

## TRELOCK – GENERAL TERMS AND CONDITIONS OF SALE

### I. GENERAL CONDITIONS

1. In respect of the supplies or services provided (termed hereinafter: Supplies), the mutually agreed written declarations are authoritative. The General Terms and Conditions of Business of the order-ing party only apply insofar as the supplier or service provider (termed hereinafter: Supplier) has given his explicit written consent to this effect.

2. In respect of cost estimates, drawings and other such documents (termed hereinafter: Documents), the Supplier unconditionally retains his ownership and copy-right entitlements. The Documents may only be made accessible to third parties with the Supplier's prior consent and are to be returned to same at his request without delay, should the Supplier not be given the order. Sen-tences 1 and 2 apply correspondingly for the ordering party's documents; these may however be made accessible to such third parties as have been authorised to provide supplies on the Supplier's behalf.

### II. PRICES AND TERMS OF PAYMENT

1. Prices: The prices apply ex Supplier's warehouse including packaging plus statu-tory value-added tax valid at the given time.

2. Despatch occurs on the account and at the risk of the ordering party.

3. Payments are to be remitted to the bank account indicated on the invoice at no cost to the Supplier.

4. Payments in respect of invoices are due without deduction and should be on the account indi-cated on the invoice within 30 days of the invoice date. Payment in the form of bills of exchange is not allowed.

5. The purchaser is automatically deemed to be in default of payment if payment of an invoice or equivalent demand for payment has not been received by the agreed deadline.

6. Should the purchaser not meet the agreed payment deadline, interest at 8 % above the base interest rate is payable on the invoiced amount in accordance with Article 247 of the German Civil Code. Should the purchaser be wholly or partially in default of payment, the Supplier (Trelock) is entitled to either demand immediate payment of the full amount outstanding or cancel the contract after setting a new deadline. The right of the Supplier to additionally claim damages remains unaffected. The above rights of the Supplier can also be asserted by a factoring company insofar as such a company is indicated on the invoice from the Supplier (Trelock).

7. The ordering party can only set off such claims as are undisputed or legally binding.

### III. RESERVATION OF OWNERSHIP

1. The items supplied (conditional goods) remain the property of the Supplier until such time as all claims vis-à-vis the ordering party arising from the business relationship concerned have been met. Insofar as the value of all the collateral rights the Supplier enjoys exceeds the value of the claims secured by more than 20 per-cent, the Supplier shall release the corresponding part of the collateral rights at the request of the ordering party.

2. While the reservation of ownership applies, the ordering party is not allowed to mortgage the items or assign collateral, and he may only sell on the items to vendors in the normal course of business and under the condition that the given vendor receives payment from his customer or makes the transaction subject to full pay-ment of the amount outstanding before ownership is transferred to the customer concerned.

3. a) Should the ordering party sell on conditional goods, he automatically assigns to the Supplier by way of collateral his future claims from the on-sale transactions vis-à-vis his customers together with all ancillary rights, including any balance claims, without any subsequent declarations to this effect being required. Should the con-ditional goods be sold on together with other items without a separate price having been agreed for the goods supplied conditionally, the ordering party assigns to the Supplier such part of the overall price demanded as corresponds to the price of the conditional goods as indicated on the Supplier's invoice with priority over any other claims.

b) In order for a justified interest to be made plausible, the ordering party is to provide the Supplier with the information and documents required to assert his rights vis-à-vis the customers.

c) The ordering party is entitled to collect the assigned claims until such time as his authorisation to do so has been withdrawn. Should there be a good reason for withdrawing the ordering party's authorisation to collect claims, above all due to default of payment, cancellation of payment, the opening of insolvency proceedings (bankruptcy, settlement, total enforcement), a dispute over a bill of exchange or similar justified reasons for assuming the ordering party's insolvency, the Supplier is entitled to do so. Moreover, having given prior and adequate notice of his intention to disclose the collateral assignment and / or avail himself of the given assigned claims, the Supplier is entitled to avail himself of the given assigned claims and demand that the ordering party discloses the collat-eral assignment vis-à-vis the customer.

4. a) The ordering party is allowed to process or reform the conditional goods or combine them with other items. The processing, reforming or combining thus performed occurs on behalf of the Sup-plier. The ordering party agrees to keep the new item on the Supplier's behalf with the diligence of a prudent businessman. Items thus processed, reformed or combined are deemed to be conditional goods.

b) Should such processing, reforming or combining occur with other items not belonging to the Supplier, the Supplier is entitled to such part-ownership of the new item as is equivalent to the ratio of the value of the processed, reformed or com-bined conditional goods to the value of the other processed goods at the time of the processing, reforming or combining. Insofar as the ordering party acquires sole ownership of the new item, the Supplier and ordering party agree that the order-ing party grants the Supplier part-ownership of the new item created by means of processing, reforming or combining equivalent to the ratio of the value of the processed, reformed or combined conditional goods to the value of the other processed, reformed or combined goods at the time of the process-ing, reforming or combining.

c) In the event of the new item being sold, the ordering party automatically assigns to the Supplier by way of collateral his claims from the on-sale transaction vis-à-vis his customer together with all ancillary rights, without any subsequent declaration to this effect being required. However, the assignment only applies to the amount corresponding to the value of the processed, reformed or combined conditional goods as invoiced by the Supplier. Satisfaction of the share of the claim assigned to

the Supplier has priority. In respect of the authority to collect claims and the grounds on which it can be revoked, Item 3c) applies accordingly.

d) Should the ordering party combine the conditional goods with plots of land or mobile items, the ordering party also assigns to the Supplier by way of collateral such claim as he is entitled to as remuneration together with all ancillary rights equivalent to the ratio of the value of the combined conditional goods to that of the other combined goods at the time of the combining, without any subsequent declaration to this effect being required.

5. In respect of any mortgaging, confiscation or other similar action by third parties, the ordering party is obliged to notify the Supplier accordingly without delay.

6. By any deliberate violation of key contractual obligations, above all in respect of default of payment, the Supplier is entitled to recollect the conditional goods after having issued a reminder or having set a new deadline in accordance with II.6. The ordering party is obliged to hand over the items in question. The recollection and assertion of the right of ownership in respect of the goods supplied subject to the reservation of ownership on the part of the Supplier does not mean he has cancelled the contract unless he has explicitly declared this to be the case. Having given prior notice of his intention to avail himself of the recollected conditional goods and set off revenue from their sale against outstanding claims, the Supplier is entitled to do so.

7. The rights of the Supplier (Trelock) in accordance with Items 1 to 6 based on the agreed reservation of ownership will be asserted by the Supplier or the factoring company indicated on the invoice.

### IV. WARRANTY

The Supplier guarantees that the items supplied under contract are manufactur-ed with the greatest care and are examined prior to them leaving the factory. The Supplier should be notified of any material defects without delay. In the case of any material defects already existing at the time of the transfer of risk, the Supplier undertakes to repair the goods subject to complaint after they have been returned or to supply defect-free items by way of replacement. Insofar as the remedial action has not eliminated the defects, the ordering party is entitled to reduce the purchase price or cancel the contract. In the case of minor defects, no cancellation of contract is possible.

Any claims vis-à-vis the Supplier in respect of service provision or remedial action lapse one year after the goods purchased were supplied.

### V. LIABILITY

1. The Supplier is only obliged to pay such damages or reimburse expenses due to major material defects or other contractual violations as can be attributed to his willful or grossly negligent actions; this does not apply to damage occurring due to viola-tion of life, body or health. Any claims vis-à-vis the Supplier in respect of damages lapse one year after the goods purchased were supplied.

2. The above agreed limitations of liability apply to the same extent for the culpability of the Supplier's vicarious agents. Insofar as the liability of the Supplier is ruled out in respect of the gross negligence of his vicarious agents, this exclusion does not affect the personal liability of same.

3. Should the ordering party claim damages instead of service provision, he is obliged to return the purchased goods without delay. Other claims for damages do not exempt the ordering party from meeting his payment obligations.

4. Any warranty declarations by the Supplier must be made in writing.

5. In accordance with the terms governing liability for compensation as per Article 478 of the German Civil Code, the Supplier is not liable for damages arising from material defects or other circumstances that occurred after the transfer of risk to the ordering party. Should the ordering party claim damages or reimbursement of expenses vis-à-vis the Supplier in accordance with Article 439 Para. 2 of the German Civil Code, the ordering party must prove its applicability; Articles 478 Para. 3 and 476 of the German Civil Code do not apply in this case. Any claims asserted by the ordering party vis-à-vis the Supplier in respect of damages and reimbursement of expenses in accordance with Para. 5 Sentence 2 lapse one year after the goods purchased were supplied. No extension to the limitation period in accordance with Article 479 Para 2 of the German Civil Code is possible.

### VI. TRADEMARKS AND COPYRIGHT

1. Insofar as a third party asserts justified claims vis-à-vis the Supplier in respect of violation of a trademark or copyright (termed hereinafter: Trademarks) by prod-ucts supplied by the Supplier and used in accordance with the given contract, the Supplier is liable vis-à-vis the ordering party as follows:

a) The Supplier will obtain usage rights for the product concerned at his expense or replace the product, as he sees fit. Should the Supplier be unable to do this on reasonable terms, he is obliged to take the product back and reimburse the purchase price.

b) The Supplier's above-mentioned obligations only apply if the ordering party immediately notifies the Supplier in writing of the claims asserted by the given third party, if a violation as such is not recognised and if the Supplier can avail himself of all defence and settlement options. Should the ordering party stop usage of the product for damage limitation or other good reasons, he is obliged to draw the given third party's attention to the fact that usage discontinuation is not connected with a recognition of trademark violation.

2. No claims can be asserted by the ordering party insofar as he is responsible for trademark violation.

3. Moreover, no claims can be asserted by the ordering party insofar as trademark violation is attributable to special requirements set by the ordering party, to an applica-tion not envisaged by the Supplier or to the fact that the ordering party modified the product or used it in conjunction with products not supplied by the Supplier. No further claims can be asserted vis-à-vis the Supplier.

### II. JURISDICTION

1. All contractual agreements are subject to the jurisdiction of the courts of Münster.

2. All contractual agreements are governed exclusively by German law. The United Nations' convention on Contracts for the International Sale of Goods (CISG) does not apply.