

STANDARD TERMS AND CONDITIONS FOR SALES

§ 1 Scope of Regulation

The following Standard Terms and Conditions for Sales enter into force on 01 June 2012 and replace our Standard Terms and Conditions for Sale which were previously in effect. Standard terms and conditions of the Buyer that deviate do not become part of the contract even if we do not object to them when we receive them. Our Standard Terms and Conditions apply only vis-à-vis entrepreneurs, associations, companies, legal entities under public law and special funds under public law within the meaning of §310 par. 1 BGB [German Civil Code].

§ 2 Conclusion of Contract, Offers and Scope of Delivery

- Our offers are subject to change and not legally binding, except as otherwise declared by us in writing. All orders from the Buyer are legally binding offers which are accepted through our (order) confirmation or our rendition of performance under the offer.
- The Buyer may cancel an order only if any of the reasons allowed by law apply. In particular, orders can be changed by the Buyer only if we agree, in which case the Buyer shall reimburse us for the additional costs resulting from the change.
- The scope of delivery and services shall be determined exclusively by our written order confirmation. Our presentations of goods in catalogues and the Internet do not constitute offers; they are just non-binding invitations to our customers to make an offer to buy.
- In the interests of maintaining quality, we reserve the right to make changes during the period allowed for delivery when they are indicated by improvements of technology or by requirements imposed by lawmakers but do not significantly affect the subject of delivery or services and would not be unreasonable for the Buyer.
- By ordering goods or services, the Buyer makes a binding offer of a contract. We confirm receipt of all orders without culpable delay. This confirmation of receipt does not yet, in itself, constitute binding acceptance of the contract. It constitutes acceptance of the contract only if we have stated this explicitly. Invoices from us, as well as computer printouts designated as binding, constitute a written order confirmation. Agreements made in person or by telephone as well as agreements with our agents are not legally valid until they have been confirmed in writing.
- We have the right to accept the offer of a contract implicit in an order within 2 weeks. If the order is transmitted electronically, we have the right to accept it within 3 workdays after we have received it.

§ 3 Prices

- Except as is otherwise stated explicitly, all offer prices are prices in euros plus the applicable value added tax.
- The offer prices are stated without freight, without any special packaging required and without shipping insurance. Upon written instructions from the Buyer, we will take out shipping insurance for the delivery, with the Buyer to bear the resulting costs. Our prices include commercially customary packaging; special packaging will be charged at the price actually incurred by us.
- If the contract provides for a delivery period of more than 4 months after conclusion of the contract, we reserve the right to increase our prices in accordance with any increases in our costs that have occurred, particularly increases in wages, materials, currency exchange rates and market acquisition prices. In such a case, the Buyer is entitled to withdraw from the contract only if our price increase is greater than the increase of the general costs of living between the time of the order and the time of dispatch, and then only if this difference is not insignificant.

§ 4 Delivery

- Our statements of delivery times are binding on us only if this has been explicitly agreed.
- Compliance with our delivery and service obligations presupposes timely, proper fulfillment of the Buyer's obligations. Delivery deadlines are deemed to have been met if by that time we have informed the buyer that the goods are ready to ship or if the goods have already left our firm. A given delivery deadline is extended in the context of labour disputes as well as upon occurrence of unforeseen hindrances that lie outside our sphere of responsibility, such as, for example, disruptions in operations, delays in deliveries to us and orders of governmental authorities, insofar as such hindrances exert a demonstrably significant effect on the delivery. The same applies when such circumstances occur with our suppliers. The delivery deadline is extended by the duration of such actions and hindrances. We can also not be held responsible for the foregoing circumstances if they occur during a period in which we are already in default. The Buyer shall be notified by us without culpable delay of the beginning and end of all such hindrances. We have the right to withdraw from (reverse) the contract if we do not receive the goods to be delivered to the Buyer even though we previously concluded a corresponding purchase contract, whereby this is agreed without prejudice to our responsibility for intention or negligence. Our right to withdraw from the contract for the foregoing reason shall be exercised by us vis-à-vis the Buyer without culpable delay, in which case we shall return without culpable delay any counter-performance already received.
- If the contract is changed at the Buyer's request, all previous delivery date commitments shall no longer apply.
- All goods are delivered ex works or ex warehouse on the Buyer's account. Insofar as nothing else is agreed, the dispatch route, the means of shipment and the packaging shall be decided at our discretion.

§ 5 Payment Conditions

- Insofar as nothing else is agreed, all payments shall be made in cash and be due within 14 days after the invoice date without discount or other deduction. All other types of payment (check, bill of exchange, direct debit, etc.) must be agreed with us

explicitly in advance and such amounts will not be deemed to be payment until irrevocably credited to our bank account. We charge default interest at 8 % per year above the base interest rate (§288 par. 2 and §247 BGB), without prejudice to our rights to assert greater damages caused by the delay.

- If the Buyer does not comply with its payment obligations, especially if cheques are not redeemed, or the Buyer discontinues its instalments, or an application for commencement of insolvency proceedings against its assets is filed, or insolvency proceedings are commenced, or the Buyer affirms in lieu of an oath its inability to pay by declaring its assets (§807 ZPO [German Code of Civil Procedure]), then we shall have the right to demand immediate payment of all open invoices and to discontinue deliveries with immediate effect.
- The Buyer has offset and retention rights only to the extent that its counter-claim has the force of law or is not disputed or has been acknowledged by us. The Buyer may exercise a right of retention only if its counter-claim is based on the same contractual relationship.

§ 6 Default by the Buyer

- If the Buyer enters debtor's delay, it is obliged to pay reminder fees in the amount of € 25.00 beginning with the second reminder. The Buyer has the right to prove there have been no additional or reminder costs, or that these costs have been much lower.
- If the Buyer is in payment default, we have the right to refuse delivery to the buyer of further goods that have been ordered until all open claims have been paid in full, or, if a reasonable supplementary payment period has expired without success, we may also withdraw from the relevant contracts. The costs incurred due to postponement of delivery of further goods (e.g. storage costs) shall be presumed to amount to 5% of the net order value, or to € 50.00 per month if this amount is greater, and shall be borne by the Buyer. The Buyer has the right to prove there have been no such additional costs, or that these costs have been much lower.

§ 7 Collateral

- We retain ownership of all goods delivered by us until complete, irrevocable receipt of all payments arising from the contract and fulfillment of all claims which we have against the Buyer and its affiliated companies arising from a business relationship ("conditional goods").
- The Buyer has the right to sell conditional goods in the normal course of business. Resales are allowed only against payment in cash or under retention of ownership. The Buyer has no authority to dispose of conditional goods in any other way, such as by pledging them or assigning them as security. The Buyer hereby assigns to us in advance all claims which accrue to it against its own customers through resale of the conditional goods, up to the amount of our invoice value. This advance assignment also applies to other revenues or surrogates to which the Buyer become entitled against third parties for any legal grounds whatsoever. We accept these assignments. We empower the Buyer, albeit not irrevocably, to collect in its own name the claims already assigned to us. Upon request by us, the Buyer shall disclose the assignment to its customers and give us the information and documents needed in order to collect.
- In cases of conduct by the Buyer that is contrary to the contract, especially in cases of payment default, we have the right to withdraw from the contract and demand return of the goods. Besides this, we also have the right to withdraw from the contract and demand return of the goods if the Buyer is in breach of any of the obligations that arise from points 4 and 5 below and it can no longer reasonably be expected of us to abide by the contract. The Buyer acknowledges that our retention of ownership implies that if an installment that has been agreed has not been received on time, we need not set a period of grace before demanding surrender of the conditional goods.

- The Buyer is obliged to take good care all goods delivered by us until ownership has passed to the Buyer. Insofar as maintenance or inspection work is required, the Buyer shall carry out this work on a regular basis at its own expense. The Buyer is obliged to insure all conditional goods against fire, theft and damage due to water and to prove upon request that this insurance has been taken out and the premiums have been paid.
- The Buyer must inform us without delay and in writing of all accesses of third parties to conditional goods, for example through debt enforcement proceedings, or through damages to or destruction of the conditional goods. Upon request by us at any time, the Buyer must inform us of the place at which conditional goods are located and provide our representatives with access to inspect the goods.
- We agree that upon request of the Buyer we shall release the collateral to which we are entitled insofar as its realisable value exceeds the claims to be secured by more than 20%.

§ 8 Warranty and Passage of Risks

- All risks pass to the Buyer when the delivery has left our firm. If we transport the goods or have them transported part of the way, we do so at the Buyer's risk. If the Buyer fetches the goods, the risks pass to the Buyer when we inform the Buyer that the goods are ready for shipment. If the Buyer does not comply with its obligation to fetch the goods within the agreed time, then we have the right to store the goods at the Buyer's expense and risk and to invoice them as having been delivered. This applies without prejudice to any further rights that we may have.
- The contractually agreed characteristics are implied by the written order confirmation and the product description that we have given to the Buyer. However, this does not constitute a guarantee. In the event of supplementary performance or rework by us, any increases in costs incurred by us because the goods were moved after delivery to a location of the Buyer's different from the one agreed when the contract was concluded – such as additional shipment costs, travel expenses, labour costs and materials costs – shall be borne by the Buyer.

- In the event of a defect, first we rework or replace the goods, in accordance with our preference. In the context of our liability for defects, the Buyer has the right to withdraw from the contract only if rework and replacement are impossible or do not lead to remedy of the defect and we do not remedy the defect within a period of grace set by the Buyer for remedying the defect, or if a second attempt at rework should fail.
- When goods are delivered, the Buyer shall inspect them completely and without delay for defects and deviations from the order and notify us of any such shortcomings in writing and without delay. Any concealed defects shall be reported to us without delay when they have become apparent to the Buyer. The entire burden of proof for all prerequisites for any claims against us, including the fact of the defect itself, the time at which it was identified as such and the timeliness of the complaint, lies with the Buyer.
- The warranty period is one year and begins when the goods are delivered.
- We reserve the right to check delivered goods and parts to which the Buyer has objected. If we demand that parts to which the Buyer has objected be returned to us, these parts shall be sent to us with freight prepaid. If the subject of delivery is found to be defective, the costs for the return shipment will be reimbursed to the Buyer. In the event of a complaint, the Buyer must agree with us on the place where we shall rectify the defect or check the goods.
- The Buyer's claims under the warranty shall cease to exist if the Buyer has failed to observe all the maintenance instructions laid down in our operating and technical manuals as responsibilities of the Buyer or if the goods have been handled improperly or if the defect is to be attributed to use of unsuitable filling products.
- Parts subject to wear and tear are not covered by the warranty.
- Insofar as the Buyer resells our products, the Buyer agrees to obtain our advance approval of the Buyer's own advertising. In a case of non-compliance, the Buyer shall be responsible for all damages that arise from violation of this contractual duty and shall, in particular, indemnify us against the consequences of incorrect advertising about the characteristics of our products.

§ 9 Liability

- ¹Our liability in cases of intention or gross negligence is governed by the statutory provisions. ²Otherwise, we are liable only in the following cases: liability under the German Product Liability Law, liability due to loss of life, bodily injury or damage to health, liability for culpable violation of cardinal contractual duties, liability because we have fraudulently concealed a defect, and liability under our guarantee that we have issued in respect to characteristics of goods to be delivered. ³However, claims to compensation for violation of cardinal contractual duties are limited to the predictable damages that are typical of the type of contract in question. ⁴Liability for damages caused by deliveries to the Buyer's objects of legal protection, such as, for example, damages to other physical objects, is excluded. ⁵The preceding sentences 3 and 4 of this paragraph do not apply in cases of intent or gross negligence, nor do they apply in cases of loss of life, bodily injury or damage to health.
- The preceding paragraph 1 also applies to claims to compensation for damages in addition to rendition of performance as well as to claims to compensation for damages in lieu of performance, regardless of the legal grounds, in particular because of defects, violation of duties resulting from the obligatory relationship, or an unlawful act (tort).
- The foregoing arrangements do not entail a shift in the burden of proof to the detriment of the Buyer.

§ 10 Transfers of Rights and Obligations

- The Buyer does not have the right to assign its claims under the contract without our approval.
- No transfer of rights or obligations of the Buyer that arise from the contract concluded with us shall take effect unless we have issued our written consent.

§ 11 Closing Provisions

- The place of fulfilment and jurisdiction for all claims arising from the contractual relationship is Bruchsal, Germany. We also have the right to commence legal proceedings at the place of the Buyer's headquarters.
- All information that the Buyer receives from us, especially statements of prices, shall be treated as confidential and may not be passed on to third parties.
- Collateral agreements of, changes to, supplements of, and guarantees and assurances under this contract are valid only if they have been agreed or confirmed in writing.
- The legal relations between the Buyer and us are subject only to the law of the Federal Republic of Germany, whereby application of the UN Convention on Contracts for the International Sale of Goods (CISG) is excluded.
- If any of the provisions of these Standard Terms and Conditions for Sales proves to be ineffective or to contain a gap, this shall not affect the validity of the remainder of these Standard Terms and Conditions for Sales. Both contracting parties agree that in such a case they will agree on a new legally permissible arrangement that comes as close as possible to the economic purpose of the ineffective provisions. If the ineffectiveness of a provision is due to the fact that an impermissible boundary value or number has been exceeded or not been met, then the boundary value or number permissible under the law shall apply.

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