

## General Terms and Conditions CFC Europe GmbH

### I. General

1. Our General Conditions of Sale and Delivery shall apply exclusively. Conditions of the customer to the contrary of or diverging from these conditions shall not be recognized by us, unless we have consented to their applicability expressly in writing. We shall not recognize diverging conditions, even if we, being aware of conditions of the customer to the contrary of or diverging from our conditions, execute the purchase order without any reservation.

2. Our General Conditions of Sale and Delivery shall also apply to all future transactions. The authoritative version shall be the version effective at the conclusion of the contract.

3. Side agreements shall not be valid. Agreements made with field staff members shall be binding for us only if we have confirmed them in writing. The same applies to subsidiary agreements or amendments of orders made subsequently to the conclusion of the contract.

4. Our General Conditions of Sale and Delivery shall apply only towards business enterprises as defined by § 310 Sec. 1 BGB (German Civil Code).

### II. Prices

Prices are quoted in the specified currency and ex works (EXW) including package, unless otherwise agreed. Prices are net prices with the VAT being invoiced additionally.

### III. Minimum Order Value

The minimum order value per line-item amounts to EUR 4.500 for shipments to EU countries and Switzerland. Where the minimum quantities are not achieved, CFC Europe GmbH shall charge EUR 400 as costs of assembling. Deliveries to countries outside the European Market shall be subject to the same minimum value per line-item. The delivery shall be made ex works Göppingen.

### IV. Excess or Short deliveries

We reserve the right to make partial deliveries and deliveries of excess or reduced quantities of up to 10 % (for custom-made products excess quantities of up to 10 % or reduced quantities of up to 20 %).

### V. Payments

1. Invoices shall fall due for payment within 30 days after the invoice date. A cash discount shall not be granted, unless otherwise agreed in writing. Our

invoices shall be deemed acknowledged, if the customer does not object them in writing within four weeks after the invoice date.

2. We shall be entitled to demand interests after due date for the time prior to the default in payment at 2 % p. a. above the valid base rate, however at least at 6 %. Upon default we shall be entitled to demand penal interests at 8 % p. a. above the valid base rate from the customer. Checks shall be accepted only on account of payment.

3. The customer shall be entitled to set off and to make claims on the grounds of §§ 273, 320 BGB only, if its counterclaims are either undisputed or have been recognized by final judgment.

4. If, after conclusion of the contract, we become aware of facts questioning the solvency of the customer, we shall be entitled to demand, before further executing the order, the full payment or a corresponding collateral security, or to rescind the contract after setting a reasonable time limit for the full payment or the collateral security. Facts questioning the solvency of the customer are especially sustained attachments or other judicial executions and petitions to institute insolvency proceedings, unless a third party has filed such petition and the customer can prove satisfactorily that there are no grounds for an insolvency existing.

### VI. Delivery

1. We shall deliver ex works with Incoterms EXW applying, unless otherwise provided for in these Standard Business Conditions. We shall not be liable for delayed deliveries caused by the forwarding agent or freight carrier.

2. The delivery terms specified by us are without obligation, unless otherwise agreed in particular cases. In addition, the compliance with the delivery terms is subject to self-supply.

3. If the delivery is not possible due to force majeure, especially due to a shortage of raw materials, energy and labor, industrial disputes, serious transport breakdowns, e.g. through road blockades, business disruptions without our fault or unpredictable, regulatory measures not attributable to us or other events for which we are not responsible, we shall not be obliged to deliver, as long as the impediment to performance persists. In this case the delivery term shall be extended by the duration of the impediment. If the impediment to performance persists more than 3 months, we shall be entitled to rescind the contract.

4. If the customer fails to accept delivery culpably, we shall be entitled to claim a

penalty in the amount of 0.5 % of the respective invoiced net value of goods for every day of the default in acceptance. The penalty shall be limited to 5 % of the invoiced net value of goods. A reservation of the penalty upon acceptance of the goods by the customer is not required; it is sufficient, if we demand payment of the penalty within 30 days after the default in acceptance having ended. We reserve the right to assert higher damages.

### VII. Delivery Schedules and Taking Delivery

If delivery terms have not been agreed, delivery of the purchased goods has to be taken on full scale immediately or on the confirmed date. The repurchase of purchased goods by us shall be excluded, especially the repurchase of cut rolls.

### VIII. Reservation of Title

1. We shall retain title to all goods delivered by us until receipt of all payments from the business relation with the customer. In case of any current account balance we shall retain title until the balance has been settled; upon the acceptance of bills of exchanges or checks until payment.

2. In case of a customer's conduct contrary to the terms of the contract, especially upon default of payment, we shall be entitled to take the goods back, which act shall not constitute a rescission of the contract, unless confirmed by us expressly in writing. After taking the goods back we shall be entitled to sell them. The proceeds from the sale shall be credited against the customer's accounts payable less reasonable costs of sale.

3. The customer shall be entitled to resell the goods delivered by us in the ordinary course of its business. Already by now the customer shall assign to us its receivables from the resale up to the value of the claim from our invoiced final amount (including VAT); in case of current account agreements of the customer with the third party this provision shall apply accordingly to the balance claim from the current account. Even after the assignment the customer shall remain entitled to collect the assigned receivables, which shall not affect our power of collecting the receivables ourselves. We undertake, however, not to collect the receivables, while the customer fulfills its payment obligations from the collected proceeds, does not get into arrears, and in particular no petition to institute insolvency proceedings has been filed, or a cessation of payment has occurred.

If any such event occurs, we can demand that the customer discloses the assigned receivables and the debtors, provides all information required for the collection,

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delivers the related documents, and informs the debtors (third parties) about the assignment.

4. If the delivery of goods abroad entails specific measures in the country of importation for the reservation of title to be effective, the customer shall be obliged to point out this fact and to carry out such measures at its own expenses. If the law of the country of importation does not permit a reservation of title, but permits us to reserve other rights in the goods, we may exercise all such rights. If an equivalent security for the claims is not achieved by that, the customer shall be obliged to furnish other securities for the delivered goods or other types of securities at its own expenses.

5. The customer shall not be permitted either to pledge or assign by way of security the goods subjected to the reservation of title, and the customer shall promptly notify us of attachments executed at the instigation of third parties.

6. The processing or transformation of goods by the customer shall always take place for our benefit. If the goods are processed with other items not belonging to us, we shall acquire the joint ownership in the new thing in proportion of the value of the goods sold (invoiced final amount plus value added tax) to the other processed items at the time of processing. Furthermore, the thing resulting from the processing is subject to the same conditions as goods delivered under reserve.

7. If the goods are inseparably mixed with other items not belonging to us, we shall acquire the joint ownership in the new thing in proportion of the value of the goods (invoiced final amount plus value added tax) to the other mixed items at the time of processing. In the event that the mixture is done in a way that the thing of the customer has to be considered the main thing, it is agreed that the customer will transfer the joint pro-rata ownership to us. The customer shall preserve the accrued sole or joint ownership for us.

8. We undertake to release the securities to which we are entitled upon request of the customer, insofar as the realizable value of our securities exceeds the outstanding accounts to be secured by more than 10%, provided that the selection of the securities to be release rests with us.

### Liability for Defects

1. The assertion of warranty claims implies that the customer has properly attended to its duty to examine and to lodge complaints as defined by § 377 HGB (German Commercial Code).

2. In case of a defect we shall be entitled to a subsequent performance by delivery of faultless goods. If the subsequent performance fails or if we renounce a

substitute delivery, the customer may, with respect to the defective goods, at its own option assert a reduction of the payment, rescind the contract, or – if the legal conditions have been fulfilled and as provided in Section X. – claim damages. A subsequent improvement shall be excluded.

3. The stipulated condition and quality of the goods results from the product description given by the seller valid at the time of the purchase. Product-typical deviations from the stipulated quality shall not constitute grounds for complaints.

4. Product-typical deviations from the agreed quality shall not constitute grounds for complaints.

5. Oral or written application advices provided by us shall have no binding character and shall not relieve the customer of its duty to examine our products regarding their fitness for the intended purpose and the further processing.

6. In case of complaints the buyer shall be obliged to provide us with some part of the supply to be determined by us for examination and performance of tests. Without an examination performed by us complaints cannot be recognized in any way.

7. A warranty for defects caused by an improper storage of our products shall not exist. The storage conditions recommended by us can be requested if required.

### IX. Compensation

1. Claims for damages of the customers shall be excluded. Thus, we shall not be liable for damages that have not occurred at the delivery item itself; in particular we shall not be liable for lost profits and other financial losses of the customer.

2. The exclusion of liability pursuant to clause 1 shall not apply in case of intention and gross negligence, in case of claims from warranty, in case of claims pursuant to §§ 1, 4 of the German Product Liability Act as well as in case of a breach of material obligations. In case of a breach of material obligations however, the liability shall be limited to the compensation of the typical damage foreseeable at the conclusion of the contract. The same shall apply in case of gross negligence by ordinary vicarious agents.

3. As far as our liability is excluded or limited, this also applies to the personal liability of our staff, associates, representatives and vicarious agents.

4. The applicable statutory burden of proof with respect to claims for damages remains unaffected by the above provisions.

### X. Third Party Rights

1. The customer shall make sure that our execution of specifications provided to us will not result in an infringement of third party rights, especially of patents, copyrights or registered designs. The customer shall indemnify us from any claims for damages by third parties resulting from the infringement of such rights, and shall reimburse the reasonable expenses of actions. Further statutory claims shall remain unaffected.

2. All plans, documents, drawings and specifications published and provided by us shall be subject to copyrights and may not be reproduced or made available to third parties, except for the end user, without our prior written consent.

3. If a third party asserts claims against us arising from other breaches of duty by the customer, the customer undertakes to indemnify us against such claims upon first request, unless the customer is not at fault. This indemnity relates to all necessary expenditures incurred by the seller in connection with the claim."

### XI. Final Provisions

1. All legal relations are exclusively governed by German law. The application of the United Nation Convention on the international sale of goods (CISG) shall be excluded.

2. The place of jurisdiction shall be our domicile. We shall have the right to sue instead also at the domicile of the customer.

3. In the event that any provisions of this General Conditions of Sale and Delivery are found to be invalid wholly or in part, the validity of the remaining provisions shall not be affected.