

STANDARD CONDITIONS OF SALES AND DELIVERY

of

GRÖGER & OBST

Vertriebs- und Service GmbH
Hans-Urmiller-Ring 24
82515 Wolfratshausen, Germany

- hereinafter referred to as G & O -

1. General Standard Terms and Conditions

1.1. Consumers within the meaning of our Standard Terms and Conditions of Sale and Delivery are natural persons not independently engaged in a trade or a business with whom we shall enter into business connections. Entrepreneurs within the meaning of our Standard Terms and Conditions of Sale and Delivery are natural persons or legal entities or partnerships having legal capacity who are self-employed traders, businessmen or professional persons with whom we shall enter into business connections. Customers within the meaning of our Standard Terms and Conditions of Sale and Delivery are likewise consumers and entrepreneurs.

1.2. Our Standard Terms and Conditions of Sale and Delivery shall apply exclusively. Terms and conditions to the contrary or customers' diverging terms and conditions of business shall not be accepted unless we consent to their validity explicitly and in writing. Our Standard Terms and Conditions of Sale and Delivery shall also apply when we execute the customer's order being fully aware of the customer's diverging terms and conditions to the contrary without reservation or without explicit or implicit objections. By placing orders, the customer accepts the G&O Standard Terms and Conditions of Sale and Delivery to be binding in law.

1.3. If the customer is a registered trader, a legal entity under public law or a special fund under public law, our Standard Terms and Conditions of Sale and Delivery shall likewise apply to all present and future delivery contracts unless they have been amended explicitly in the contract or have been excluded; previous agreements providing otherwise shall become invalid.

2. Conclusion of Contract, Written Form, Scope of Supply and Services

2.1. The sales contract shall be deemed to have been brought about only upon the written confirmation of the order by G&O. This shall be done within two weeks. If delivery takes place immediately without confirmation, the invoice shall be deemed to be the confirmation of the order at the same time.

2.2. The G&O sales force shall not be authorized to conclude sales contracts which are valid in law, to grant extensions of the term of payment or deductions from the purchase price, to offer for a settlement or to collect money.

2.3. To the extent to which, upon conclusion of the contract, these products may be subject to modifications in the course of continuous further development, G&O shall be permitted to deliver the technically modified model. In doing so, G&O shall be entitled to deviate from figures, drawings, descriptions, colours as well as dimensions, weight and any other specifications provided that, in consideration of the mutual interest, acceptance of such deviations can be reasonably expected of the customer.

2.4. G&O shall be entitled to send partial deliveries which may be invoiced separately.

3. Customer's Right of Cancellation

3.1. Customers, who are consumers within the meaning of item 1.1 of the General Terms and Conditions of Sale and

Delivery, shall have the right to cancel the declaration of intention (order) they have made with regard to concluding a contract within two weeks without giving the reasons, this has to be done in writing (letter, Fax, email) or by returning the goods. To meet the deadline, it suffices to have dispatched the cancellation in good time. The cancellation shall be addressed to: Gröger & Obst Vertriebs- und Service GmbH, Hans-Urmiller-Ring 24, 82515 Wolfratshausen.

3.2. The right to cancel shall cease to exist if the goods have been made in compliance with the customer's specifications or if they have been clearly tailored to personal needs.

3.3. In the event of cancellation, the deliveries received by either party shall have to be returned and, as the case may be, the advantages derived from them shall have to be surrendered. If the customer is unable to return fully or partly the deliveries received or if he can return them only in degraded condition, he shall have to replace the value accordingly. This shall not apply if the change to the worse of the object is solely attributable to the testing of the object – such as would have been possible for the customer in a retail shop. Besides, the customer may avoid the obligation of compensation by not putting the object to use like an owner and by refraining from doing anything that might impair the value of the object.

3.4. Goods that can be shipped by parcel post must be returned. If the price of the goods to be returned does not exceed €40.00, or if the price of the goods to be returned is higher and, at the time of cancellation, the customer has not yet paid the goods totally or partly, the customer shall bear the costs for the return shipment if the goods delivered correspond to those that have been ordered. Goods that cannot be sent by parcel post shall be picked up at the customer's.

End of instructions concerning the Right of Cancellation.

4. Prices

4.1. Deliveries and services shall be invoiced in €. Prices shall be quoted without packaging cost ex factory. Inasmuch as VAT is applicable, it shall be itemized separately at the rate prescribed by law and shall be charged to the customer's account.

4.2. Prices may be adjusted fairly and reasonably, if the basis for the calculation of material costs and labour costs has changed. Orders for which a period of delivery of 6 (six) months has been stipulated shall be invoiced on the basis of the list prices which are valid on the day of delivery unless fixed prices have been expressly agreed. If the customer is a consumer within the meaning of item 1.1 of the Standard Terms and Conditions of Sale and Delivery, alterations of prices shall only be admissible if the time between the conclusion of the contract and the date of delivery as agreed is longer than 4 months.

4.3. Customers, who are entrepreneurs within the meaning of item 1.1. of the Standard Terms and Conditions of Sale and Delivery, may withdraw from the contract if the price increase is 20% or higher than the price as agreed. This right has to be asserted without delay upon communication of the price increase.

5. Delivery and Transfer of Risk

5.1. Delivery shall take place at the customer's risk Ex Works. The risk shall be transferred to the customer - also for partial consignments - upon dispatch of the goods or upon notification that they are ready for collection.

5.2. A goods in transit insurance shall always be taken out for delivery – unless the customer objects expressly in writing. The costs shall be charged to the customer's account.

5.3. If manufacture, procurement or delivery is obstructed or delayed due to acts of God, shortage of raw material, disruptions of operation, or industrial disputes (strike and lockout) in the factory of G&O, at the suppliers' or at the haulers', there shall be no supply commitment for the period of obstruction. If the period of obstruction exceeds 6 months or delivery is made impossible both parties shall be able to withdraw from the contract.

6. Reservation of Title

6.1. Until payment in full of all accounts payable by the customer as a result of the business relation with G&O, G&O shall retain the absolute title to the goods supplied (conditional commodity).

6.2. The customer shall only be allowed to resell the conditional commodity in the course of ordinary business dealings and on condition that he has also made a

reservation of title with his customer in accordance with paragraphs 6.1 and 6.2. The customer shall not be authorized to dispose of the conditional commodity otherwise, in particular, pledging the goods and transferring the goods by way of security for claims of third parties.

6.3. If the goods have been resold, the customer hereby shall assign to G&O all accounts receivable and titles owed by his customers including all ancillary rights accruing from the resale until all of G&O's claims against him have been met. G&O hereby accepts the assignment. When required by G&O, the customer shall be obliged to inform his customers about the assignment and to give G&O the information and to produce the documents which are necessary for G&O to assert their rights vis-à-vis their customers.

6.4. If the customer resells the conditional commodity along with other goods that do not belong to G&O, the assignment of the claimed purchase price in accordance with paragraph 6.3 shall only amount to the invoice value of the conditional commodity.

6.5. If the value of the securities provided for G&O exceeds G&O's total receivables by more than 20%, G&O, upon customer's request, shall be obliged to release securities at their own choice.

6.6. G&O must be notified immediately about attachments and confiscation of the conditional commodity by third parties by way of handing over the documents necessary for such interventions. This shall also apply to any other interference. Any costs arising from such intervention shall, in any case, be at the customer's expense if such costs cannot be claimed from third parties.

6.7. If G&O exercise their right of reservation of title in accordance with the above provisions by way of repurchasing the conditional commodity, G&O shall be authorized to sell the goods by private treaty or have the goods sold at an auction. The goods shall be repurchased for the proceeds obtained, however, at the most, for the delivery price as agreed. Any further legal claims for damages, in particular, loss of profit shall remain subject to reservation.

7. Terms of Payment

7.1. The amount invoiced shall be payable 10 days after the date of the invoice without any deductions. If the time allowed for payment has been exceeded, default shall occur without previous request for payment. With the usual proviso of asserting further rights, G&O reserve the right of charging interest for default of 5% p.a. above the base rate to the account of consumers within the meaning of item I (1) of our Standard Terms and Conditions of Sale and Delivery, and 8% p.a. above the base rate to the account of entrepreneurs within the meaning of item I (1) of our Standard Terms and Conditions of Sale and Delivery. The interest rate charged shall be higher or lower if we can prove that we had to pay more interest or if the customer can prove that we had to pay less interest.

7.2. Bills of exchange shall be accepted at G&O's own discretion and always only at account of payment. No commitment shall be undertaken for the presentation of the bill before maturity and protestation.

7.3. Set-offs and reductions shall only be admissible if the customer's counterclaims have been admitted by G&O or have become res judicata.

7.4. If the order exceeds the value of €50,000.- (net without VAT), G&O shall be entitled to ask for payment in advance of 40% of the order value. The payment in advance shall be payable within 10 days from the date of the confirmation of the order. Export deliveries shall be made against an unlimited in time, irrevocable, confirmed letter of credit.

8. Notice of Defects and Warranty

8.1. The goods supplied shall have to be inspected immediately upon arrival at the customer's; G&O must be advised of any defects in writing immediately as soon as they have been detected.

8.2. For commercial end users, the period of implied warranty is one year, or else two years for consumers from the date of handover of the goods to the customer and/or from the time when the customer has the goods at his disposal (readiness for dispatch G&O).

8.3. Within the scope of warranty, defects shall be remedied by G&O, at their choice, free of charge or shall be corrected by way of compensation delivery. To remedy the defects, the customer must give G&O a reasonable amount of time and the opportunity to do so.

G&O shall be authorized to have the subsequent improvement performed by third parties.

For repair, G&O may request to have the equipment sent to G&O's factory carriage paid and, after repair, it shall be sent back to the customer carriage paid. If the customer insists on having the subsequent improvement carried out on his ground, time of travel and travel costs incurred shall be brought to account.

8.4. Natural wear, therefore consumables, ceramics, glass- and wear parts and defects that occurred after the transfer of risk as a result of inaccurate or improper handling of the delivery item shall be excluded from warranty. Warranty shall also be specifically excluded if the delivery item has been subjected to improper alterations by the customer himself and/or by third parties.

9. Liability

G&O shall be liable for damage caused intentionally or by gross negligence as well as for damage which has been caused by the absence of a guaranteed property and for which this guaranty has been given, as provided for by law.

Our liability for neglect of contractual obligations as well as our responsibility for tortuous acts shall be limited to intent and gross negligence. This shall not apply to injury to the customer's life, body and health, claims resulting from infringement of cardinal obligations which are typical for this type of contract, i.e. obligations which, only when duly fulfilled, allow the implementation of the contract and it is the observance of these obligations on which the contracting partner may ordinarily rely on, and compensation for default. In this regard, we shall be liable for any degree of fault. However, for delayed delivery, liability shall be limited to a lump sum compensation for default of 0.5 % of the value of the goods delivered per commenced week of default, however, not more than maximally 5% of the value of the goods delivered. Liability for infringement of typical cardinal obligations shall be limited to the ordinarily predictable damage.

10. Place of Performance, Venue and Choice of Law

10.1. Wolfratshausen shall be the place of performance for the customer's obligations.

10.2. Munich shall be the venue for any dispute arising out of the contract if the customer is a registered trader, a legal person under public law, or a separate fund under public law. We shall also be authorized to take legal action at the customer's principal place of business.

10.3. If the customer is a consumer within the meaning of item I (1) of our Standard Terms and Conditions of Sale and Delivery, and, if he does not have a general venue in Germany or in any of the other EU member states, the location of our principal office shall be the exclusive venue for any dispute arising out of this contract.

10.4. German law shall be exclusively applicable to the exclusion of the laws governing the international purchase of movable property even if the principal office of the party ordering is located abroad.

Gröger & Obst
Vertriebs- und Service GmbH

Wolfratshausen, 16.10.2017