default of delivery, claims for compensation for delay in performance are excluded irrespective of other rights of the customer in the event of slight negligence.

Otherwise, the customer may claim a lump-sum compensation amounting to 3% of the delivery value for each completed week of delay, but not more than 15% of the delivery value. STABIL reserves the right to claim a lesser damage, the customer reserves the right to claim a higher damage. In any case, claims for damages due to delay in delivery shall be limited to the foreseeable, typically occurring damage.

§ 9 shall apply accordingly.

§ 6 Transfer of risk

(1) Delivery is carried out "ex factory" at Kirchheim.

(2) Delivery is deemed to have taken place, if the customer is in default of acceptance.

(3) The above clauses shall also apply to agreed partial deliveries.

(4) Insofar as STABIL has assumed shipping costs, delivery or installation of the subject matter of the contract in accordance with the contractual agreement, the above risk transfer clauses shall remain unaffected.

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(5) If the dispatch of the subject matter of the contract is delayed due to circumstances for which the customer is responsible, the risk shall pass to the customer from the date of readiness for dispatch; however, STABIL shall, at the request and expense of the customer, effectuate the insurances requested by the latter.

(6) Delivered items shall be accepted by the customer, even if they show insignificant defects, without prejudice to the rights under § 7.

Partial deliveries are permissible.

§ 7 Warranty

(1) The limitation period for claims based on defects is 12 months - except in the event of fraudulent intent and bad faith subject to § 9 paragraph 8. Any claims for damages, including claims for breach of an obligation to subsequent performance pursuant to para. 4, shall be subject to the provision in § 9.

(2) In all other respects, STABIL's warranty shall initially be limited to subsequent performance, at STABIL's option either by repair or replacement. In the event of rectification of the defect, STABIL shall bear the necessary expenses for removing the defective item and installing the repaired or delivered item free of fault, insofar as these are not increased because the subject matter of the contract is located at a site other than the place of performance. STABIL shall not reimburse the costs of an additional legally and economically necessary rectification of the end product within the framework of subsequent performance in the event of combination, mixing or processing or other damage elimination in proportion to the remuneration for the delivered product at the sales price of the end product. This shall also apply to subsequent performance in case of end products without prior mixing, combining or processing with other products or in case of products which have undergone further processing.

If the use of the delivery item leads to an infringement of industrial property rights or copyrights in Germany, STABIL shall procure the right for the customer to continue using the delivery item or otherwise eliminate the infringement of the industrial property rights. If this is not possible under economically reasonable conditions or within a reasonable period of time, the customer shall be entitled to withdraw from the contract. Under the aforementioned conditions, STABIL shall also be entitled to withdraw from the contract. This obligation is final for infringements of industrial property rights and copyrights subject to the provisions in § 9. This means that the customer informs STABIL immediately of any infringements asserted and supports STABIL in defending the asserted claims or enables STABIL to carry out the modification measures. A further prerequisite is that STABIL retains the right to all defensive measures, that the defect of title is not based on an instruction of the customer and that the infringement of rights was not caused by the customer changing the delivery item without authorisation or using it in a manner not in accordance with the contract. If STABIL is not

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liable pursuant to this section, the customer shall indemnify STABIL against all claims of third parties.

(3) If subsequent performance fails, the customer shall be entitled to withdraw from the contract. If the breach of contract is only minor, particularly in case of minor defects, the customer shall not be entitled to withdraw from the contract. The customer's right to a reduction is excluded.

The rectification shall be deemed to have failed with the second unsuccessful attempt, unless further attempts at rectification are appropriate and reasonable for the customer owing to the subject matter of the contract.

(4) If the customer claims damages after failed subsequent performance, the goods shall remain with the customer to the extent that this is reasonable.

Subject to the provisions of § 9, damages shall be limited to the difference between the purchase price and the value of the defective item after the failed performance has been rendered or, if the performance is rendered by a third party, to the relevant performance price less saved expenses. This shall not apply if STABIL has maliciously caused the breach of contract. In the event of the defectiveness of goods which result from combination, mixing or processing as well as further processing of a defective product, STABIL shall not compensate the damage in the proportion in which the remuneration for the delivered product stands to the sales price which would have been expected for the end product, if the delivery had been free of defects.

(5) The product descriptions of STABIL shall only be regarded as quality specifications. Public statements, recommendations or advertising do not represent any contractually guaranteed characteristics of the goods.

The product descriptions of a manufacturer used by STABIL shall also only be regarded as quality specifications. Public statements, recommendations or advertising by the manufacturer do not represent any contractually guaranteed characteristics of the goods.

(6) If the customer receives faulty assembly instructions, STABIL is only obligated to provide assembly instructions without defects and only if the fault in the assembly instructions prevents proper assembly.

(7) The customer may only claim damages for non-performance or withdraw from the contract, if STABIL has neither remedied the defect nor made a replacement delivery despite setting a reasonable deadline or if the customer cannot be expected to accept a replacement delivery or repair within reason.

(8) Warranty claims pursuant to paragraphs 1-7 assume that the customer notifies STABIL in writing of obvious defects within 2 weeks of receipt of the goods and of hidden defects within 2 weeks of discovery of the defect. The receipt of the notification by STABIL shall be crucial for complying with the deadline. If the customer fails to notify STABIL of the discovery of a

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defect, the warranty rights shall expire 2 months after the defect has been discovered. This shall not apply in the event of fraudulent intent on the part of STABIL. The burden of proof for the time at which the defect was discovered lies with the customer. If the customer was persuaded to purchase the item with incorrect manufacturer information, the customer shall bear the burden of proof for his purchase decision.

(9) The customer shall bear the burden of proof for the immediate notification of a defect. The burden of proof that he himself has not taken measures to remedy the defect, shall also lie with the customer.

(10) The customer does not receive guarantees within the legal framework from STABIL. Manufacturer warranties of third parties remain unaffected by this.

§ 8 Warranty for replacement of individual components

If an individual component of a product is replaced within the warranty periods, this does not mean an extension / restart of the warranty periods for the entire product. Rather, the extension / restart of warranty periods refers exclusively to the replaced individual part.

§ 9 Limitation of liability

(1) The liability of STABIL in the event of negligent breaches of duty is limited to the foreseeable, contract-typical, direct average damage according to the type of goods. This also applies to negligent breaches of duty by STABIL's employees, workers, staff, representatives and vicarious agents.

Liability is excluded in case of slightly negligent breach of insignificant contractual obligations.

(2) Any further claims of the customer - for whatever legal reason - are excluded, unless otherwise stated below.

STABIL is therefore not liable for damages that have not arisen directly on the delivery item itself. In particular, STABIL shall not be liable for loss of profit or damage to other assets of the customer or of a third party, including such items which have arisen as a result of combination, mixing, processing and/or further processing.

(3) The exemption from liability and the limitation of liability in the preceding clauses (1) and (2) shall not apply in case of damage resulting from injury to life, limb or health, in case of intent or gross negligence. The exemption from liability shall also not apply, if STABIL culpably violates an essential obligation (cardinal obligation) from the contract; in this case,

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however, the liability shall be limited to the foreseeable, contract-typical, direct average damage in accordance with clause (1).

Essential contractual obligations (cardinal obligations) are those which guarantee the accomplishment of the purpose of the contract and the fulfilment of which makes the proper execution of the contract possible in the first place and on the fulfilment of which the customer may rely.

(4) If STABIL violates an essential contractual obligation, STABIL's obligation to pay damages shall be limited to the sum insured under STABIL's business liability insurance in case of property damage, provided that at least gross negligence is not to be blamed at. Upon request, STABIL shall provide insight into the insurance policy.

Insofar as STABIL's liability is excluded or limited, this shall also apply to the personal liability of STABIL's employees, workers, representatives and vicarious agents.

(5) In general, liability on the part of STABIL is excluded in the event that parts other than those manufactured or specified by STABIL are incorporated into the delivery item upon the customer's request. The customer shall bear the burden of proof that such a deviation is not the cause of any defectiveness of the delivery item.

(6) STABIL shall not be liable for installation work carried out by the customer himself. The burden of proof for the installation without faults lies with the customer. This shall not affect STABIL's obligation pursuant to § 7 para. 2 to reimburse the necessary expenses for the removal of the defective item and the installation of the repaired or delivered item free of fault.

(7) The above limitations of liability do not apply to the customer's claims arising from guarantees and/or product liability.

(8) Claims for damages under the above clauses 1 - 7 shall become statute-barred within the statutory limitation periods.

§ 10 Retention of title

(1) STABIL reserves ownership of the subject matter of the contract until receipt of all payments arising from an on-going business relationship.

In the event of breach of contract by the customer, especially default in payment, STABIL shall be entitled to take back the subject matter of the contract. Taking back the subject matter of the contract does not constitute withdrawal from the contract unless STABIL explicitly declares this in writing.

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Seizure of the object of the contract by STABIL shall always constitute as withdrawal from the contract. STABIL is entitled to exploit the object of the contract after it has been taken back. The proceeds from the sale shall be set off against the customer's liabilities - minus reasonable selling costs.

(2) The customer is obligated to treat the goods with care; in particular he is obligated to insure them sufficiently at his own expense against fire, water and theft at their replacement value. If maintenance and inspection work is necessary, the customer must carry this out regularly and in good time at his own expense.

(3) In the event of seizures or other interventions by third parties, STABIL must be notified immediately in writing by the customer. If the third party is not in a position to reimburse STABIL for the judicial and extrajudicial costs of an action pursuant to § 771 ZPO (Code of Civil Procedure), the customer shall be liable for the loss incurred by STABIL.

Furthermore, the customer is obligated to inform STABIL immediately of any damage or destruction of the goods. The customer must notify STABIL immediately of any change of ownership of the goods or the relocation of the company's registered office.

(4) The customer is entitled to resell the goods in the proper course of business. However, the customer hereby assigns all claims in the amount of the agreed price of the reserved goods to STABIL (including VAT) which accrue to him from the resale against his buyers or third parties, irrespective of whether the goods have been resold without or after processing. STABIL accepts this assignment.

The customer remains authorised to collect the claim even after the assignment. This shall not affect STABIL's right to collect the claim by itself. However, STABIL undertakes not to collect the claim as long as the customer meets his payment obligations from the proceeds received, is not in default of payment and, in particular, has not filed for insolvency or suspended payments. If this is the case, however, STABIL can demand that the customer informs STABIL of the assigned claims and their debtors, furthermore provides all information necessary for the collection of the claim, hands over the relevant documents and informs the debtors (third parties) of the assignment.

(5) The processing or transformation of the goods by the customer shall always take place in the name and on behalf of STABIL. If the goods are processed with other objects not belonging to STABIL, STABIL shall acquire co-ownership of the new object in the ratio of the value of the goods to the other processed objects at the time of processing.

In all other respects, the same shall apply to the object resulting from the processing as to the goods delivered under reservation of title.

(6) If the goods are mixed with other objects not belonging to STABIL, STABIL shall acquire co-ownership of the new object in the ratio of the value of the goods to the other mixed objects at the time of mixing.

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If the mixing is carried out such that the customer's item is to be regarded as the main item, it shall be deemed agreed that the customer assigns co-ownership to STABIL on a pro rata basis. The customer shall keep the sole ownership or co-ownership thus created in safe custody for STABIL.

(7) The customer also assigns the claims to STABIL in the amount of the price of the reserved goods (including VAT) to secure STABIL's claims against him which arise against a third party through the combination of the goods with real property.

(8) STABIL undertakes to release the securities to which STABIL is entitled at the request of the customer to the extent that the value of the securities given to STABIL exceeds the claims to be secured by more than 20%; STABIL shall be responsible for selecting the securities to be released.

§ 11 Special right of termination / Embargo regulations / EU anti-terror regulations

(1) Insofar as the conclusion of contracts between STABIL and the customer or the resulting delivery obligations and / or payment obligations of the customer for STABIL violate national and international binding regulations (e.g: foreign trade regulations of the Federal Republic of Germany, export and embargo regulations of the European Union, other states, in particular the USA including the EU anti-terror regulations), STABIL shall be entitled to terminate the contractual relationship extraordinarily and/or withdraw from the contract.

(2) In this special case, the customer shall not be entitled to damages.

(3) The customer is obligated to inform himself of any corresponding statutory provisions which make it impossible for STABIL to fulfil the contract.

§ 12 Data protection

Further information on the subject of data protection can be found on our website.

§ 13 Provider identification

Comprehensive information about STABIL, such as the complete company name, address, commercial register number, sales tax ID number and more can be obtained from our website at www.stabil-elektrotechnik.com/de/unternehmen.

§ 14 Final provisions

(1) The law of the Federal Republic of Germany shall apply. The provisions of the UN Convention on Contracts for the International Sale of Goods shall not apply.

(2) If the customer is a merchant, a legal entity under public law or a special asset under public law, the exclusive place of jurisdiction for all disputes arising from this contract shall be the registered office of STABIL. The same shall apply, if the customer does not have a general place of jurisdiction in Germany or if his place of residence or usual abode is not known at the time the suit is filed.

STABIL shall also be entitled to institute legal proceedings at the customer's place of business.

(3) Should individual provisions of the contract with the customer, including these General Terms and Conditions, be or become invalid in whole or in part, this shall not affect the validity of the remaining provisions.

The wholly or partially invalid provision shall be replaced by a provision whose economic success comes as close as possible to that of the invalid provision.

§ 15 Confidentiality

The customer is obligated to treat all information, know-how and other business secrets in connection with the execution of the respective order as strictly confidential and not to pass on any information, documents or other documents to third parties without the explicit consent of STABIL. STABIL shall also treat the customer's documents confidentially.