

**§ 1 Scope of application, deviating terms and conditions, future business, priority agreements, written form for legally-relevant declarations**

1. These General Sales Conditions (hereinafter referred to as "**GSC**") apply to all contracts that LEIPA Group GmbH and LEIPA Georg Leinfelder GmbH (hereinafter referred to as "**LEIPA**") conclude with regard to any deliveries and other services provided by LEIPA (including estimates, additional services, consulting, and information), as well as to any contracts, LEIPA concludes on behalf of the seller, supplier, and contractor with the buyer or contractor (hereinafter referred to as "**Buyer**"). The GSC only apply vis-à-vis companies (Section 14 of the German Civil Code (*Bürgerliches Gesetzbuch, BGB*), legal entities as well as special assets that are subject to public law in accordance with Section 310 (1) Sentence 1 of the BGB).
2. The GSC apply exclusively. Contrary or deviating conditions of the Buyer do not apply unless LEIPA expressly agreed to them in individual cases.
3. The GSC apply in their version as amended from time to time and within the framework of ongoing business relations to all future contracts even if they are not explicitly agreed again.
4. Individual agreements (including but not limited to individual agreements, amendments, and changes) with the Buyer and deviating details in offers/declarations of acceptance take precedence over the GSC.
5. Any legally-relevant declarations and notifications which the Buyer is obliged to issue vis-à-vis LEIPA after conclusion of the contract (e.g., setting a deadline, notice of defects, declarations with respect to a rescission of contract or a price reduction) shall require the written form to be effective.

**§ 2 Written/text form, offers, conclusion of contract**

1. Offers and declarations of acceptance, changes and any other side agreements and agreements that are made prior to or at the same time of the conclusion of contract shall be made in writing or text form (letter, telefax, email; hereinafter referred to as "**in writing**") to be effective.
2. Unless expressly specified as binding or agreed, offers made by LEIPA, in particular, with respect to price, quantity, and delivery period, shall be non-binding. The Buyer's offer is binding for two weeks. A contract only enters into force once an offer made to LEIPA has been accepted by LEIPA in writing, at the latest, however — insofar as deviating from Clause 2 (1) — upon acceptance of delivery.

**§ 3 Prices**

1. The prices applicable at the time the agreement is concluded shall apply.
2. Unless otherwise agreed, prices are to be understood in Euro EX WORKS LEIPA (Incoterms 2020), plus statutory VAT.

**§ 4 Delivery, partial deliveries, force majeure, self-delivery, delays in delivery, liability, excessive or short deliveries**

1. Unless stipulated or agreed otherwise by LEIPA, delivery dates and delivery periods shall be non-binding.
2. Unless otherwise agreed, delivery shall take place EX WORKS LEIPA (Incoterms 2020).
3. Partial deliveries shall only be permissible to an extent reasonable for the Buyer.
4. In cases of force majeure or any other unforeseen circumstances such as operational disruptions, regulatory measures, legitimate strikes which may disturb LEIPA without any fault on its own part or attributable to it in delivering the object of purchase at the agreed date or within the period stipulated, delivery dates and delivery periods shall be extended by the period of the disruption by these circumstances, including a reasonable recovery time. Should such a disruption cause a service delay of more than four months, both parties to the contract — the Buyer, however, only after having set a reasonable delivery period — shall be entitled to rescind the contract. Any statutory rights to rescission shall remain unaffected thereby.
5. In case a self-delivery by its suppliers did not take place or did not take place in time, LEIPA shall not be in delay vis-à-vis the Buyer, unless these circumstances are LEIPA's responsibility. If it has been established that the self-delivery of the goods ordered

does not take place on grounds for which LEIPA is not responsible, LEIPA shall be entitled to rescind the contract.

6. In the event of a delay in delivery, LEIPA shall be liable for any claims for damages in accordance with the provisions in Clause 9. The damage caused by the delay LEIPA has to compensate for shall, in cases of minor negligence, be limited to 0.5% of the value of the delayed delivery or partial delivery for each completed week, to a maximum, however, of 5% of the value of the delayed (partial) delivery.
7. LEIPA shall be entitled, to an extent reasonable for the Buyer, to make production-related excess deliveries or short deliveries. Each party to the contract may request the calculation of the quantity that has actually been delivered.

**§ 5 Default in acceptance**

Should the Buyer be in default with its acceptance or wilfully infringe any collaboration duties, LEIPA shall be, notwithstanding its other rights, be entitled to store these products at the Buyer's risk and expenses. In case of storage by LEIPA, storage costs shall be 0.25% of the net purchase price of the goods to be stored for each completed week. Any assertion and proof of additional or lower storage costs shall remain reserved.

**§ 6 Payment terms, default in payment, set-off/withholding, deterioration of assets, electronic billing, SEPA direct debit mandate**

1. Unless stipulated or agreed otherwise, invoices issued by LEIPA shall become due within 30 days from the date of issue and delivery.
2. In case of a default in payment, LEIPA shall be entitled to demand interest in the amount of 9 percentage points above the applicable base rate as well as the statutory default interest in the amount of a lump sum of EUR 40.00. LEIPA reserves its right to assert a higher damage caused by delay.
3. The Buyer may assert rights to offset if its counterclaims are uncontested, ready for a decision, or established by final enforceable judgment. The Buyer shall only be entitled to exercise its right of retention if its counterclaim is uncontested, ready for a decision, or established by final enforceable judgment, and is based on the same contractual relationship.
4. If it becomes apparent after conclusion of contract that LEIPA's claims for consideration arising from an insufficient performance of the Buyer are at risk, LEIPA may refuse relevant services until the Buyer has effected the consideration or provided security. LEIPA may stipulate a reasonable period in which the Buyer shall effect the consideration upon tender of performance by its choice or provide security. Once this period has expired, LEIPA shall be entitled to rescind the contract and/or claim damages or reimbursement of expenses in accordance with the statutory requirements.
5. The Buyer agrees that invoices may be provided electronically (Section 14 Subsection 1 Sentences 7 and 8 of the German Turnover Tax Act (*Umsatzsteuergesetz, UStG*)).
6. If direct debit collection has been agreed, the Buyer shall issue a SEPA direct debit company mandate for its participation in the direct debit scheme if requested by LEIPA.

**§ 7 Retention of title**

1. The delivered goods shall remain property of LEIPA (hereinafter "**RoT Goods**") until all receivables from the contract and other claims acquired by LEIPA in direct connection with the delivered goods against the Buyer — irrespective of their legal grounds — have been paid or satisfied. Moreover, RoT Goods shall remain property of LEIPA as RoT Goods until all other claims acquired by LEIPA against the Buyer now or in future (including but not limited to all current-account balance claims) — irrespective of their legal grounds — have been settled. For current accounts, RoT Goods serve to secure balance claims from LEIPA.
2. For deliveries to countries in which the validity of retention of title is tied to special requirements or formal requirements, the Buyer shall immediately effect everything necessary at its own expense to create the respective security interest for LEIPA. The Buyer shall participate in all steps (e.g., registration, publication etc.) that are necessary and helpful for the effectiveness and enforceability of such security interest.
3. The Buyer shall have the right to process and resell the RoT Goods within the ordinary course of business. This right to process or resell the RoT Goods shall not apply if the Buyer's payment is overdue or if he has not suspended its payments tempo-

rarily. As long as LEIPA is the owner of the RoT Goods, LEIPA shall be entitled to revoke the right to process and resell them if objective reasons exist. The Buyer hereby undertakes to transfer to LEIPA all claims with all ancillary rights that he is entitled to from the processing and reselling of goods; LEIPA hereby accepts these assigned rights.

4. Every processing or alteration of RoT Goods in the ordinary course of business shall be carried out on behalf of LEIPA in such a way that LEIPA shall be regarded as manufacturer within the meaning of Section 950 of the BGB without obligations for LEIPA. Processed goods shall be regarded as RoT Goods in accordance with this Clause 7. In the event that the Buyer processes, combines, or mixes the RoT Goods with other goods that are not owned by LEIPA, LEIPA shall be entitled to co-ownership in the new object in proportion to the value of the RoT Goods to the other goods at the point in time in which they were processed, combined, or mixed. Insofar as the Buyer acquires sole ownership of the new object, it is agreed that the Buyer shall grant co-ownership to LEIPA in proportion to the value of the processed, combined, or mixed RoT Goods to the new object and shall store them for LEIPA free of charge.
5. The Buyer shall be entitled to collect the relinquished claims and receivables until further notice. LEIPA shall be entitled to revoke such collection authority if objective reasons exist. LEIPA shall be entitled to collect the claims itself but shall forego this right, as long as the Buyer meets its payment obligations.
6. The Buyer shall sufficiently insure against and keep sufficient insurance coverage in case of theft, breaking and entering, and water and fire damage. The Buyer hereby undertakes to transfer to LEIPA all claims that it is entitled to against its insurer in case of damage insofar as this relates to the property or joint property of LEIPA; LEIPA hereby accepts these assigned claims.
7. If the Buyer fails to meet its payment obligations and thus entitles LEIPA to collect the claims itself, the Buyer shall hand over to LEIPA, upon request, a list of all RoT Goods for LEIPA, the assigned claims, as well as the names and addresses of the debtors together with the amount of the claim. Upon request, the Buyer shall be obligated and LEIPA entitled to notify the debtor of the assignment of claims.
8. As long as retention of title persists, any plan to pledge, transfer by way of security, rent or any other plan to transfer or alter the RoT Goods that impair the security of LEIPA require LEIPA's prior written consent. If third parties have access, e.g., in the event of execution, the Buyer shall immediately inform LEIPA and provide them with any information and documents that are necessary for the preservation of their rights and inform the third parties of the retention of title of LEIPA.
9. Upon request of the Buyer and at its choice, LEIPA shall undertake to waive retention of title and/or to release securities if the Buyer has met any and all claims relating to RoT Goods or if the recoverable value from all securities granted to LEIPA from retention of title, transfer by way of security, and assignment of future claims exceeds the total amount of claims against the Buyer by more than 10%.

#### **§ 8 Inspection obligation, notice of a defect, liability for defects, excess or short delivery**

1. The Buyer shall inspect the goods immediately after delivery. The Buyer shall report in writing any obvious defects to LEIPA without delay, at the latest within one week after delivery. The Buyer shall report in writing any hidden defects to LEIPA without delay, at the latest within one week after detection of the defect. If such defect is not reported the delivery shall be deemed flawless and approved.
2. LEIPA shall be entitled to make the owed subsequent performance contingent upon the Buyer paying the purchase price due.
3. If the Buyer reports a defect according to Clause 8 (1) within the stipulated period, Buyer shall be entitled, at LEIPA's choice, to a claim for remedy of the defect or a faultless delivery (subsequent performance).
4. Excess and short deliveries due to production of up to 10% of the amount ordered shall not be regarded as defect and can therefore not be complained about.
5. Except for claims for damages due to defects, claims for defects become time-barred twelve months after the goods have been delivered to the Buyer and/or, insofar as acceptance has been agreed or is legally required, as of acceptance of the goods.
6. The Buyer shall only be entitled to claims for damages due to defects insofar as LEIPA's liability is not excluded or limited ac-

ording to Clause 9 of these GSC. Further or other claims due to defects as those regulated under this Clause 8 shall be excluded.

7. The regulations under this Clause 8 shall not affect claims due to defects that were maliciously concealed by LEIPA or that are subject to a guarantee on material defects or a guarantee of durability.

#### **§ 9 Liability**

1. LEIPA accepts full liability for damage and losses caused by intent and gross negligence. LEIPA's liability for breaches by ordinary negligence of a material obligation or of a secondary duty whose breach puts the achievement of the contractual purpose at risk or whose fulfilment is essential to the due and proper performance of the contract and whose fulfilment the Buyer could reasonably rely upon ("**material secondary duty**"), shall be limited to damage and losses that were foreseeable at the conclusion of contract and are characteristic for the particular type of contract.
2. LEIPA's liability for breaches by minor negligence of a material obligation or of a secondary duty shall be limited to an amount twice the value of the order.
3. LEIPA shall not be liable for breaches by minor negligence of a secondary duty, which is not a material obligation.
4. The limitations and exclusions of liability shall not extend to claims based on any defects of the products that have been fraudulently concealed or on an acceptance of a general warranty of quality or durability, the liability for claims made by the Buyer under the German Product Liability Act, as well as on injuries to life, limb or health of the Buyer. This shall not be linked to a change in the burden of proof to the Buyer's disadvantage.
5. Where the liability of LEIPA has been excluded or limited, this also applies to any personal liability of LEIPA's legal representatives, employees, workers, members of staff, and vicarious agents.
6. With the exception of claims based on tort, the Buyer's claims for damages for which liability is limited under this Clause 9 become time-barred within one year, calculated from the beginning of the statutory limitation period.

#### **§ 10 Place of jurisdiction, choice of law**

1. The competent court of jurisdiction for all disputes arising from and in connection with this contractual relationship shall be Frankfurt/Oder, Germany, if the Buyer is a merchant, a legal person under public law or special assets that are subject to public law, or if the Buyer does not have a general place of jurisdiction in Germany. LEIPA shall be entitled to file a lawsuit against the Buyer before any other statutory court. Statutory regulations on exclusive jurisdiction remain unaffected.
2. This contract shall exclusively be subject to German law under exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).