

## General Terms & Conditions of Trade

### 1. General

Our offers are subject to change. Collateral agreements and modifications of these terms and conditions are only valid when confirmed by us in writing. This also applies to all oral deals made by our field force representatives.

### 2. Job orders

- a. Our job order confirmation determines the contractual content and scope of delivery/performance.
- b. Reservations have the status of orders for goods to be delivered on demand and are binding for the orderer once the job order confirmation has been made.
- c. Acceptance of delivery shall take place within a period of twelve months.

### 3. Delivery

- a. Product descriptions and technical information such as measures, weight, illustrations and drawings in brochures, documentation etc. are approximate only and not binding in a legal sense, unless this is explicitly stated.
- b. We reserve the right to make modifications and improvements in the course of technical progress. This also applies to modifications taking place after conclusion of contract in a relationship of continuous obligation. In the latter case the orderer has the right to cancel, but no further claims.
- c. A freight/minimum quantity lump sum of 10% of ordered volume is payable on all deliveries under € 1.000,-. Costs will be calculated separately for customers with special wishes (e.g. express deliveries, shipment by air freight).

### 4. Prices

- a. Quoted prices are net prices in € ex works or ex point of sale/storage, according to the deliverer's preference.
- b. Prices do not include packaging, postage, insurance, freight, and value added tax payable at the time of delivery.

- c. Price changes are allowed if the interval between conclusion of contract and agreed delivery date exceeds four months. In such cases the price on the day of delivery applies.
- d. For deliveries within four months, the price on the day of conclusion of contract applies.
- e. If the orderer is a merchant, the price valid on the day of delivery applies whatever the case.
- f. In the case of merchants and legal entities/special funds under public law, the price valid on the day of delivery applies whatever the case.

## 5. Delivery period

- a. Our performance/delivery periods start from the day of confirmation of the order.
- b. We reserve the right to perform partial deliveries. These qualify as independent performance.
- c. If we are more than three weeks late on the confirmed date of delivery, the orderer is entitled by law to set a three-week extended time limit for delivery.
- d. If we fail to perform/deliver within the period of respite, the orderer is entitled to withdraw from the contract. Withdrawal must be made promptly in writing.
- e. Force majeure and disruptions in delivery from our suppliers discharge us from the obligation to perform for the duration of the effects of these events. Strikes, lockouts and other circumstances outside our control preventing or greatly impairing our ability to deliver, whether occurring at our works or those of our suppliers, shall be considered as constituting force majeure. Such events constituting force majeure entitle us to withdraw from a contract on the basis of the unfulfilled part. Withdrawals of this nature shall not entitle the orderer to claim for damages. We shall not be held liable for the circumstances designated in the foregoing in transactions with merchants even if they occur during an existing delay.
- f. Any compensation for damages on the grounds of delayed delivery or non-delivery shall not exceed 30% of the damage caused, and shall on no account exceed the value of the product delivered late or not at all.
- g. This shall not apply in the case of fundamental or grossly negligent breaches of contract by us or persons employed on our behalf for whom we are vicariously liable.

## 6. Bearing of risk

- a. We deliver at the recipient's expense and risk.
- b. The risk passes to the orderer even if transport is prepaid ex works or delivery warehouse.
- c. We reserve the right to invoice costs related to transport, packaging and insurance to the receiver.

## 7. Payment

- a. Our invoices must be settled without discount within ten days from date of billing.
- b. Our invoices for repairs must be paid immediately, total net.
- c. Goods delivered abroad will be invoiced according to the respective agreement. Payment is considered to have been made as soon as the amount of the invoice is credited to our accounts.
- d. We give a 2% discount on receipt of the sum payable within fourteen days of the invoice date. A discount is only granted if all previous invoices have been paid.
- e. We reserve the right to charge interest at a rate 4% above the base rate, or at a rate of at least 8% plus value added tax, from the due date in the case of merchants and from the start of arrears in the case of other persons.
- f. We reserve the right to claim further compensation due to arrears. Discount charges, stamp duty on bills of exchange, exchanges and fees of money transfer as well as interests on arrears are payable immediately. All such charges are payable by the orderer.
- g. Only non-contentious or legally valid accounts receivable can be offset against our due claims for payment.
- h. Merchants and legal entities/special funds under public law waive rights of retention.

## 8. Arrears on payment

- a. If the purchaser is late on a payment or has stopped making payments or the facts are tantamount to stoppage of payment, we are authorized to demand advance payments or sureties while reserving our other rights.
- b. We are also entitled to withdraw in whole or in part from other contracts concluded with the purchaser, or claim for compensation owing to non-performance. This shall have no effect on other rights.

## 9. Reservation of ownership

- a. The goods delivered remain our property until complete payment of the purchase price and until payment of all past and future deliveries of goods within the business relationship including all incidental claims (until cashing of the cheque or bill of exchange in the event of payment by cheque or bill or exchange).
- b. Until such time the purchaser is not entitled to pledge the goods to third parties or transfer them as collateral.
- c. Should the purchaser process or modify the goods, we qualify as manufacturer within the meaning of Section 950 of the German Civil Code and acquire ownership of the intermediate or final products. The purchaser is merely the custodian. We authorize fully qualified merchants at our pleasure to sell the goods in the ordinary course of business.
- d. The purchaser is obliged to impose our reservation of ownership on his customers.

- e. The purchaser assigns to us all claims including accessory rights and securities arising from or in connection with the sale to the amount of the amount invoiced of the goods delivered by us and sold by our customer, plus 20%.
- f. We authorize the purchaser at our pleasure to collect the claims assigned to us in his own name on our account, provided he keeps up with his payments. The proceeds to which we are entitled shall be promptly transferred to us.
- g. The purchaser shall not be permitted to settle the amount receivable in a current account relationship with his customer.
- h. The purchaser shall be obliged on request to make the transfer of claim known to his customer and cooperate in all measures required to assure our rights. We are authorized to inform the third party – whose identity shall be revealed to us on demand – of the transfer and to issue instructions.
- i. The purchaser shall promptly inform us in the event of access by third parties to the goods delivered by us on the basis of reservation of ownership, or in the event of assignment of claims.
- j. The right of ownership is also valid with respect to the carrier into whose custody the goods were delivered on the purchaser's application or at our request.
- k. The goods on which ownership is reserved shall be treated appropriately and insured by the purchaser at his expense against fire, burglary and water damages. Insurance claims arising out of damaging events shall be assigned to us.
- l. If the security existing through the reservation of ownership exceeds the claim to be secured by 20%, we shall release fully paid deliveries at our pleasure.
- m. Consumer shall not be given rights of disposal over the conditional goods. In the event of arrears on payment, we reserve the right to demand interim restitution of the goods under our ownership by way of security, even without exercising the right of withdrawal and without an extension of delay.

## 10. Complaints

- a. Complaints must be promptly made by the purchaser in writing not later than one week after receipt of the goods.
- b. The time limit refers to the time of receipt of the complaint. In transactions with non-merchants this applies only if the defects are obvious.
- c. Defective goods shall be made available by the purchaser.
- d. In transactions with merchants, price deductions by the customer are inadmissible.

## 11. Liability for defective goods

- e. We guarantee the conformance of our goods with the contract at the time of transfer of risk.
- f. The period of guarantee lasts at least twelve months from the day of delivery.
- g. In the event of defects, we may choose to replace the defective goods free of charge or effect a remedy. Repeated remedying is admissible, unless unreasonable.

- h. Should remedying finally prove impossible or should we fail to remedy the defect despite a reasonable period of respite, or should we fail to provide a replacement, the purchaser can choose either to demand a suitable price reduction or to demand cancellation of the contract. Independently of any limitations which might apply, warranty claims shall be barred if not asserted through the courts within six months of realization of the defect or if not explicitly recognized by us in writing.
- i. No other claims shall be admitted in respect of defects. Investigation, reworking or other efforts on our part, despite late complaints, do not constitute a waiver of opposition on the grounds of delay. The same applies in the event of formally incorrect or incomplete complaints.
- j. Liability for defects does not apply in the case of normal wear and tear, in particular in the case of defects or damage caused after transfer of risk to the fact of the goods having been handled wrongly or negligently by the purchaser.
- k. The liability for defects does not apply in the case of non-observation of maintenance instructions or of instructions for use and storage, breach of legal provisions, tampering with or modification of products by persons not authorized by us to do so, replacement or attrition of parts, use of materials that do not meet the original specifications.
- l. If remedy or replacement is prevented or impeded to a not insignificant degree by the purchaser's behavior, in particular by the abovementioned circumstances, replacement and remedy are rendered inapplicable in any case as are any and all other warranty claims.
- m. We shall not assume liability for defects in any products not manufactured by us. However, we are willing to assign to the orderer our claims against the manufacturer or our suppliers.
- n. Non-merchants who have unsuccessfully attempted to settle a claim out of court with the manufacturer or our supplier have the same warranty rights as for our own products.
- o. Return of defective goods is not allowed except with our consent. In transactions with merchants, the purchaser is required to submit the freight costs. Reimbursement will be made only in the case of justified complaint.
- p. With regard to our products subject to natural degradation (duly labelled with an expiry date) warranty claims only apply during the technical service life of the products. The foregoing warranty provisions apply to company services accordingly. Legal provision regarding time limits and rejection threats are to be observed in addition. The warranty period ends six months after acceptance of delivery.
- q. Use or commissioning of products etcetera before acceptance of delivery is not permitted.
- r. Independently of any limitations which might apply, warranty claims shall be barred if not asserted through the courts within six months of realization of the defect, or if not explicitly admitted by us in writing.
- s. All facts and figures on our goods and services are for purposes of identification and description only. Specifically, reference to German Industrial Standards (DIN) basically constitutes a closer description of the goods and does not constitute a warranty. A warranty of product features is present only if explicitly intended as such. Where this is the case, the claims and procedure pursuant to No. 11 apply with regard to liability in the first instance, before the customer can assert any further claims.

- t. Claims for compensation for damages resulting from defects are restricted in the case of merchants and legal entities/special funds under public law to damages against which the warranty was designed to protect.
- u. Information and advice provided by us is given according to the best of our knowledge, but on an errors-and-omissions-excepted basis.
- v. The customer undertakes to adhere to all relevant rules regarding the handling and storage of the goods, and to all safety and other legal provisions (in particular, the European Medical Devices Directive Act and German Equipment Safety Act [Medizinproduktegesetz, Gerätesicherheitsgesetz]) and provisions regarding identification/labelling, shelf life, and advertising.
- w. The goods may only be passed on in their original packaging with original labelling and original product information leaflet.
- x. We are contractually liable for damages caused by intent or gross negligence on our part or on the part of persons employed on our behalf for whose actions we are vicariously liable. Claims for damages, apart those through delay and inability to perform, of whatever nature and legal basis, in particular for consequential damages, are excluded unless the terms provide otherwise.
- y. Compensation claims by the purchaser arising from tort or other non-contractual legal grounds are inadmissible, except in the case of intent or gross negligence on our part or on the part of persons employed on our behalf for whose actions we are vicariously liable, which we are unable to disprove.

## 12. Recall

- a. We reserve the right to recall products or cancel deliveries should this be necessary to investigate suspected manufacturing errors or the like, to prevent damage in the event of defects, etcetera.
- b. In such cases we may choose to reimburse the purchase price to the customer, to the exclusion of all other claims, or provide a replacement.

## 13. Repurchase

Repurchase shall take place only with our written consent. Repurchase is an option only in the event of a justified complaint or in the exercise of our ownership rights.

## 14. Partial invalidity

Should any part or parts of these terms and conditions be invalid or become so, this shall have no effect on the remainder. The invalid parts shall be replaced so as to preserve the original intention as closely as possible. The same applies in the case of a loophole in the contract. Should the contractual partners fail to agree, the provisions of sections 315 and 316 of the German Civil Code apply.

## 15. Legal venue and place of performance

The place of performance is Munich. The legal venue for all our business transactions with fully qualified merchants, legal entities/special funds under public law, and persons based abroad, is Munich, or, if we prefer, the defendant's place of business. For legal relations with us, including the establishment of contracts, domestic German law shall apply especially to the exclusion of the uniform international commercial law of the Vienna Sales Convention.

Unterfoehring, May 2019