

General Conditions of Sale

Status: September 22nd, 2016

1. General. 1. The following terms and conditions ("General Terms and Conditions") apply exclusively to all our legal relations including quotes, sales, deliveries and services. 2. Deviating terms and conditions shall apply only if we have explicitly agreed to their validity in the written form. 3. Changes to individual terms of the General Terms and Conditions shall not affect the remaining provisions. We explicitly object to any conflicting confirmation by the contractual partner referring to the validity of his terms and conditions or terms and conditions of purchase. 4. Our General Terms and Conditions shall also apply exclusively if we execute the delivery to the contractual partner without reservation in the knowledge that the terms and conditions of the contractual partner conflicts or deviates from our General Terms and Conditions. 5. Without our explicit text form approval, the rights and obligations resulting from our contractual relationship may not be assigned to third parties. 6. These General Terms and Conditions shall apply to all of the current and future business dealings until a text form agreement to the contrary has been made, even if no special reference is made to an individual order within the framework of an existing business relationship. 7. Our General Terms and Conditions shall apply only to businesses as defined by § 310 Section 1 BGB (German Civil Code).

2. Quotations and contract conclusion. 1. Our quotations are always non-binding, unless agreed otherwise. 2. In case of quotations, a text form contract confirmation shall be required for the contract to become binding. 3. Cancellation after contract confirmation is expressly excluded. 4. If an order is to be qualified as a quote then we may accept this quote within a period of 2 weeks.

3. Prices. 1. Unless indicated otherwise in our order confirmation, our prices shall be non-binding and apply from the D-85737 Ismaning place of delivery not including packaging, postage, shipping, other shipment expenses, insurance, customs duties and commissioning as well as the applicable VAT. The VAT is to be shown separately on the invoice in the statutory amount on the date of invoicing. 2. A cash discount shall require a separate text form agreement. 3. Once we have accepted the installation and/or assembly and unless otherwise agreed, the contractual partner shall bear - in addition to the agreed compensation - all necessary incidental costs such as travel and transportation costs. 4. Unless not otherwise indicated in the order confirmation, the purchase price or delivery price shall be due for payment without deduction within 14 days after the date of invoice. The legal provisions in regard to the consequences of a delayed payment apply.

4. a) Delivery period. 1. The beginning of the delivery period determined by us shall only commence after all technical questions have been resolved. The compliance with our obligation to deliver also requires the timely and proper fulfilment of the obligations of the contractual partner. This includes, in particular, the timely receipt of all documents, required permits and approvals to be supplied by the contractual partner, especially plans and all other information required for the proper performance of the service and requires the compliance with all agreed payment terms and other obligations by the contractual partner. 2. We reserve the right to the defence of lack of performance of the contract. 3. In the event one or several requirements have not been met our deadlines extend automatically and to a reasonable degree. 4. The same shall apply in the event of a delayed or improper delivery. This shall not apply if we are responsible for the delay according to these General Terms and Conditions and the applicable agreements. 5. If there is a default of acceptance on the part of the contractual partner or if he culpably violates his obligations to co-operate, we shall have the right to demand compensation for any damage resulting from this including possible additional expenditures. We reserve the rights to further claims and rights. 6. We reserve the right to agree to the delivery time for each order on an individual basis. 7. Partial deliveries or partial performances shall be permissible on our part if they are reasonable for the contractual partner. 8. The delivery time shall be deemed met with the timely notification of the readiness for shipment if the proper timely dispatch has been prevented through the fault of the contractual partner. 9. We shall not be responsible for force majeure (e.g. mobilisation, war, terror, riots, strikes, lock outs or natural disasters or similar unforeseen circumstances) at our place and the place of our suppliers and reserve the right to void the delivery obligations entirely or in part. 10. We shall be liable under statutory law if the underlying delivery contract is a fixed term performance agreement according to § 286 Section No. 4 BGB (German Civil Code) or § 376 HGB (German Commercial Code, "Fixgeschäft"). 11. We shall also be liable under the statutes if the contractual partner is entitled to assert the cessation of his interest in continuing the fulfilment due to a delayed delivery for which we are responsible. 12. We will also be liable under the statutes if the delay of the delivery is the result of an intended or gross negligent contract violation for which we are responsible; a default by our representatives or assistants is to be attributed to us. 13. If the delivery delay is the result of a gross negligent contract violation for which we are responsible, our liability for damages shall be limited to the foreseeable, typically occurring damage. 14. We shall also be liable under the statutes if the delivery delay is the result of a culpable violation of an essential contractual obligation for which we are responsible; however, in this case the liability for damages shall be limited to the foreseeable, typically occurring damage. 15. The liability owing to culpable injury to life, limb or health remains unaffected; this shall also apply to the mandatory liability in accordance with product liability law. 16. Minor deviations from our confirmed delivery times shall not provide the right to claim for damages or to withdraw orders. 17. Upon our request, the contractual partner shall be obliged to explain within reasonable time how he intends to proceed as a result of the delayed delivery. 18. If - at the request of the contractual partner - the shipping or delivery is delayed by more than one month after us indicating the readiness for shipment, the contractual partner can be charged with warehousing costs in the amount of 0.5% of the net price of the contractual object for each new month but no more than a total of 5%. The contractual partner shall be free to provide proof of higher or lower storage costs. 19. Sofern und soweit wir individuelle Incoterms® verwenden, beziehen wir uns auf die Incoterms® 2010.

4. b) Installation and assembly. 1. The contractual partner shall provide on time the following at his expense: a) all excavations, construction work and other extra work outside a particular sector of industry, including the required skilled and unskilled

workers, construction material and tools. b) The utensils and materials typically required by the contractual partner for the assembly and commissioning such as scaffolds, hoisting devices, special tools and other devices, fuel and especially lubricants. c) Energy and water at the site of assembly including connections, heat and lighting. d) At the site of assembly sufficiently large, suitable, dry and lockable rooms at the site of assembly for storing machine parts, equipment, materials, tools etc. and for the assembly personnel appropriate work space and recreation rooms including appropriate sanitary facilities; the contractual partner also has to take the same measures for the protection of our property and assembly personnel on the site of assembly as he would take for the protection of his own property. e) Protective clothing and equipment required for the site of assembly due to special circumstances and/or relevant regulations (e.g. according to the internal regulations and industrial safety regulations). 2. Prior to the assembly work, the contractual partner has to provide the required information on the location of power-, gas- and water lines or similar systems as well as all other information required for the proper execution of the contract and he has to do so unrequested and in a timely manner in the form of texts and documents. 3. Prior to the installation or assembly, the supplies and objects required to begin the work must be available on the site of assembly and all preliminary work prior to the beginning of the installation must have advanced to the point that the installation or assembly can commence as agreed and without any interruptions. The approach paths and the site of assembly on the premises of the contractual partner must be smoothed and cleared. 4. In case the installation, assembly or commissioning has been delayed due to circumstances for which the contractual partner is responsible, the contractual partner bears the costs - to a reasonable extent - for waiting time and additionally required traveling on our part and/or that of the assembly personnel. 5. The contractual partner confirms in text form and on a weekly basis the duration of the labour time of the assembly personnel as well as immediately confirms in text form the completion of the installation, the assembly or the commissioning as soon as the work is finished. 6. In case we request the acceptance of the delivery after the completion, the contractual partner has to confirm acceptance within a period of two weeks, acceptability provided. If the contractual partner refuses to give such confirmation, the work shall be deemed accepted, acceptability provided. The acceptance is deemed completed if the contractual object is put into use; in case of a trial period, after such trial period. 7. All obligations of the contractual partners specified under this section "Installation and assembly" do not establish any additional right to compensation unless explicitly provided otherwise in writing.

4. c) Receipt. The contractual partner may not reject the receipt of deliveries and the acceptance due to minor deviations in performance.

5. Transfer of risk. 1. The risk transfers to the contractual partner no later than at the moment of acceptance of goods for shipment. 2. If additional services such as commissioning or measurements are rendered, they do not affect transfer of risk. 3. If the contractual partner delays the acceptance or if the acceptance for shipment, the shipment, the delivery, the start, the installation and/or the assembly, or the acceptance of the contractual object into the contractual partner's own operations or an agreed test run is delayed due to circumstances for which the contractual partner is responsible, the risk of accidental deterioration of the contractual object transfers to the contractual partner at the moment of time when the contractual partner defaults with acceptance or payment.

6. Retention of title. 1. The contractual object remains our property (goods subject to "retention of title") until all our rightful claims under the entire business relationship have been properly fulfilled. 2. For the duration of the retention of title, the contractual partner may pledge or transfer by way of security or to take another measure to the same effect and resell the contractual object to resellers, provided this occurs in the normal course of his business and only under the condition that the reseller is paid by his customers and under the condition that the title to the property passes to the customer only after full payment. 3. The contractual partner hereby assigns to us all receivables in the amount of 110 % of our final invoice excluding VAT arising from the resale to his buyers or third parties, irrespectively whether the contractual object has been resold without or after processing. 4. The contractual partner remains entitled to collect these receivables after the assignment. 5. Our right to collect the receivables ourselves remains unaffected. However, we will not collect the receivables for as long as our contractual partner complies with his own payment obligations, is not in default with his payments and, in particular, has not initiated insolvency proceedings or has ceased his payments. However, if this is the case, we may demand that our contractual partner discloses the assigned receivables and their defaulters, that he provides all information required or useful for the collection, that he hands over all corresponding original trade documents and receipts and that he informs the defaulters (third parties) about said assignment. 6. The contractual partner shall treat the contractual object with care; in particular and until full payment to us, he shall insure the contractual object sufficiently and at his own expense against fire, water or theft to replacement value. If maintenance and inspection work is required, the contractual partner must perform them in a timely manner and at his own expense. 7. The processing or alteration of the contractual object by our contractual partner is always deemed done for us. 8. If the contractual object is processed together with other objects not belonging to us, we acquire the co-ownership of the new item proportional to the value of our contractual object (final invoice amount including VAT) to the other processed objects at the time of the processing. 9. This section 6 providing security in the form of prolonged retention of title applies mutatis mutandis to any item(s) resulting from the processing. If the contractual object is in-separately merged with other objects not belonging to us, we acquire co-ownership of the new item in proportion to the value of our contractual object (our final invoice amount including VAT) and the other merged objects at the time of the merging. 10. If the merging takes place in a way that the item of the contractual partner is to be regarded as the main item, it is agreed that the contractual partner assigns us proportionate co-ownership. 11. The contractual partner is deemed to store the resulting item under co-ownership for us. 12. Our contractual partner assigns to us any and all receivables as a security against a third party who caused the merging of the contractual object with other property. 13. If the value of our securities exceeds the amount of the receivables to be secured by more than

10%, we will release a corresponding part of the security upon request by the contractual partner. We are free in selecting what securities are released. 14. In case of confiscations or other orders or interventions by third parties, the contractual partner informs us immediately in text form, especially to enable us to sue in accordance with § 771 ZPO (Code of Civil Procedure). 15. If the third party is not able to compensate us for any and all judicial and extrajudicial costs of a suit under § 771 ZPO (Code of Civil Procedure), the contractual partner remains liable for our incurred losses. 16. In case of a contract violation by the contractual partner, especially in case of a default in payment, we are entitled to rescind the contract and repossess the contractual object, provided a reasonable deadline expired fruitless; the statutory provisions under which a deadline is not necessary remain unaffected. The contractual partner remains obligated to deliver his contractual obligation (i.e. in most instances the duty to pay). 17. Any waiver or any assertion of the retention of title or the seizure of the so securitized goods by us does not constitute any kind of cancellation of the contract unless explicitly expressed otherwise in text form. 18. If we take back the contractual object and declare to withdraw from the contract, we are entitled to dispose of it. 19. The proceeds from the disposal are credited against the contractual partner's liabilities minus reasonable disposal costs.

7. Set off and retention. 1. The contractual partner is entitled to set-off only if his counterclaims have been established in a final court decision, or if they are undisputed or have if they have been acknowledged by us. 2. However, a counterclaim arising from the same contractual relationship gives our contractual partner the right to retention.

8. Liability for defects. 1. Contractual partner's claims arising from an alleged defect require that the contractual partner has met his own obligations to inspect and notify us about alleged defects in accordance with § 377 HGB (German Commercial Code). 2. Should there be a material defect which already existed or whose cause already existed at the moment of the transfer of risk, all parts or performances showing a material defect are repaired free of charge, resupplied or rendered anew at our discretion. Should such supplementary performance fail, the contractual partner is entitled to withdraw from the contract or to claim a reduction in the price. 3. The contractual partner is required to immediately send a text form notice about alleged defects. 4. In case of a notice about defects, payments may be withheld only in reasonable proportion to the occurring material defects. The contractual partner has no right to hold back payments if his claims are time-barred. In case of an unjustified notice about a defect we may demand compensation for the incurred costs. 5. We are to be granted an opportunity for a supplementary performance within a reasonable period of time. 6. Should our supplementary performance fail, the contractual partner may - irrespective of possible claims for compensation in accordance with these General Terms and Conditions - withdraw from the contract or reduce the price. 7. Claims are generally excluded that would derive from a minor deviation from the agreed quality, in case of only an insignificant restriction to the usability, natural wear or damage that occurs after the transfer of risk due to improper or negligent treatment, excessive use, unsuitable equipment, poor work on the part of the contractual partner, unsuitable building or supporting ground or a deviation that has been caused by other unfavourable influences not provided for in the contract and for which we are not responsible as well as in case non-reproducible software errors, for which we are also not responsible, according to these General Terms and Conditions. In case the contractual partner or a third party independent from us has made improper modifications or performed repair work, there shall also be no claims arising from a defect for these and the resulting consequences. 8. Claims of the contractual partner due to costs required for the supplementary performance, especially transport, travel, labour and material costs shall be excluded if the expenditures increase because the contractual object has subsequently been brought to a different location than the originally intended location according to the contract unless the transfer is in accordance with the intended use. 9. The right of recourse of the contractual partner against us in accordance with § 478 BGB (German Civil Code, recourse by the company) is limited to those circumstances where the contractual partner has not entered into any agreements with his buyer that go beyond the legal claims arising from the defect. For the extent of the right of recourse of the contractual partner against us in accordance with § 478 Section 2 BGB (German Civil Code), the provisions for liability under this Section 8 of these General Terms and Conditions shall apply. 10. We shall also be liable in accordance with the statutes if the contractual partner asserts claims for compensation that are based on intent or gross negligence of our representatives or assistants. Insofar as we are not accused of an intentional breach of contract, liability for damages shall be limited to the foreseeable, typically occurring damage. 11. We shall be liable in accordance with the statutes in case of a culpable violation of an essential contractual obligation; however, in this case the liability for damages shall be limited to the foreseeable, typically occurring damage. 12. The liability under culpable injury to life, limb or health remains unaffected; this also applies to the mandatory liability under product liability law. 13. Unless otherwise agreed and apart from these General Terms and Conditions, any and all liability is excluded. 14. This section 8 shall comprise in no detail any changes to the burden of proof to the disadvantage of the contractual partner. 15. The period of limitation for claims arising from a defect is twelve months from the transfer of risk. The same limitation applies to the claims of the contractual partner in connection with the measures for the prevention of loss (e.g. recalls) unless these claims are excluded according to these General Terms and Conditions or for other reasons. This shall not apply insofar as the contractual object is used for a building and has caused the defect. The period of limitation in case of a delivery recourse according to §§ 478, 479 BGB (German Civil Code) shall remain unaffected; it is five years from the delivery of the defective item.

9. Joint liability. 1. Any further liability other than provided for in section 8 of these General Terms and Conditions is excluded - regardless of the legal nature of the asserted claim. This shall include - without limitation -, also any claims for compensation arising in connection with a fault when the contract is concluded, for indirect damages, for consequential damages, due to a breach of duties or tortious claims for the compensation for property damage according to § 823 BGB (German Civil Code). 2. The limitation under aforementioned clause 9.1 also applies insofar as the contractual partner demands the replacement of useless expenses instead of a claim for compensation and in lieu of performance. 3. Insofar as the liability is excluded or limited, this shall also apply with respect to any personal liability of our employees, staff members, representatives and assistants.

10. Industrial property rights and copyrights. 1.a) Without restrictions, we reserve all rights to our industrial and intellectual property rights, copyrights, know-how, proprietary rights and proprietary evaluation and usage rights including but not limited to our rights to cost estimates, drawings, illustrations and other contents no matter what type (print, electronically, other, hereinafter referred to as "contents"). This shall also apply for such contents that are marked "confidential". b) Our contents may be made accessible to third parties only after our express written approval and have to be immediately returned to us upon request if an order is not placed. It has to be assured that no copy - no matter what type or form - has been retained or is left in the possession of any third party. c) With respect to standard software and firmware, our contractual partner shall have the non-exclusive right as an end user for the use with the agreed performance features in unmodified form and limited to the agreed devices. Our contractual partner may produce one backup copy of the standard software without the express approval, provided such copy is stored safely. d) Content with patent protection and/or pending patent applications as well as our established brand products (especially but not limited to our granulated materials) do also represent our industrial property rights and our protected confidential know-how. The purchase of the contractual object therefore only includes a non-exclusive licence to make use of the object within the limits of appropriate contractual use. If a proper contractual use cannot be established on certain grounds, the license shall be limited to the common and usual rightful use of the object by the contractual partner. Any unauthorized use of our content that could enable or cause the unauthorized disclosure, reconstruction, acquiescence of knowledge or any other kind of reconstruction of our content („Reverse Engineering“), is strictly prohibited. Any and all chemical or other disassembly or deconstructions of the contractual object apart from proper contractual use are strictly prohibited. Any attempt of such unauthorized re-engineering is a severe breach of the contract with all legal consequences and rights for our side. We are especially entitled to summary termination, full damages and injunctive relief. In regard to the justified assertion of a violation of industrial property rights or copyrights due to the contractual object by our contractual partner or third parties in connection with our contractual partner, we substantiate the provisions on the liability for defects in section 8 of these General Terms and Conditions as follows: 2.a) Unless agreed otherwise, we shall be obligated to render the services only to the extent required for the contractually intended use, apart from the conclusive evidence of another contractually intended use, in the country of the final destination of the contractual object and free from industrial property rights and copyrights of third parties (hereinafter referred to as property rights) affecting the contractual use. b) At our discretion, we shall establish for the relevant contractual object at our expense either a right of use or modify it for the contractual partner in a reasonable way so that the property right is not violated any more or it will be replaced. Should this not be possible for us under reasonable efforts and conditions, the contractual partner shall be entitled to the legal rights of withdrawal and reduction of price. c) Our aforementioned obligations provide that the contractual partner informs us immediately and properly in text form about all claims asserted by third parties, that he does not acknowledge any violations and that we are still and unconditionally entitled to all defence measures and settlement negotiations. If the contractual partner discontinues the use of the contractual object for reasons of mitigation of damages or other important reasons, he shall be obliged to advise the third party that the discontinued use is not an acknowledgement of any violation of property rights. d) Claims of the contractual partner shall be excluded if he is responsible for the violation of property rights. e) Claims of the contractual partner shall also be excluded if the violation of property rights is caused by an application not foreseen by us or if the violation of property rights have been caused due to deliveries from the contractual partner that are not handled in accordance with the contract or if the contractual object is not used in combination with here for designated products delivered by us or if the contractual object is used against the way intended in the contract.

11. Minimum wage laws and performance for us

1. During the contractual performance and insofar our contractual partner also provides services in connection with our performance, our contractual partner complies with any and all minimum wage laws applicable to his employees in the Federal Republic of Germany and/or entities or persons performing successive services for him and/or involved hiring companies. 2. Upon request and insofar our contractual partner also provides services in connection with our performance, our

contractual partner will disclose to us name and corporate seat of any entities or persons performing successive services and/or of involved hiring companies. Under the aforementioned conditions, our contractual partner warrants diligent selection and regular supervision of any and all entities or persons performing successive services and/or involved hiring companies by suitable means. Under the aforementioned conditions, our contractual partner further warrants that he will demand for and agree about respective commitments with the aforesaid parties to comply with any and all minimum wage laws at all times. 3. Violations of minimum wage laws and/or this section 11 in connection with our contractual partner's part in our performance entitle us to summary termination and damages. 4. Insofar our contractual partner also provides services in connection with our performance, our contractual partner indemnifies and holds us harmless upon first request against any and all claims, public dues, fines and any other financial burdens demanded from us in connection with any violation of minimum wage laws attributable to our contractual partner when taking part in our contractual performance including but not limited to our legal fees and expenditures. 5. Insofar our contractual partner also provides services in connection with our performance, our contractual partner notifies us immediately in any case where he is considered to be in possible violation of minimum wage laws in connection with his taking part in the performance of our services. This applies mutatis mutandis in case of any initiated or impending investigation or prosecution against our contractual partner for minimum wage law violations in connection with his taking part in our contractual performance. 6. Should we have doubts about our contractual partner's compliance of applicable minimum wage laws in connection with his taking part in our contractual performance, our contractual partner will, upon first request and without any delay, furnish us with requested documentation demonstrating his full and unconditional compliance with said minimum wage laws in connection with his taking part in our contractual performance (e.g. by furnishing a current certificate of compliance by the competent tax authority or a certificate of compliance by his tax adviser, according to which all minimum wage laws have been properly observed). 7. This section 11 applies mutatis mutandis to the minimum wage laws of all other countries relevant for the contract.

12. Place of jurisdiction, applicable law, place of performance and language. 1. If the contractual partner is a merchant, the sole place of jurisdiction is Munich (i.e. Munich-City, Federal Republic of Germany) for all direct or indirect disputes arising from the contractual relationship. However, we retain the right to alternatively sue at the registered office of the contractual partner. 2. All legal relations in connection with this contract shall be governed exclusively by the laws of the Federal Republic of Germany excluding the references of the German International Private Law as well as the United Nations Convention on Contracts for the International Sale of Goods. 3. The place of performance for delivery and payment is D-85737 Ismaning unless the order confirmation states it otherwise. 4. For the purposes of possible interpretation, any other language versions of these General Conditions of Sale that are not included into the contract, are irrelevant. Only if another language version becomes by chance also included and only if there should remain more than one possible interpretations of a clause, the then current German language version shall be decisive.