

Sales Conditions Semperit Profiles Deggendorf GmbH und Semperit Profiles Leiser GmbH

(status: January 2018)

1. General

As a matter of principle, only written or confirmed agreements shall be effective. Different general terms and conditions shall only apply if they have been expressly accepted by Semperit in writing. Otherwise, the following General Terms and Conditions shall apply exclusively.

2. Scope of delivery

For the scope of delivery Semperit's written acknowledgment of order shall be decisive. In the case of serial products excess or short deliveries of up to 10% shall be permitted and deemed agreed in each case.

3. Prices

The minimum order value per product and delivery shall be EUR 2,500 unless expressly agreed otherwise. Deliveries shall be made and invoiced at the agreed prices and packaging costs shall be included in the product price. Other pricing shall be in accordance with the agreements made and/or the offer on which the delivery is based. All moulds and tools manufactured by Semperit shall remain the property of Semperit as the cost contributions made by the customer only constitute a pro-rata portion. If Semperit pays for the freight, Semperit shall be entitled to choose the delivery route at its sole discretion. If the customer requests express shipping, the customer shall bear the additional costs resulting therefrom.

4. Delivery periods

Semperit shall, in principle, be obliged to observe the confirmed delivery dates but shall be released from this obligation in certain conditions. This shall apply to cases of force majeure occurring at Semperit itself, at its suppliers or its shipping companies. This includes but shall not be limited to business interruptions or traffic disruptions; fire, floods; shortage of labour, energy or raw materials; strike, lockout or official measures. In such cases Semperit shall be released from timely delivery and entitled to discontinue deliveries without being obliged to make subsequent deliveries. Claims for damages on the ground of delays in or discontinuance of delivery shall be excluded to the extent permitted by law. The purchaser shall only have a statutory right to rescind the contract. If timely dispatch of ordered goods is delayed at the purchaser's request, he may be charged the costs incurred in connection with storage and at least 0.5% of the value of the goods for each month of delay as from one week after readiness for dispatch was advised. After a maximum period of six (6) months the total invoice amount shall become due for payment and the goods shall be stored at the customer's cost and risk or scrapped at the customer's request.

5. Passing of risk and acceptance

The goods shall be shipped exclusively at the recipient's risk. Semperit shall only pay for damage to or loss of goods during transportation if a transport insurance was taken out against that risk. For such claims to be recognised, complaints, if any, shall be immediately recorded on the shipping documents at the time of delivery and notified to the forwarder.

6. Returns

As a matter of principle, goods that have been produced properly and in time will not be accepted back, since Semperit exclusively produces for specific customers and specific orders.

7. Retention of title

- Goods shall be delivered subject to retention of title. Goods shall remain the property of the seller until full payment of all of his receivables, including future ones, under his business relation with Semperit.
- The purchaser cannot acquire title to the goods by processing them into a new item. The purchaser may process on behalf of the seller, if applicable. That means that also processed goods serve the purpose of securing retention of title. If the purchaser processes goods together with third-party goods, i.e. goods which do not belong to the seller, the seller shall become the co-owner of the new items in proportion of the value of his goods to that of the third-party goods. The new items resulting from processing shall be deemed goods of the seller which are subject to retention of title.
- The purchaser shall retain his conditional title to the goods vis-à-vis his customers until they have paid the full purchase price.
- All claims of the purchaser from reselling goods that are subject to retention of title shall be assigned to the seller. If the goods that are subject to retention of title are sold by the seller together with third-party goods which do not belong to the seller, be it without or after processing, the purchase price claim shall only be deemed assigned in the amount of the value of the goods that are subject to retention of title.
- The purchaser shall be authorised to collect accounts receivable from the resale. At the seller's request the purchaser shall advise the seller the debtors of the assigned claims. The seller may notify the debtors of the assignment.
- Retention of title by the seller shall be conditional to the extent that title to the goods that are subject to retention of title will immediately pass to the purchaser and the purchaser will be entitled to the assigned claims ipso jure after full payment of his claims under the business relation.
- The seller shall be obliged to release the security to which he is entitled at his option to the extent that the value of the security exceeds 25% of all claims to be secured.
- Cash payments, cheque payments and bank remittances made against submission of an acceptor's bill of the purchaser issued by Semperit shall only constitute performance if and when that bill has been honoured by the drawee and Semperit has, thus, been finally released from liability under the bill. The purchaser shall take out sufficient insurance for goods that are subject to retention of title, including but not limited to fire and theft insurance. Already at this point claims vis-à-vis the insurance in connection with a loss are assigned to Semperit in the total invoice amount. The purchaser shall inform the insurance company of assignment of the claim. Semperit shall immediately be notified of any attachments or other impairment of title, also by third parties, and title shall be confirmed to the third parties and Semperit in writing. Asserting retention of title, in

particular by taking back goods, shall not be deemed a rescission of the contract. In the case of default of payment or if Semperit's title to the goods is jeopardised, taking back of goods shall be admissible at any time. Notwithstanding the purchaser's payment obligation Semperit shall be entitled to sell the goods taken back by it at best price in the open market and to credit the proceeds minus a handling fee of 10% of the value of the goods.

8. Terms of payment

The invoice shall, in principle, be issued on the day of dispatch, i.e. on the day on which the goods are either handed over to the forwarder or to the customer who collects the goods himself. Unless different payment agreements exist, our invoices shall be payable within 10 calendar days with a 2% cash discount or within 30 days without any deduction. As a matter of principle, periods shall start to run on the invoice date. If the 30-day payment period is not observed, default interest in the amount of the applicable discount rate of the regional central bank plus 4% p.a. may be charged.

The date on which the amount is available to Semperit or credited to its account shall be deemed the date of receipt of payment. The risk of the mode of payment shall be borne by the customer. As a matter of principle, no cash discount may be deducted from invoices for costs of tools or other third-party costs, which shall be payable within 10 days. Payments by bill of exchange shall require an express agreement with Semperit, in which case the amount of the bill of exchange may only be finally credited to the customer account if the bill of exchange was honoured within the time limit.

9. Warranty conditions

Semperit shall assume warranty for the products supplied by it exclusively according to the following provisions and on the basis of the Warranty Conditions for EPDM Products. Semperit shall remedy defects of supplied products at its option by subsequent improvement (to the extent possible) or substitute delivery. In both cases the customer shall grant a reasonable grace period. Damage may, in principle, only be recognised if the goods complained about are completely made available to the manufacturer for him to be able to check whether the notification of the defect is correct. Warranty claims shall become statute-barred six (6) months after delivery to the purchaser. In the case of profiles or mouldings that have already been installed or processed this period shall be extended to five (5) years in relation to the quality features of the products. Any replacement that is necessary in such a case shall be subject to prior co-ordination and approval by Semperit to ensure the most cost-effective solution. At Semperit's request its product liability insurance company shall be called in as an additional contracting party for claim settlement, if any. As a matter of principle, warranty claims shall not be assigned. Additional claims, in particular claims for damages of any kind shall be excluded to the extent permitted by law and if they are not covered by Semperit's product liability insurance. Goods which have been complained about for justified reasons may be returned at the manufacturer's cost.

10. Place of performance and place of jurisdiction

The place of performance and the place of jurisdiction for both parties shall be Deggendorf. Semperit shall be entitled to bring an action before District Court or Regional Court Deggendorf

irrespective of the amount of the subject of the dispute. If the purchaser does not accept Deggendorf as the place of jurisdiction immediately after the action was brought and upon Semperit's request, he shall, irrespective of the outcome of the proceedings, be obliged to reimburse any and all additional costs incurred by Semperit in connection with provision of evidence of the agreement on the place of jurisdiction or due to the fact that the legal dispute is referred to a court outside Deggendorf.

11. Miscellaneous

If any provisions or parts of these General Terms and Conditions are ineffective, the remaining terms and conditions shall remain effective. The purchaser shall be obliged to effectively agree with Semperit on a supplementary provision which comes as close as possible to the purpose of the ineffective provision. These General Terms and Conditions shall only apply to business transactions with fully qualified business persons as defined by commercial law.