



Standard Terms and Conditions of Business

1. Scope of Application

- 1.1. These Standard Terms and Conditions shall apply to every performance by R3Tec GmbH, especially to the sale and delivery of goods.
- 1.2. Any general conditions of the Customer shall not be binding on us, even if we do not raise any express objection.
- 1.3. All orders require the written confirmation of the Seller. The purchase agreement shall not come into existence until so confirmed. Only the substance of the confirmation shall be relevant. Any verbal agreements or agreements by phone shall only be binding if subsequently confirmed in writing.

2. Prices and Payment

- 2.1. Orders for which fixed prices have not expressly been agreed shall be charged at the prices which are valid on the date of delivery. In the case of small orders, which we exceptionally accept, reasonable handling surcharges shall be charged depending on the actual extra cost involved.
- 2.2. Unless otherwise agreed, payments shall be due and payable immediately after receipt of the invoice, however no later than 10 days after the date of the invoice. Payments for spare parts and repair deliveries shall be due and payable net of costs immediately after receipt of the goods, and, in the case of tools, after samples have been supplied.
- 2.3. In the event of any default of payment we shall be entitled to demand interest at a rate of 8% above the base interest rate in accordance with Paragraph 247 of the German Civil Code (BGB). This shall be without prejudice to the right to assert further damages due to a delay in performance.
- 2.4. For cheques and money transfers the date upon which we can dispose of the money shall be deemed to be the date payment was received. Any bills of exchange, cheques and other means of payment shall be accepted only as substituted performance. Any discount charges, collection charges and other charges shall be borne by the Customer.
- 2.5. The Customer cannot set off any counterclaims unless the counterclaims are undisputed or have been finally and absolutely established. Any right of retention arising out of previous or other transactions which are part of the current business relationship is expressly excluded and therefore no such right can be asserted save for a right of retention because of undisputed claims or claims which have been finally and absolutely established.
- 2.6. In all cases in which materials are provided the weights which we determine shall be decisive. We shall accept shipment of such materials provided, which must be made available to us before delivering the semi-finished products, carriage paid as of the allotted place only in the case of a minimum of 3000 kg.
- 2.7. Any additional demands for value added tax on transactions for modifications and/or in which materials are provided which arise for whatever reason shall be payable by the Customer without any deduction immediately after such demands have been made. The additional demand shall be in accordance with the respectively applicable tax provisions.



2.8. If the Customer fails to comply with the above payment terms and conditions or pledges any inventory, goods or accounts receivable as security or assigns any inventory, goods or accounts receivable to other creditors as security or if justified doubts arise about the Customer's ability to pay, we shall be entitled to call in all debts owed to us as being due and payable immediately, to demand security, to rescind the contract and to demand damages in lieu of performance.

3. Dispatch

3.1. In the event that the goods are sent to the Customer upon the Customer's request the risk of accidental loss and accidental deterioration shall pass to the Customer when the goods are delivered to our dispatch agent, however, no later than when the goods leave the works or the warehouse, regardless of whether the goods are dispatched from the place of performance and regardless of who bears the transport costs.

If the goods are ready for dispatch and dispatch or acceptance is delayed for reasons for which we are not responsible, the risk shall pass to the Customer upon receipt of the notice of readiness for dispatch.

3.2. Deliveries shall be made, at our option, by rail, haulage contractor or by post. The Customer shall bear the transport charges if no other agreement has been made. If goods from the manufacturer's warehouse are held at the Customer's exclusive disposal or are sold for production without any stipulation regarding dispatch (call-off articles), the Customer must call them off within 6 weeks after notification of completion.

4. Delivery

4.1. Delivery dates shall depend on the arrangements agreed on a case-by-case basis. Delivery periods shall commence on the date upon which the Customer receives the order confirmation and shall end upon the date on which the goods leave the supplier's works. If the Customer subsequently requests a change to the order, the delivery period shall not commence until the change has been confirmed.

4.2. Any part deliveries - which we have a right to make - shall be deemed to be independent transactions.

4.3. We reserve the right to make increased or short deliveries by up to 10% due to technical causes.

4.4. Deliveries are subject to delivery possibilities. The delivery period shall be reasonably extended in the event of any unforeseen impediment for which we are not responsible (e.g. a breakdown in production, governmental interference, industrial action, delays in the supply of essential raw materials and building materials). We shall notify the Customer thereof without undue delay. The Customer shall not be entitled to rescind the contract provided it is not unreasonable to expect the Customer to continue to be bound by the contract. However, in the event that we are not supplied with goods or component parts in due time, both the Customer and we shall be entitled to rescind the contract in the event that it cannot be foreseen that we will be able to render our performance within a reasonable period.

5. Reservation of Title

5.1. The goods delivered shall remain our property until all of the debts owed to us under the business relationship between us and the Customer have been paid. This reservation of title shall not be affected by any transfer of debts to an ongoing account or by any balancing of accounts and the recognition thereof. Payment shall not be deemed to have been made until we have received the consideration.



5.2. The Customer shall be entitled to sell the reserved goods in the ordinary course of business; the Customer shall not be permitted to pledge or assign the goods as security. If the Customer sells our reserved goods on credit, the Customer shall be under an obligation to secure our goods.

5.3. The Customer hereby already assigns to us its receivables arising out of the sale of the goods which are subject to a reservation of title; we accept said assignment. Notwithstanding this provision, the Customer shall be entitled to collect the receivables so long as the Customer fulfils its/his obligations owed to us and does not fall into financial collapse. The Customer must, upon our request, give us the details about the assigned receivables necessary to collect them and must notify the debtors of the assignment.

5.4. The Customer shall carry out any processing or alteration of the reserved goods without us becoming subject to any obligations as a result thereof. In this case or if the reserved goods are combined or mixed with third-party property we shall be entitled to any co-ownership share deriving from the reserved goods. In the event that the Customer acquires sole ownership, the contract parties are in agreement that the Customer shall grant us co-ownership in the proportion which the value of our reserved goods have to the value of the remaining part of the processed goods and that the Customer shall keep the goods for us free of charge.

5.5. If the reserved goods are sold together with other goods, whether without having been processed, combined or mixed or after having been processed, combined or mixed, the pre-assignment agreed above shall only apply in the amount of the value of the reserved goods which have been sold together with the other goods.

5.6. The Customer must inform us without undue delay of any execution measures by third parties against the reserved goods or against the pre-assigned receivables and must hand over the documents necessary for us to intervene.

5.7. We undertake to release the securities to which we are entitled pursuant to the above provisions, at our option and upon the Customer's request, to the extent that their value exceeds the debts to be secured by more than 20%.

5.8. The Customer shall be under a duty to insure the reserved goods at its/his cost against fire, theft and water.

6. Notice of Defect and Acceptance

6.1. The goods must be inspected immediately after receipt in order to establish any defects. Any objections must be lodged in writing without undue delay, but no later than within one week of receipt of the goods. Any latent defects must be reported without undue delay after they have been discovered.

6.2. In the event that no objection is lodged within the above time-limits the goods shall be deemed to have been accepted.



7. Warranties

7.1. The warranty period for defects in quality shall be one year calculated as of the date of delivery.

7.2. The warranty shall be limited, at our option, to the removal of the defect or the replacement delivery of an article free from defects. We shall bear the costs of subsequent performance to the extent that such costs are not increased by the article purchased being transported to somewhere other than the place of performance. In the event that subsequent performance fails the Customer can, at its/his option, demand a reduction in the purchase price or can rescind the contract without there being any need to set a deadline for this. In accordance with clause 8, this shall be without prejudice to any additional right to damages in lieu of performance.

The warranty shall cease to apply in the event that the goods are incorrectly serviced or stored or if the goods are processed. We give no warranty for materials provided by the Customer.

We guarantee replacement deliveries and work to rectify defects to the same extent as the original goods.

7.3. In the case of supplies by third parties or other material third-party products our guarantee is limited to assignment of our rights against our supplier to the Customer upon the Customer's written request. We can be sued only if the Customer has taken court action to assert its rights against the third party without success or if the subsequent performance has failed.

8. Liability

8.1. We shall be liable for a breach of material contractual obligations in accordance with the statutory provisions. However, unless we have been grossly negligent or acted wilfully we shall only be liable for foreseeable damage which occurs typically.

8.2. We shall be liable for any other breaches of duty only if damage is caused grossly negligently or wilfully by one of our statutory representatives or an agent. Excepted from this shall be damage arising out of injury to life, personal injury and harm to health, for which we shall be liable in accordance with the statutory provisions.

8.3. Liability in accordance with the German Product Liability Act (Produkthaftungsgesetz) shall remain unaffected. In all other respects any rights against us for damages due to breaches of duty shall be excluded.

9. Place of Performance and Jurisdiction

9.1. It is agreed that the place of performance for all liabilities arising out of this Agreement shall be Mainz.

9.2. The place of jurisdiction shall be Mainz if the Customers are "compulsory merchants" (Vollkaufleute), legal entities, bodies or funds under public law. We shall, however, also be entitled to invoke the court which is competent for the Customer's place of residence.

9.3. German law shall apply. The United Nations Convention on Contracts for the International Sale of Goods shall not apply.