

General Terms of Sale and Delivery of KUHN GmbH,
Franz-Kuhn-Straße 1-3, 74746 Höpfigen (as of August 1, 2015)

§ 1 Scope of validity

We enter into all contracts subject exclusively to the following conditions, also if we do not make express reference to them in the future. Our contracting parties acknowledge these conditions at the latest when the contract is brought about. Deviations which conflict with these General Terms of Sale and Delivery shall only apply to the contents of the contract, if we expressly acknowledge the deviations in writing. Even in cases where we have stated we are willing to acknowledge any deviating general business terms, our condition specified below regarding retention of title is not subject to a contrary agreement by the parties. We must give our express written agreement in order for any conflicting terms of purchase of our contractual partners to apply.

§ 2 Offer and conclusion of contract

Our offers are subject to change without notice with regard to price and availability. Unless expressly designated as binding, the documents accompanying our offer are only to be considered as approximations. Offers and cost estimated prepared by us must be treated as confidential. We reserve all the rights to any drawings, plans, calculations, models, samples, etc. produced for the purpose of preparing an offer.

§ 3 Prices

Our prices are quoted ex works - unless otherwise agreed - and exclude packaging. They are based on the cost factors existing at the time. We reserve the right to revise prices should the cost factors change prior to delivery. Value added tax shall be shown and charged separately.

§ 4 Order confirmation

Orders, agreements, assurances and the like are subject to our written confirmation to become valid in law. Any objections to our confirmations are to be put forward in writing immediately, however at the latest within one week of receipt thereof. Any orders placed by our customers shall be binding for us upon receipt of a written order acknowledgement or following our delivery. Any drawings, plans, calculations, models, samples, etc. provided to our customer for the purpose of executing an order shall remain our property and shall be returned to us following execution of the order. These may not be passed on to any third party or brought to the attention of any third party.

§ 5 Delivery

5.1 General information

Delivery is carried out at the expense and risk of the customer. At the latest at the time the goods are loaded onto the means of transport the risk of deterioration or loss passes to the customer. Goods which are not accepted are stored at the expense and risk of the customer. Partial deliveries are permissible and are treated as separate deliveries. We reserve the right to choose the means of transport and the shipping route. However, we are not liable for choosing the cheapest means of transport. If the customer specifies a particular shipping method or form of conveyance, the customer is required to bear any extra costs which may arise from this. Free or freight-collect delivery without installation by us to a building site, a warehouse or any other location specified by the customer involves delivery without unloading. A requirement for this is a public thoroughfare capable of being used by heavy goods vehicles. Unloading must be carried out by the customer without delay and in an appropriate manner. If delivery is delayed because the customer fails to accept delivery of the goods within 14 days of being advised that they are ready for delivery, from that day risks shall pass to the customer.

5.2 Delivery dates and delivery deadlines

Specification of the time of delivery is subject to alteration. Delivery begins after completion of the work as soon as all construction and delivery details have been clarified and all conditions for delivery have been fulfilled by the ordering party. Unforeseeable exceptional circumstances release us from the obligation to deliver the goods.

Damages claims arising from failure to perform the agreement or from delays in delivery are inadmissible unless they are deliberate or result from gross negligence on our part. If the customer falls behind in making payments owed to us, the customer is not bound by agreed upon delivery deadlines.

§ 6 Warranty and defects

6.1 The customer is obliged to inform us of any defects, inappropriate messages or incorrect deliveries in writing and without delay, at the latest however within 5 working days after delivery, but in all events prior to handling or installing. Shipping damage must be reported to us at the time of delivery of damaged equipment, and a complaint in writing made to the shipper. Otherwise any complaints from the customer are ruled out.

6.2 No alterations to the defective parts may be made without our express agreement, otherwise the customer shall lose

all claims under the warranty. In the event of demonstrable defects, we have a choice of either repairing these free of charge or providing replacements upon return of the defective parts.

6.3 Our warranty against or liability for any defects shall no longer apply should our operating instructions not be fully observed. The customer shall have the burden of proving that operating instructions were observed at all times.

6.4 Without specific written agreement we bear no responsibility for the conformity of goods and equipment it supplies with foreign regulations.

6.5 If no formal acceptance is required or specified, our deliveries and responsibilities shall be regarded as fulfilled with the acceptance or commencement of operations.

6.6 We guarantee the warranted characteristics, the faultlessness and the functioning of goods, plants or parts thereof delivered, in accordance with the respective standard of technology. Parts subject to wear are hereby excluded. The latest relevant version of the General Conditions of Sale for the Products and Services of the Electrical Industry shall apply to the electrical components.

6.7 The warranty shall comply with the applicable provisions of law. The period of limitation for any claims arising from defects begins with the date of acceptance, however at the latest three months after delivery.

6.8 We assume no liability for damage which occurs for the following reasons:

Unsuitable or improper use, incorrect or improper assembly, which was not carried out by us, commissioning or repairs carried out by the customer or a third party, normal wear and tear, incorrect or careless handling, improper mode of operation, inadequate construction, failure to observe the operation and/or maintenance instructions/periods.

6.9 Should it turn out during the inspection of the damage that we are not responsible for the defects specified, we are entitled to invoice the costs arising from the inspection and/or repair such as travel expenses, the fee for the damage appraisal, engineer and technician costs, etc.

§ 7 Customer's entitlement to cancel the contract

7.1 In the event of a delay in providing services for which we are responsible, the customer is only entitled to terminate the contract and explicitly threaten to refuse to take delivery after granting an adequate period of time, which has in the meantime expired.

7.2 Furthermore, the customer is entitled to terminate the contract if we are to blame for allowing an adequate period of time to expire, although this was granted to us for repairs or for the delivery of replacement parts on account of damage for which we are responsible as contemplated by these terms and conditions. The customer is also entitled to terminate the contract should the repairs or the delivery of the replacement parts simply not be possible, seen objectively or subjectively.

§ 8 Returns

Goods supplied by us will only be taken back only if in faultless condition after prior written consent with return shipment freight prepaid at the risk of the party sending goods back to the extent taking back the goods was previously agreed upon by us in writing. The value shall be credited less an appropriate share of costs for taking goods back. Taking back custom-produced goods or goods which procured specifically for the customer is excluded in any event.

§ 9 Payment

9.1 Payment terms

Our invoices are payable within 14 days after the date of the invoice.

Checks and bills of exchange will be credited only after they have been redeemed and claim assignments only credited after payment. Offsetting of counter claims is only permissible if we have accepted it or it has become legally established.

If an order is delivered in partial shipments, then billing shall also be in partial invoices, with the payment deadline beginning from the date of the invoice.

As long as not other agreements have been made, starting from a net order value of €20,000.00, the following terms shall apply for invoicing:

- a) 30% upon placement of the order
- b) 60% after delivery
- c) 10% following commission, at the latest, however, 3 months following delivery

If required, appropriate guarantees will be given, to the extent that this was agreed upon when the agreement was entered into.

9.2 Delay in payment, creditworthiness

In case of a delay in payment the default interest respectively applicable by law shall be charged, starting from the date of the default, without a special notice of default having to be given. The charging of further damages arising from delay is not excluded by this.

Our claims shall be payable immediately irrespective of agreed deadlines if circumstances become known to us which cast doubt on the creditworthiness of the customer. In this case we reserve the right to execute outstanding shipments and other orders only after payment of cash in advance.

§ 10 Retention of title

10.1 The goods supplied by us remain our property until they have been fully paid for.

10.2 In reciprocal commercial transactions the supplied goods shall remain our property until full payment of all claims existing against our customer on the date of the invoice. The customer is only entitled to the resale of goods in a proper business transaction.

The customer hereby assigns to us his claims arising from the resale. We hereby accept the assignment of aforesaid claims. At the latest in the event of default, the customer must provide us with the details of debtor of the assigned claim. To the extent the value of our existing securities exceeds our claim by more than 20%, at the request of our customer or a third party placed at a disadvantage by our over-securing we are obliged to release securities correspondingly.

10.3 When working on or processing our goods, we shall be deemed to be the manufacturer pursuant to Article 950 of the German Civil Code and the products shall remain our property at all times during processing. If third parties are also involved in processing, we are limited to co-ownership up to the amount of the value of the invoice of the goods subject to the retention of title. The property acquired in this way shall be deemed privileged property.

10.4 Our customer must insure all goods supplied subject to retention of title against fire and theft at its expense and provide us with evidence of the insurance cover upon request. The claims of the purchaser against the insurance company for indemnification are already assigned to us at this point.

10.5 In the event of delays in payment or difficulties in making payment, we are authorized to demand the return of goods that have been delivered. Reclaiming of goods only constitutes withdrawal from the agreement if we expressly communicate this to our customer in writing. Otherwise, reclaiming of goods shall be for providing security for our claims. All transport and storage costs associated with reclaiming goods shall be at the expense of our customer. The same applies for any loss in value or for disassembly costs.

§ 11 Statute of limitations

All claims of our customer, for whatever legal reason, shall lapse in twelve months where the law does not stipulate a shorter statute of limitations period. Legal statutes of limitations shall apply for intentional or fraudulent behavior as well as for claims on the grounds of the German Product Liability Act (Produkthaftungsgesetz).

§ 12 Choice of law, validity, jurisdiction

The law of the Federal Republic of Germany, excluding the UN Convention on Sale of Goods, shall apply to the contractual relationship.

Should individual provisions of the agreement become invalid, this shall have no effect on the validity of the remaining provisions of the agreement. Legal provisions shall take the place of the conditions which have become invalid. To the extent that minimum statutory provisions for nonmerchants apply, these shall take the place of these conditions.

The place of performance for shipment and payment is Höpfigen, Germany. If legally permissible, Mosbach Regional Court (Landgericht) shall be the place of jurisdiction for all disputes.

§ 13 Data protection

It is pointed out to the customer and the customer hereby agrees that, in compliance with statutory provisions, we may collect, store and process order-specific, goods-specific and personal data in our data processing systems.