

General Terms and Conditions of Sale Jowat SE, Detmold

Article 1 General Terms – Area of Application

- 1.1 Our Terms of Sale apply exclusively; we do not acknowledge any terms of the Buyer which differ from or conflict with our Terms of Sale, unless we have expressly confirmed their application in writing. Our Terms of Sale are also valid in the event that we undertake delivery to the Buyer without attaching conditions in the knowledge that the terms of the Buyer differ from or conflict with our Terms of Sale.
- 1.2 All agreements made between us and the Buyer for performance of the contract which has come into being through our order confirmation or by other means, are recorded in writing in these Terms of Sale and in the order confirmation.
- 1.3 Our Terms of Sale only apply to companies, legal entities under public law and/or public law special funds as defined in § 310(1) Civil Code (BGB). We offer our services exclusively to entrepreneurs.
- 1.4 Our terms of Sale also apply to all future business transactions with the buyer in the version valid at the time of the Buyer's order or at least in the version last communicated to the Buyer in text form.

Article 2 Offers, Prices and Terms of Payment

- 2.1 An order is to be qualified as an offer according to § 145 Civil Code (BGB), unless it is otherwise stated in the order. We have the right to accept this offer within 2 weeks.
- 2.2 Unless otherwise specified in the order confirmation, our prices apply „EX Works Detmold/Elsteraue Incoterms 2020“ including packaging. We reserve the right to modify prices reasonably if, after conclusion of the contract, reductions or increases of costs occur, in particular as a result of collective bargaining agreements or material price increases. We shall provide proof of this to the Buyer upon request.
- 2.3 Our prices do not include the statutory rate of VAT; it will be shown separately in the invoice in the amount required by law on the day of invoicing.
- 2.4 No discount may be deducted unless agreed in writing.
- 2.5 Unless otherwise agreed in the order confirmation, the selling price is due for payment net (without deductions) within 30 days of date of invoice. Payments must be made in Euro and transferred to the bank we have indicated without deductions and free of charges or costs. Determinant for the punctuality of payment is the date on which the amount has been unconditionally credited to our account. The statutory regulations regarding the consequences of late payment apply.
- 2.6 The Buyer has the right to set-off only if his counter-claims have been judicially confirmed as final and non-appealable or are undisputed or acknowledged by us. He is entitled to exercise rights of retention only if his claim is due and based on the same contractual relationship.

Article 3 Delivery, place of performance and transfer of risk

- 3.1 The delivery period shall be determined exclusively by the details given in the order confirmation, unless otherwise agreed in the contract.
- 3.2 The start of the delivery period indicated by us is conditional upon the prior clarification of all technical matters.
- 3.3 Unless otherwise agreed, our delivery dates and delivery periods are non-binding.
- 3.4 Compliance with our delivery obligation also requires that a Buyer has duly fulfilled his obligation in due time. We reserve the defence of non performance of the contract.
- 3.5 If the Buyer is in default with acceptance, or if he is at fault for breach of other duties of cooperation, we are entitled to claim compensation for any damages we have suffered in this respect, including the refund of any extra expenses. We reserve the right to bring further claims.
- 3.6 If the requirements of (3.5) are satisfied, the risk of accidental loss or accidental deterioration of the goods for sale passes to the Buyer at the time when he is in default with acceptance or in debtor's default.
- 3.7 Unless otherwise agreed in the order confirmation, place of performance is our registered office.

Article 4 Liability

- 4.1 Claims of the Buyer based on defects are dependent on the Buyer duly undertaking the duties of examination and notice of complaint under § 377 Commercial Code (HGB). If possible, these complaints must be submitted before the goods enter regular processing. Each notice of complaint must be accompanied by a sample of the goods complained of. Complaints must only be submitted to authorized employees. Warranty declarations are also only made by authorized employees.
- 4.2 The Buyer may not refuse to accept deliveries due to insignificant defects.
- 4.3 If the goods sold are found to be deficient, we are entitled at our discretion either to undertake subsequent performance by eliminating the defect, or to deliver a new and flawless product. Our right to refuse supplementary performance in accordance with the statutory provisions shall remain unaffected.
- 4.4 Unless otherwise agreed, we shall be obliged to effect delivery free of industrial property rights and copyrights of third parties only in the country of place of delivery. Any liability on our part for any infringement of industrial property rights through the processing of our products (e.g. process patents) is explicitly excluded.
- 4.5 We shall be liable for damages resulting from a grossly negligent breach of duty on our part.
- 4.6 In case we infringe an essential contractual obligation only slightly negligently, our liability shall be limited to the foreseeable damage typically occurring under this type of contract. An essential contractual obligation shall be defined as obligation which necessarily has to be fulfilled in order to enable the performance of the contract or on which the Buyer relied or could rely on.
- 4.7 Any further liability is excluded.
- 4.8 Liability due to intent, liability for damages resulting from injury to life, body or health and mandatory liability under the Product Liability Act (Produkthaftungsgesetz) shall remain unaffected.
- 4.9 We shall also be liable for quasi legal obligations (§ 311 Civil Code (BGB)), but from the moment when the Buyer becomes aware of our GTS our liability is reduced within the scope of this article.
- 4.10 Where liability for compensation for damages on our part is excluded or limited, this shall apply equally to the personal liability of our employees, representatives and agents.
- 4.11 In cases of act of God (force majeure) or of events unforeseeable at the time the contract is concluded which cannot be averted by the diligence of a prudent businessman and which make it considerably more difficult or impossible to manufacture or deliver the goods, we shall not be liable and shall be entitled to extend the delivery period by the period of the hindrance. If the Buyer cannot reasonably be expected to accept the goods because of the delay, he may immediately declare his withdrawal from the contract. If the hindrance is not only of a temporary nature, we shall also be entitled to withdraw from the contract. A partial withdrawal is equally possible. Cases of force majeure and unforeseeable events include, but are not limited to, strikes, terrorism, natural catastrophes, failure of the plant or machinery through no fault of our own, restriction and shortage of raw materials and operating supply items, delayed delivery by suppliers, unforeseeable disruptions of operations or delivery at our suppliers, fire and war.
- 4.12 The limitation period based on defects is 12 months counted from the date of delivery of the goods. This shall not apply to claims pursuant (4.5) and (4.8).
- 4.13 In case of an unjustified complaint, Jowat is entitled to charge the Buyer with a flat fee of 150 € for laboratory and administrative work. The Buyer has the right to furnish proof that the value of the damage was lower or that it did not occur at all. The flat fee will then be reduced accordingly. In all cases, Jowat is entitled to furnish proof of higher damage.

Article 5 Reservation of title

- 5.1 We reserve title to the goods sold until receipt of all payments arising from the business relations. In the event of conduct in breach of contract by the Buyer, in particular in the event of default in payment through his own fault, we are entitled to recover the goods sold within the scope of legal provisions. Taking back of the goods sold by us shall also constitute a withdrawal from the contract as well as the attachment of the goods does.
- 5.2 The Buyer is obligated to treat the goods sold with due care; in particular, he is obligated to insure the goods adequately at his own expense for the new value against damage by fire, water or theft.
- 5.3 In case of attachments or other interference by third parties, the Buyer must inform us without delay in writing so that we can bring an action under § 771 Code of Civil Procedure (ZPO). If the third party is unable to refund any court expenses or extra judicial expenses to us in accordance with § 771 ZPO, the Buyer is liable to us for the losses suffered if the action was successful and we had previously unsuccessfully enforced the claim against the defendant.
- 5.4 The Buyer is entitled to resell the goods in the normal course of business, but already now assigns to us all receivables arising from this resale against his own buyers or third parties up to the amount of the final invoice total (including VAT) of our receivable as well as those claims of the purchaser arising from the reserved goods against his customers or third parties for any other legal reason (in

particular claims arising from tortious acts and claims for insurance benefits). We accept the assignment. However, the Buyer may not pledge the reserved goods or assign them by way of security. The Buyer remains entitled to collect this receivable even after assignment. This does not affect our right to collect the receivable ourselves. Nevertheless, we undertake not to collect the receivable for as long as the Buyer continues to fulfil his payment obligations out of the proceeds received, does not default on payment and, in particular, does not present any petition for the institution of composition or insolvency proceedings or cease to make payments. In this case, however, we may require the Buyer to notify us of the receivables assigned and their debtors, provide all details required for collection, hand over the related documents and notify the debtors (third parties) of the assignment.

- 5.5 The processing or transformation of the goods by the Buyer is always done on our behalf. If the goods sold are processed with other goods not owned by us, we acquire co-ownership of the new thing in the proportion of the value of the goods sold (final invoice total, including VAT) to the other goods processed at the time of processing. The same applies to the goods created by processing as to the goods delivered subject to reservation of title.
- 5.6 If the goods sold are inseparably combined or mixed with other goods not belonging to us, we acquire co-ownership of the new thing in the proportion of the value of the goods sold (final invoice total, including VAT) to the other combined or mixed goods at the time of combination or mixing. If combination or mixing occurs in such a way that the Buyer's thing is to be regarded as the main thing, it is deemed to have been agreed that the Buyer assigns a pro-rata share of title to us.
- 5.7 The Buyer also assigns to us, as security for our receivables from the Buyer, the receivable accruing to him from a third party as a result of the goods sold being connected to a piece of land.
- 5.8 We undertake to release securities available to us at the request of the Buyer in the event that the realisable value of our securities exceeds the receivables to be secured by more than 10%; we have the right to select the securities to be released.

Article 6 Technical Support and Consultation

- 6.1 Our technical support and consultation, any operating instructions etc. are based on practical and scientific experience. They are, however, not binding and do not release the Buyer from the obligation to check the suitability of the goods for the intended purpose and processes by making trial bondings under everyday conditions. Information concerning our products are average values and based on laboratory test results as well as on practical experience of our customers. Only the contractually agreed specifications shall be deemed as agreed specifications within the meaning of the current BGH jurisprudence, but no other information.
- 6.2 Even if we provide technical support and consultation to the Buyer, the Buyer bears the risk for the success of his operations.
- 6.3 The descriptions and specifications in the brochures or other materials are for general information purposes only and are not part of the Contract.

Article 7 Rights and Confidentiality

- 7.1 We reserve all rights of title and copyrights to all documentation we have supplied (especially data sheets). This especially applies to any written documents described as "confidential". These may not be forwarded to third parties without our express written consent. If the will not be concluded, all documents must be surrendered. All intellectual property rights to goods, their manufacture, development or creation (including their improvement) are and remain our property.
- 7.2 Confidential information is a trade secret and is subject to secrecy. This also includes price quotations.
- 7.3 The Buyer is obliged to obtain our consent before stating the business relationship with us as a reference.
- 7.4 Chemical analyses of the products as well as any form of reverse engineering are excluded. In the event of resale, the purchaser must ensure that the purchaser's customers also refrain from any form of reverse engineering and pass this obligation on to their customers respectively.

Article 8 Applicable Law

- 8.1 If the Buyer is a registered merchant, a legal entity under public law or a public-law special fund, the courts of our place of commercial registration shall be place of performance; we are, however, entitled to bring an action against the Buyer at his court of domicile.
- 8.2 The law of the Federal Republic of Germany applies; application of the UN Convention on Contracts for the International Sale of Goods is excluded.

(The present document is a translation of the German Terms of Sale dated Jan. 01, 2019, available at www.jowat.de/agb. In case of dispute, the German document applies.)

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