

General Terms and Conditions of Sale of Torbau Schwaben GmbH

1. General information, scope of application

- 1.1. These General Terms and Conditions of Sale ("GTCS") apply to all our business relationships with our customers ("buyers"). The GTCS shall only apply if the buyer is an entrepreneur (Section 14 of the German Civil Code (BGB)), a legal entity under public law or a special fund under public law.
- 1.2. The GTCS apply in particular to contracts for the sale and/or delivery of movable goods ("goods"), irrespective of whether we manufacture the Goods ourselves or purchase them from suppliers (Sections 433, 651 BGB). Unless otherwise agreed, the GTCS in the version valid at the time of the buyer's order and/or alternatively in the version last communicated in writing shall also apply as a framework agreement for similar future contracts without us having to refer to them again in each individual case.
- 1.3. Our GTCS shall apply exclusively. Deviating, conflicting or supplementary general terms and conditions of the buyer shall only become part of the contract if and when we have expressly agreed to their validity. This requirement of consent shall apply in every case, for example even if we carry out the delivery to the buyer without reservation well knowing about the buyer's general terms and conditions.
- 1.4. Individual agreements concluded with the buyer in individual cases (including collateral agreements, supplements and amendments) shall in any case take precedence over these GTCS. Subject to proof to the contrary, the content of such agreements shall be governed by a contract or our confirmation in writing.
- 1.5. Legally relevant declarations and notifications to be submitted to us by the buyer after conclusion of the contract (e.g. setting of deadlines, notification of defects, declaration of cancellation or reduction) must be made in writing to be effective.
- 1.6. References to the validity of statutory provisions are for clarification purposes only. Even without such clarification, the statutory provisions shall therefore apply unless they are directly amended or expressly excluded in these GTCS.

2. Conclusion of contract

- 2.1. Our offers shall be subject to change and non-binding. This shall also apply if we have provided the buyer with catalogues, technical documentation (e.g. drawings, plans, calculations, references to DIN standards), other product descriptions or documents - also in electronic form - to which we reserve ownership rights and copyrights.
- 2.2. The order of the goods by the buyer is considered a binding contractual offer. Unless otherwise stated in the order, we are entitled to accept this

contractual offer within two calendar weeks of its receipt.

- 2.3. Acceptance can be declared either in writing (e.g. by order confirmation) or by delivery of the goods to the buyer.

3. Delivery period and delay in delivery

- 3.1. The delivery period shall be agreed upon individually or specified by us when the order is accepted.
- 3.2. If we are unable to meet binding delivery deadlines for reasons for which we are not responsible (e.g. non-availability of the service), we shall inform the buyer of this immediately and at the same time inform the said of the expected new delivery deadline. If the service is not available within the new delivery period, we shall be entitled to withdraw from the agreement in whole or in part; we shall immediately reimburse any consideration already provided by the buyer. A case of non-availability of the service in this respect shall be deemed to be in particular the failure of our supplier to deliver to us in good time if we have concluded a congruent hedging transaction, neither we nor our supplier are at fault or we are not obligated to procure in the individual case.
- 3.3. The occurrence of our delay in delivery shall be determined by the statutory provisions. In any case, however, a reminder from the buyer shall be required.
- 3.4. The Buyer's rights pursuant to clause 8 of these GTCS and our statutory rights, in particular in the event of an exclusion of the obligation to perform (e.g. due to impossibility or unreasonableness of performance and/or subsequent fulfilment), shall remain unaffected.

4. Delivery, transfer of risk, acceptance, default of acceptance

- 4.1. Delivery shall be made ex warehouse, which is also the place of fulfilment for the delivery and any subsequent fulfilment. At the request and cost of the buyer, the goods will be shipped to another destination (sale to destination). Unless otherwise agreed upon, we shall be entitled to determine the type of shipment (in particular transport company, shipping route, packaging) ourselves.
- 4.2. The risk of accidental loss and accidental deterioration of the goods shall pass to the buyer upon delivery at the latest. In the case of mail order purchases, however, the risk of accidental loss and accidental deterioration of the goods as well as the risk of delay shall already pass to the buyer upon delivery of the goods to the forwarding agent, the carrier or the person or institution otherwise designated to carry out the shipment. If acceptance has been agreed upon, this shall be decisive for the transfer of risk. The statutory provisions of the law on agreements for work and services also apply accordingly to an agreed acceptance. If

the buyer is in default of acceptance, this shall be deemed equivalent to handover or acceptance.

- 4.3. If the buyer is in default of acceptance, fails to cooperate or if our delivery is delayed for other reasons for which the buyer is responsible, we shall be entitled to demand compensation for the resulting damage, including additional expenses (e.g. storage costs). We shall charge a lump-sum compensation of EUR 5.00 per calendar day for the said, beginning with the delivery deadline or - in the absence of a delivery deadline - with the notification that the goods are ready for dispatch.
- 4.4. Proof of higher damages and our statutory claims (in particular reimbursement of additional expenses, reasonable compensation, cancellation) shall remain unaffected; however, the lump sum shall be offset against further monetary claims. The buyer shall be entitled to prove that we have suffered no loss at all or only a significantly lower loss than the above lump sum.

5. Prices and terms of payment

- 5.1. Unless otherwise agreed upon in individual cases, our current prices at the time of conclusion of the contract shall apply, ex warehouse, plus statutory value added tax.
- 5.2. In the case of sales shipment (clause 4.1 of this GTCS), the buyer shall bear the transport costs ex workhouse and the costs of any transport insurance requested by the buyer. Any customs duties, fees, taxes and other public charges shall be borne by the buyer.
- 5.3. We shall negotiate the due date of the purchase price with the customer individually. If no individual agreement has been concluded, the purchase price shall be due and payable within 8 days of invoicing.
- 5.4. Even within the framework of an ongoing business relationship, we shall be authorised at any time to make a delivery in whole or in part only against advance payment. We shall declare a corresponding reservation at the latest when confirming the order.
- 5.5. Upon expiry of the above payment period, the buyer shall be in default. During the period of default, interest shall be charged on the purchase price at the statutory default interest rate applicable at the time. We reserve the right to assert further damages caused by default. Our claim to commercial maturity interest (Section 353 of the German Commercial Code (HGB)) against merchants shall remain unaffected.
- 5.6. The customer shall only be entitled to rights of set-off or retention insofar as the claim has been legally established or is undisputed. In the event of defects in the delivery, the counter-rights of the buyer shall remain unaffected, including but not limited to those set out in clause 7.6. of these GTCS.

- 5.7. If it becomes apparent after conclusion of the contract (e.g. through an application to open insolvency proceedings) that our claim to the purchase price is jeopardised by the buyer's inability to pay, we shall be entitled to refuse performance in accordance with the statutory provisions and - if necessary, after setting a deadline - to withdraw from the contract (Section 321 BGB). In the case of contracts for the manufacture of unacceptable items (custom-made products), we may declare our withdrawal immediately; the statutory provisions on the dispensability of setting a deadline shall remain unaffected.

6. Retention of title

- 6.1. The goods delivered ("goods subject to retention of title") shall remain our property until all claims to which we are entitled against the buyer have been fulfilled, including all current account balance claims. If the buyer is in breach of contract - in particular if the said is in arrears with the payment of a claim for payment - we shall be entitled to take back the reserved goods after we have set a reasonable deadline for performance. The transport costs incurred for taking back the goods shall be borne by the buyer. If we take back the goods subject to retention of title, this shall constitute a cancellation of the contract. It shall also be considered a cancellation of the contract if we seize the goods subject to retention of title. We may commercialise goods subject to retention of title taken back by us. The proceeds of the realisation shall be offset against the amounts owed to us by the buyer after we have deducted a reasonable amount for the costs of commercialisation.
- 6.2. The buyer must treat the reserved goods with care. The buyer must insure the goods at its own expense against fire, water damage and theft to cover their replacement value. If maintenance and inspection work is needed, the buyer must carry it out in good time at own expense.
- 6.3. The buyer may use the goods subject to retention of title and resell them in the ordinary course of business
as long as not being in default of payment. However, the buyer may not pledge the goods subject to retention of title or assign them by way of security. The buyer hereby assigns to us in full by way of security the buyer's claims for payment against the customers arising from the resale of the goods subject to retention of title as well as those claims of the buyer in respect of the goods subject to retention of title which arise against his customers or third parties for any other legal reason (in particular claims arising from unauthorised action and claims for insurance benefits), including all current account balance claims. We accept this assignment.
- The buyer may collect these claims assigned to us for his account in his own name on our behalf as long as we do not revoke this authorisation. This shall not prejudice our right to collect these claims ourselves; however, we shall not assert the claims ourselves and

shall not revoke the direct debit authorisation as long as the buyer duly meets the payment obligations.

However, if the buyer acts in breach of contract - in particular if in arrears with the payment of a claim for payment - we can demand that the buyer informs us of the assigned claims and the respective debtors, informs the respective debtors of the assignment and hands over to us all documents and provides all information that we require to assert the claims.

- 6.4. Any processing or remodelling of the goods subject to retention of title by the buyer shall always be carried out on our behalf. If the goods subject to retention of title are processed with other items that do not belong to us, we shall acquire co-ownership of the new item in the ratio of the value of the goods subject to retention of title (final invoice amount including value added tax) to the other processed items at the time of processing. In all other respects, the same shall apply to the new item created by processing as applies to the goods subject to retention of title.

If the goods subject to retention of title are inseparably combined or mixed with other movable items not belonging to us,

we shall acquire co-ownership of the new item in the ratio of the value of the goods subject to retention of title (final invoice amount including value added tax) to the other combined or mixed items at the time of combination or mixing. If the goods subject to retention of title are combined or mixed in such a way that the item of the buyer is to be regarded as the main item, the buyer and we hereby agree that the buyer shall transfer co-ownership of this item to us on a pro rata basis. We accept this transfer.

The sole ownership or co-ownership of an item created in this way shall be held in safekeeping for us by the buyer.

- 6.5. In the event of seizure of the goods subject to retention of title by third parties or other interventions by third parties, the buyer must draw attention to our ownership and must inform us immediately in writing so that we can enforce our ownership rights. If the third party is unable to reimburse us for the judicial or extrajudicial costs incurred in this respect, the buyer shall be liable for such costs.

- 6.6. If the buyer so requests, we shall be obligated to release the securities to which we are entitled to the extent that their realisable value exceeds the value of our outstanding claims against the buyer by more than 10%. However, we may select the securities to be released.

7. Claims for defects of the buyer

- 7.1. The statutory provisions shall apply to the rights of the buyer in the event of material defects and defects of title (including incorrect and short delivery as well as improper assembly or defective assembly instructions),

unless otherwise specified below. The statutory special provisions shall remain unaffected in the case of final delivery of the goods to a consumer (supplier recourse according to Sections 478, 479 BGB).

- 7.2. The basis of our liability for defects is above all the agreement reached on the quality of the goods. The product descriptions (including those of the manufacturer) designated as such, which were provided to the buyer prior to order or were included in the contract in the same way as these GTCS, shall be deemed to constitute an agreement on the quality of the goods.
- 7.3. If the quality has not been agreed upon, the statutory regulation shall apply to assess whether or not there is a defect (Section 434, paragraph 1 sentences 2 and 3 BGB). However, we shall not assume any liability for statements made by third parties.
- 7.4. The claims of the buyer for defects presuppose that the said has complied with the statutory obligations to inspect and give notice of defects (Sections 377, 381 HGB). If a defect is revealed during the inspection or later, we shall have to be notified of this in writing without delay. Irrespective of this obligation to inspect and give notice of defects, the buyer must report obvious defects (including incorrect and short deliveries) in writing immediately after delivery. If the buyer fails to carry out a proper inspection or to notify us of defects, our liability for the defect not notified shall be excluded.
- 7.5. If the delivered item is defective, the buyer may initially demand, at his discretion, either rectification of the defect (repair) or delivery of a defect-free item (replacement delivery), whereby Section 439 para. 3 BGB shall remain unaffected. If the buyer does not declare which of the two rights the said chooses, we can set a reasonable deadline for this. If the buyer does not make the choice within the deadline, the right to choose shall pass to us upon expiry of the deadline.
- 7.6. We are entitled to make the subsequent performance owed dependent on the buyer paying the purchase price due. However, the buyer shall be entitled to retain a reasonable part of the purchase price.
- 7.7. The buyer shall give us the time and opportunity necessary for the subsequent performance owed, in particular to hand over the goods complained about for inspection purposes. In the event of a replacement delivery, the buyer shall return the defective item to us in accordance with the statutory provisions. The subsequent fulfilment shall neither include the removal of the defective item nor the re-installation if we were not originally obligated to install the said.
- 7.8. In the event of a defect in the drive head of an AquaLOCK door, the buyer is obliged to remove the drive head in accordance with the instructions, to send it to our headquarters (Enzianstrasse 14 in D-88436 Oberessendorf, Germany) at our expense and to reinstall and commission the repaired or new drive head, which we will send to the buyer at our expense.

- 7.9. The expenses required for the purpose of inspection and subsequent fulfilment, in particular transport, travel, labour and material costs (Not: removal and installation costs) shall be borne by us if a defect actually exists. Otherwise, we may demand compensation from the buyer for the costs incurred as a result of the unjustified request to remedy the defect (in particular inspection and transport costs), unless the lack of defectiveness was not recognisable to the buyer.
- 7.10. In urgent cases, e.g. if operational safety is endangered or in order to prevent disproportionate damage, the buyer shall be entitled to remedy the defect himself and to demand reimbursement from us of the expenses objectively required for this purpose. We shall be informed immediately, if possible, in advance, of any such self-remedy. The right of self-remedy does not exist if we would be entitled to refuse a corresponding subsequent performance in accordance with the statutory provisions.
- 7.11. If the subsequent performance has failed or a reasonable deadline to be set by the buyer for the subsequent performance has expired without success or is dispensable according to the statutory provisions, the buyer may withdraw from the purchasing contract or reduce the price. However, there is no right to withdraw from the contract in the case of an insignificant defect.
- 7.12. The claims of the buyer for damages or compensation for futile expenses shall only exist in accordance with clause 8 and shall be excluded in all other respects.
- 7.13. In case of second-hand goods, all claims for defects on the part of the buyer shall be expressly excluded. This shall not apply in case of wilful intent or fraudulent intent. In addition, the provisions of clause 8 of these GTCS shall remain unaffected, even in the case of second-hand goods.

8. Other liability

- 8.1. Unless otherwise provided for in these GTCS including the following provisions, we shall be liable for any breach of contractual and non-contractual obligations in accordance with the relevant statutory provisions.
- 8.2. We shall be liable for damages - irrespective of the legal grounds - within the scope of fault-based liability in the event of wilful intent and gross negligence. In the event of simple negligence, we shall be liable, subject to a milder standard of liability in accordance with statutory provisions (e.g. for due diligence in our own affairs), only
- a) for damage resulting from injury to life, body or health,
 - b) for damage arising from the not insignificant breach of a material contractual obligation (obligation whose fulfilment is essential for the proper execution of the contract and on whose compliance the contractual partner regularly relies and may rely);

in this case, however, our liability is limited to compensation for the foreseeable, typically occurring damage.

- 8.3. The limitations of liability resulting from clause 8.2. of these GTCS shall also apply in the event of breach of duty by or in favour of persons whose fault we are responsible for in accordance with statutory provisions. The said shall not apply to claims of the buyer under the German Product Liability Act. The said also shall not apply if we have fraudulently concealed a defect or have assumed a guarantee for a property of the goods. If we have assumed a guarantee for a property of the goods and if damage occurs which is based on the fact that the property guaranteed by us is missing and if this damage does not occur directly on the goods delivered by us, we shall only be liable for this if the risk of such damage is clearly covered by our guarantee.
- 8.4. Due to a breach of duty which does not consist of a defect, the buyer may only withdraw or terminate the contract if we are responsible for the breach of duty. A free right of termination by the buyer (in particular according to Sections 651, 649 BGB) shall be excluded. In all other respects, the statutory requirements and legal consequences shall apply.

9. Statute of limitations

- 9.1. Notwithstanding Section 438 para. 1 No. 3 BGB, the general limitation period for claims arising from material defects and defects of title shall be one year from delivery. If acceptance has been agreed upon, the limitation period shall commence upon acceptance.
- 9.2. If, however, the goods are a building or an object that has been used for a building in accordance with its usual use and has caused its defectiveness (building material), the limitation period shall be five years from delivery in accordance with the statutory regulation (Section 438 para. 1 No. 2 BGB). Other special statutory provisions on the statute of limitations (in particular Section 438 para. 1 No. 1, para. 3, Section 444, Section 479 BGB) shall also remain unaffected.
- 9.3. The aforementioned limitation periods of the law on sales shall also apply to contractual and non-contractual claims for damages of the buyer which are based on a defect of the goods, unless the application of the regular statutory limitation period (Sections 195, 199 BGB) would lead to a shorter limitation period in individual cases. However, the claims of the buyer for damages pursuant to Section 8.2. sentence 1 and sentence 2 (a) and pursuant to the German Product Liability Act shall become time-barred exclusively in accordance with the statutory limitation periods.

10. Choice of law and place of jurisdiction

- 10.1. These GTCS and the contractual relationship between us and the buyer shall be governed by the law of the Federal Republic of Germany to the exclusion of international uniform law, in particular the UN Convention on Contracts for the International Sale of Goods.
- 10.2. If the purchaser is a merchant within the meaning of the German Commercial Code, a legal entity under public law or a special fund under public law, the exclusive - also international - place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship shall be our registered office in Oberessendorf, Germany. The same shall apply if the buyer is an entrepreneur within the meaning of Section 14 BGB. In all instances, however, we shall also be entitled to bring an action at the place of fulfilment of the delivery obligation in accordance with these GTCS or an overriding individual agreement or at the general place of jurisdiction of the buyer. Overriding statutory provisions, in particular regarding exclusive responsibilities, shall remain unaffected.