

### § 1 Area of validity

1. Our general terms and conditions of business apply to all our business relationships with our customers, if the customer is an entrepreneur in the sense of § 14 German Civil Code (BGB), a legal entity under public law or a special fund under public law (§ 310 (1) first sentence BGB). In addition, our general conditions for contracts providing installation services apply (accessible under [www.hoffmann-group.com/company/avb](http://www.hoffmann-group.com/company/avb)). We do not acknowledge any opposing terms or the customer's conditions deviating from our general terms and conditions of business, even if they were submitted to us, unless we expressly approved their validity in writing. They also apply to all future legal obligations towards entrepreneurs.

2. Customer acknowledges the binding nature of our general terms and conditions of business with the acceptance of our deliveries and performances. All agreements including supplementary agreements otherwise require the written form in order to be effective if they deviate from our terms and conditions.

### § 2 Offers, Conclusion of the Contract

1. The catalogue, also on data carriers and in electronic media, and other advertising mails are non-binding. They do not represent a binding offer for us, nor do we accept any supply risk. We also reserve the right to remove respectively replace products out of the range during the period of validity of the catalogue, to alter prices and other conditions, as well as to change product features.

2. The data contained in catalogues, on data carriers, in electronic media and other advertising mails, illustrations, drawings, weight or dimension data respectively other technical data as well as related E, DIN, VDE norms or data do not represent any guarantees (warranties) but merely quality specifications that can be rectified at any time until the contract has formed. The technical information contained in offers only represents guarantees if it is expressly described as a guarantee or warranty; it is otherwise merely quality specifications. We refer to § 8 (4) in this respect.

3. We reserve the statutory copyright to catalogues, also on data carriers and in electronic media, and other sale documents and (except to other advertising mails) also the ownership; they may not be given to third parties (except other advertising mails). All types of usage of the aforementioned documents, especially the drawings, designs and logos contained therein, require our prior permission.

4. Our offers are non-binding. The customer's order is a binding offer for him. We can accept this offer within 14 days of receipt of the order through order confirmation in text form or by sending the customer the ordered goods within this time period.

### § 3 Prices, Terms of Payment

1. Unless a deviating written price agreement has been made, the quoted prices are net prices in Euro excluding current value-added tax. Unless otherwise stated by us, the prices quoted by us in the catalogue, offer, Hoffmann Group Shop respectively price lists apply during the validity of the catalogue (regularly 01.08. of one year to 31.07. of the next year). However, as the information in the catalogue is non-binding, those prices and terms have priority that are quoted on the day of the order in our latest catalogues and price lists or by us in individual cases. Catalogues and price lists can be viewed at our store premises or requested from us.

2. In the case of articles with prices that we have set in brackets ( ), we reserve the right to ask the manufacturer with regard to prices and other conditions for a customer's current order. We will immediately process and answer any relevant customer enquiry, informing him whether he can be supplied directly by us or by the manufacturer (if necessary through us as a representative) and where necessary at what prices and other conditions.

3. We deliver within Germany from a net order value of € 100.-- carriage paid, including packaging. Exceptions to this are those deliveries and performances that are marked „carriage forward“ on the respective catalogue page, such as surface plates, marking tables and anvils. For deliveries abroad minimum order values apply. The minimum order value for a consignment outside the European Union is € 500.--. For purchases under one packaging unit we charge an extra 20% plus Value Added Tax valid at the time in question on the net order value for the additional expenditure incurred. Furthermore, the shipping costs that we incurred will be charged completely. Pursuant to German packaging regulations (Verpackungsgesetz) packaging used for transport and other purposes shall not be returned but enter the possession of the customer, with the exception of pallets.

4. Our invoices are due for payment 30 days after invoice date, unless other written agreements exist. We only accept cheques and money orders as conditional payment. Payment is not considered having taken place until our account has been credited. We do not take promissory notes as payment.

5. From the 31st day after receipt of our invoice, we can demand interest of 9 percentage points above the annual base lending rate. In addition, after the occurrence of default in the case of a claim for payment against an entrepreneur according to § 288 (5) German Civil Code (BGB) we can claim a lump sum for default costs in the amount of 40 euros; the lump sum shall be set off against any damages owed, as far as the damage is based on the costs of legal proceedings. The statutory default interest applies in each case towards all customers; in the case of business customers, this shall not affect our claim to interest accruing as of the due date. We are at any rate entitled to claim a proven greater loss.

6. Discounts are not granted if the customer is behind with the payment of previous deliveries.

7. The customer is only entitled to set-off rights if his counterclaims are found legally valid, undisputed or recognised by us. The customer's rights of retention only exist for counterclaims from the same contractual relationships. Any opposing rights on the part of the customer shall remain unaffected.

8. In the event of the customer falling behind with payments, we reserve the right to carry out the order processing against cash-on-delivery or cash-in-advance.

9. For incorrect orders we charge a return/processing fee of at least 10% of the net price, a minimum however of € 10.--. Customer shall be free to prove that we incurred lower damage as a result.

### § 4 Delivery deadline, Acceptance of the goods, Default in delivery and Default of acceptance

1. We can carry out partial deliveries, especially with larger orders, on a scale that is reasonable for the customer.

2. Delivery times or deadlines that have not been expressly agreed as binding, are solely non-binding specifications. The observance of delivery deadlines is subject to correct and punctual self-supply if we prove the conclusion of a corresponding hedging transaction with our supplier and furthermore prove that he has not observed a delivery deadline agreed with us. We will inform immediately of any delays that become apparent. At any rate, the observance of the delivery date presupposes final clarification of all technical details, if need be the punctual furnishing of specifications provided by the customer, declaration of releases, and where agreed also the receipt of the deposit.

3. We are liable according to statutory provisions for firm dates within the meaning of § 286 (2) no. 4 German Civil Code (BGB) or of § 376 Commercial Code (HGB). The same thing applies if the customer is entitled to assert the discontinuation of his interest in further performance of the contract as a result of a default in delivery for which we are responsible. In case of default of delivery, the customer may claim for the damage caused by default according to § 12. The further statutory claims and rights of the customer, to which he is entitled in addition to the claim for damages due to a delay in delivery for which we are responsible, remain unaffected.

4. If the customer is in default of acceptance, we are entitled to request compensation for the incurred loss and additional expenses. The same thing applies if the customer culpably violates his duty to cooperate. We are entitled to demand this compensation as a lump sum of 0.5% per calendar week and at most 5% or 10% if the items are finally not accepted, based on the net purchase price and starting with the delivery deadline or (in case no delivery deadline is set) starting from the time notice is given that the goods are ready for delivery. This shall neither affect our rights to prove that the actual damage incurred was greater nor our statutory claims (including, but not limited to, the reimbursement of additional expenses, appropriate compensation, and cancellation); the lump sum shall be credited against further claims to payment. The customer is still entitled to prove that there has been no damage at all, or less damage

than the above lump sum. At the onset of the default of acceptance respectively default of the debtor, the risk of accidental deterioration and accidental loss is passed to the customer.

### § 5 Passing of the risk, Shipping

1. Unless otherwise agreed, the goods are sent at the customer's request to the delivery address that he wishes (sales shipment as per § 447 BGB). The risk, also on shipment from a warehouse and, in the case of a third-party deal, on shipment from our supplier's warehouse, is passed to the customer as soon as the goods have been delivered to the forwarding agent, the haulage contractor or person or institution otherwise designated to carry out the dispatch. At the customer's request we will take out shipping insurance at his expense.

2. If the shipment is delayed due to circumstances for which the customer is responsible, the risk is passed to the customer on the day the readiness for shipment is announced.

3. Delivered items must be accepted by the customer, even if they show insignificant flaws and irrespective of his rights according to § 8.

### § 6 Export regulations, Non-disclosure

1. We reserve the right to examination of export-law directives and deliver the items subject to any required official permissions (e.g. export licence). We will make every reasonable effort to obtain any required official permissions, however, we cannot guarantee that we are granted the required official permission. The customer undertakes to support us in obtaining such permission and provide us with the necessary documents and information within an adequate period.

2. In the event that we are not granted the official permissions required to implement the contract within an adequate period, however, within 12 months after concluding this contract at the latest, or the customer fails to provide us with the documents required for granting the permission even after expiry of an adequate grace period, we are entitled to withdraw from the contract. If we have already provided services upon request of the customer at the time the withdrawal is declared, we reserve the right to claim prorated remuneration.

3. In the event that the required permission, as described above, is not granted, any claims for compensation or reimbursement shall be excluded, unless the party against whom such claim is asserted is responsible for the denial of the permission. In this case, § 6 (2) shall apply mutatis mutandis.

4. Obtaining a possibly required import licence is incumbent upon the customer.

5. The customer shall be liable for checking all necessary test measures (sanctions lists, end-use, embargo regulations, etc.) to ensure compliance with national, international, and especially US- (re-) export control regulations prior of (re-)exporting the directly or indirectly delivered goods by us. If necessary the customer shall obtain appropriate permits from the authorities at its own expense. The customer is not entitled to return goods or to claim damages, if the authorities refused an export permit. The distribution of our products is generally prohibited if the customer has knowledge of the end-use in "ABC" weapons and missile technology.

6. The customer is obliged to keep confidential information (inter alia export data), which has become known to him on the occasion of the business relationship, in particular not forwarding it to other unauthorized persons or making it accessible in any other way without prior written consent.

### § 7 Reservation of ownership

1. We reserve ownership of the delivered goods until we have received full payment of all accounts receivable from the supply contract, and until all our accounts receivable from the business connection existing with the customer have been paid, including any costs and interest incurred.

2. Until further notice, we agree to a resale of the goods supplied under reservation of ownership in the customer's ordinary course of business. The goods may not be pledged by the customer nor assigned for third-party security. The customer herewith assigns to us in advance his demands against third parties from the resale of the goods that are under reservation of ownership. We herewith accept this assignment. The customer remains empowered to collect the claim. We undertake not to collect the claim as long as the customer meets his payment obligations against us, there is no shortage of his capacity and we do not exercise the right of ownership by exercising a right pursuant to § 7 (5). If this is the case, we can demand that the customer to notifies us of the assigned claims and their debtors, makes all necessary information for collection, hands over the related documents and notifies the debtors (third parties) of the assignment. In this case, we are also entitled to revoke the customer's authorization to resell and process the goods subject to retention of title. These claims may also not be pledged or transferred as securities by the customer.

3. As soon and insofar as the realisable value of the securities existing for us exceeds our demands by more than a total of 10%, we are obliged to release our choice of securities at the customer's request.

4. In the event of pledging or other third-party interventions, the customer must be notified in writing immediately and the attaching creditor told of the existing reservation of ownership. A collateral assignment and the transfer or pledging of the expectant right is inadmissible.

5. If the customer's conduct is in breach of contract, especially if he is in arrears, we are entitled to withdraw from the contract and take back the purchased item. If we take back goods from customers, this represents a withdrawal from the contract and we can make the best possible use of this by freehand sale if we had threatened the sale with a reasonable deadline. We will credit the exploitation proceeds minus reasonable realization costs to the customer's liabilities.

6. If we are entitled to withdraw from the contract and take goods back, the customer is obliged to allow one of our employees to take stock of the available reserved goods.

7. As long as the goods are our property, the customer is obliged to treat them with care. If maintenance work and inspections are necessary, the customer must carry these out regularly at his own expense. In particular, he must insure them at original value against risks through damage or destruction as a result of fire, water and theft.

### § 8 Warranty for defects

1. As regards the customer's rights in case of material defects or defects in title, the statutory regulations shall apply to the extent that no other stipulations are made below. Special statutory regulations shall always be unaffected if the final delivery of the goods is to a consumer (recourse of the supplier pursuant to §§ 478, 445a, 445b of German Civil Code (BGB)). The following provisions on the warranty for defects only apply to newly manufactured items. Pre-owned items will be sold as seen. Insofar as we are nevertheless liable for defects of used items (e.g. by separate agreement or in cases where we carried out modifications on the used items), the following provisions shall apply accordingly.

2. The warranty claims from traders within the meaning of commercial law presuppose that they have met their inspection obligations and requirements to give notice of defects according to § 377 HGB. Non-commercial customers have to inspect the supplied goods as soon as possible after their arrival for material deficiencies, wrong deliveries and quantity errors. Non-commercial customers have to notify us of obvious material deficiencies, wrong deliveries and quantity errors within 14 days of arrival of the goods in text form. Posting is sufficient as observance of the deadline.

3. If the purchased item is defective, we are entitled to choose whether to rectify the defect as subsequent performance or deliver an item free of defects. The customer must leave us a reasonable time period for the subsequent performance. The customer is only entitled to further statutory warranty laws if we failed in the subsequent performance or we rejected it without permission respectively a subsequent performance deadline was not observed. Our right to refuse subsequent performance exists in the legal extent. We bear the necessary costs of inspection and subsequent performance if the defect actually, if however, the customer's wish for rectification of a defect proves to be unjustified, we can demand that the customer pays these costs accrued.

4. The customer can only expect a suitability or usefulness of the goods beyond the suitability for the usual utilisation or deviating from it, or a quality that is not usual for goods of the same kind, if this arises from a corresponding agreement or according to public utterances within the meaning of § 434 (1.3) BGB. Our li-

ability for defects shall above all be the agreement made on the nature of the goods, e.g. in product descriptions including those of the manufacturer, with which the customer is provided before ordering or which were integrated into the contract in the same manner as these terms and conditions. If the nature of the goods was not agreed upon, the statutory regulations are to be applied to determine whether or not there is a defect. We cannot, however, accept any liability for public statements by the manufacturer or other third parties (e.g. advertising claims). We are at the customer's disposal for issuing information and advice to the best of our knowledge on how to use our goods. However, we are only liable to provide information and advice beyond the provisions of the aforementioned § 8 (3) if a separate consultancy agreement is concluded or payment going beyond the purchase price of the goods has been agreed for such performances.

5. The statutory limitation period applies when a defect was fraudulently concealed by us, in case of a supplier's recourse (§ 445b BGB) or an action for recovery of property of a third party (§ 438 I 1 BGB) as well as in cases pursuant to § 12 clause (2).

6. If we point out special warranty arrangements and deadlines of the manufacturers in the catalogue (especially for electro-tools), these conditions also have priority in relation to our customers. However, we shall only assume manufacturers' guarantees to the extent that this has been expressly agreed with Customer.

7. If the operating and maintenance instructions from the manufacturing or supply company enclosed with the delivery item are not followed, alterations are carried out on the product, parts are replaced or consumables used that do not meet the original specifications, there is no longer any warranty unless these circumstances were not instrumental in creating a material deficiency.

8. If an item that we delivered has a deficiency in title, we are entitled at our discretion to remove the defect by delivering an equal substitute suitable for comparable use, or to rectify the deficiency in title by reaching an agreement with a legitimate third party.

9. If rectification has failed or if an appropriate deadline to be set by the customer has passed without success or is dispensable according to the statutory regulations, the customer may exit the purchase agreement or reduce the purchase price. In case of a negligible defect, however, they shall have no right of rescission.

10. The customer shall only have a right to damages in lieu of performance, or reimbursement of expenses incurred in vain subject to the proviso of § 12; otherwise such rights shall be precluded.

### § 9 Warranty Statement

We grant a 10-year warranty on materials and manufacture of GARANT products and GARANT workstations and storage products. The warranty is effective world-wide. The warranty period is reckoned from the invoice date. As warranty for defects that arise during the warranty period under the terms of the warranty, together with the shipping costs we will perform one of the following services of our choice:

- Restitution of the purchase price or
- free of charge repair of the product or
- free of charge replacement with an equivalent product.

This warranty excludes damage due to normal wear as a result of mechanical stress and damage or destruction due to use other than as intended or overloading of the products. Furthermore, the warranty does not extend to electronic components or to workstations and storage products mounted in containers. Claims for damages including claims for consequential damage are excluded from liability under the warranty. This warranty does not affect your statutory rights. Please make any claims under warranty without delay and in writing to us. A precondition for claims under warranty is the return of the product together with a copy of the invoice.

### § 10 The Electrical and Electronic Equipment Act (ElektroG)

1. Where the ElektroG applies to our products, we agree to carry out a mandatory product registration in the countries according to the guidelines of the European Community.

2. When the electrical and electronic equipment supplied by us is no longer in use, the customer agrees to return it to us at his expense. We will dispose of respectively recycle the appliances properly according to statutory provisions.

3. The customer agrees not to sell or give away the appliances when they are no longer in use to private households, especially not to employees.

4. When the customer passes on the appliances to commercial users, the customer will make sure that a corresponding agreement is made with the respective companies so that the equipment is returned to us at the end of the service life according to § 10 (2).

### § 11 Traceability

If the customer passes on the goods we supplied to third parties, he will secure the traceability of the goods through suitable measures. Consequently, he will especially make sure that in the event of a measure becoming necessary for reasons of product liability (e.g. product recall, product warning), the supplied goods can be found and their last purchaser of such measures reached immediately. If the customer does not pass on the goods we supplied to third parties, but uses or uses them up in his company, he will also make sure that in the event of a necessary measure as per clause 2, goods that are still in stock or in use can be found.

### § 12 Liability

1. Unless otherwise stipulated in these terms and conditions, including the following provisions, we shall be liable in the case of a breach of contractual and non-contractual obligations in accordance with statutory provisions.

2. We are unconditionally liable according to statutory provisions for damage to life, body and health owing to a negligent or willful breach of duty by us, our legal representatives or our vicarious agents, as well as for damages comprised by the liability according to the Product Liability Act. We are liable according to statutory provisions for damages not recorded by clause 1 and which are based on willful or grossly negligent breaches of contract as well as fraudulent intent by us, our legal representatives or our vicarious agents. We are also liable owing to and on a scale of this guarantee to the extent in which we have given a quality and/or shelf-life guarantee. However, we are only liable out of the guarantee for damage that does not happen directly to the goods if the risk of such damage is clearly included in the guarantee.

3. We are also liable for damage caused by ordinary negligence if the negligence concerns the breach of key contractual duties (duties without which performance of the contract would not be possible and whose observance the contracting parties regularly and justifiably rely upon). However, in these cases we are only liable for foreseeable, typical damage.

4. More extensive liability is excluded regardless of the legal nature of the asserted claim; this also especially applies to tortious claims or claims to compensation of unavailing expenditure instead of performance. Our liability for delay remains unaffected in every case.

5. The foregoing exclusions and limitations of liability apply to the same extent in the interests of our bodies, legal representatives, employees and other vicarious agents. 6. Where our products have to observe safety regulations, the safety regulations valid in Germany apply; in the event that the goods are delivered abroad by the customer, we are not liable for the non-observance of regulations valid there; the customer is responsible for these.

### § 13 Place of performance, governing law and legal venue

1. For all legal disputes arising directly or indirectly from this contractual relationship, our business location shown in our tender or declaration of acceptance is considered the place of performance for deliveries and payments, and as the sole, international place of jurisdiction towards traders as defined under commercial law, towards public legal entities and public trusts. The latter also applies if the customer does not have any standard legal venue in Germany or his place of residence/business or usual residence at the time the action was filed is unknown.

2. The law of the Federal Republic of Germany applies excluding collision regulations. The provisions of the UN sales law do not apply.