**General Terms and Conditions of Carl Warrlich GmbH**

**I. Scope**

Our offers, order confirmations, deliveries and services shall exclusively be subject to the following General Terms and Conditions in the respective version applicable at the time when the order is placed. Conditions deviating hereof shall not be valid, unless we explicitly agree to them. Our Terms and Conditions shall also – without requiring express emphasis or confirmation - apply to any later transactions within the framework of a current business relationship.

**II. Contracting party/conclusion of contract**

(1) The presentation in our catalogue does not constitute a legally binding offer. If we prepare an offer, this will be valid for a period of 6 weeks as from the date of offer, unless a deviating period of validity is stated in the respective offer.

(2) On placing the order, the customer makes a binding offer towards

**Carl Warrlich GmbH**

**Falkener Landstraße 9**

**99830 TREFFURT/GERMANY**

which becomes contracting party on conclusion of a purchase contract.

(3) The purchase contract shall come into effect, provided that we have confirmed the order in writing, by dispatch of the goods or, in case of a previous offer on our part, by placement of order within the period of the offer’s validity. An automated e-mail or other letter which only confirms the receipt of your order, shall not be considered as acceptance of the order.

(4) Oral collateral agreements to and modifications of contracts or of these terms of contract concluded with us or our representatives require to be confirmed in writing by the management in order to be effective.

**III. Prices**

(1) Our prices are net prices. Value-added tax, shipping and insurance costs will additionally be charged ex works. Unless otherwise agreed by contract, they will be specified in Euro (€).

(2) If a period of more than four months lies between conclusion of contract and the agreed delivery date or the day of delivery determined by the customer, we reserve the right to increase the agreed purchase price in accordance with the respective cost changes occurred up to that time. In case of an increase of more than 5 % of the agreed purchase price, the customer will be entitled to withdraw from the contract.

**IV. Framework delivery contract**

Insofar as we conclude contracts with customers on the repeated delivery of defined or undefined quantities of goods, irrespective of whether a specific or an indefinite term has been agreed upon, the General Terms and Conditions shall apply as well as the following by way of supplement:

(1) The prices agreed on conclusion of contract shall be valid for a period of 1 year, unless we individually agree on another period of validity with the customer in writing.

(2) The prices agreed with the customer are net prices ex works and are to be paid plus the statutory value-added tax to the amount of the tax rate valid at the date on which the tax arises.

(3) If there is an increase in raw material costs, transport costs or public taxes and charges to be paid by us in case of a delivery abroad valid at the time of conclusion of the respective contract, we will be entitled to increase our prices in proportion to the increase of our total costs resulting from such change in costs. In such case, we will be obliged to disclose at request of the customer our initial cost calculation in writing as well as the cost increases that have occurred. If prices should increase by more than 10 %, the customer will be entitled to terminate the contract without complying with a period of notice.

**V. Payment, maturity, deterioration of creditworthiness**

(1) Payment of goods shall either be effected in accordance with our specifications by advance payment or against invoice. In case of advance payment, the customer undertakes to pay the purchase price immediately after conclusion of contract. In case of payment against invoice, the invoices provided by us will be due for immediate payment, unless otherwise agreed by contract.

(2) In case of international delivery of goods, payment may be effected in accordance with our specifications by documentary letter of credit. In such case, the customer will be obliged to provide us with an irrevocable letter of credit from his bank. Otherwise, the Uniform Customs and Practice for Documentary Credits ERA600 of the International Chamber of Commerce shall apply (ICC).

(3) If the customer gets into default of payment, we will be entitled to charge default interest. The default interest rate is based on the respective valid version of § 288 BGB (German Civil Code). At the moment, the interest rate with regard to claims for payment amounts to 9 percentage points above the base interest rate in accordance with § 247 BGB.

(4) If after conclusion of contract circumstances occur which deteriorate the financial situation of the customer or impair the latter’s creditworthiness, any other claims against the customer will immediately become due on such occurrence. Such circumstances will also entitle us to render still outstanding deliveries only against provision of security by the customer as well as to withdraw from contracts not yet performed after a reasonable period of extension and to demand compensation for non-fulfilment.

**VI. Offsetting, retention**

The customer shall only be entitled to offsetting if his counterclaims have been established as legally binding or are undisputed. Furthermore, he will only be entitled to exercise a right of retention insofar as his counterclaim is based on the same contractual relationship.

**VII. Delivery periods**

(1) The delivery periods shall commence with the dispatch of the order confirmation, but not before submission of the documents, approvals and releases that might be provided by the customer as well as the details of performance and, if applicable, before receipt of an agreed down payment.

(2) If delivery has been agreed upon against advance payment, the delivery periods will begin upon receipt of the purchase price on our account.

(3) Force majeure, strikes, official or other unforeseeable causes which independent of our will and without being our fault delay, make impossible or interrupt production, delivery and transportation of purchased products will entitle us to postpone the delivery by the duration of such disruption and a reasonable start-up period or, if we cannot remedy such disturbances in the foreseeable future and with reasonable efforts, to withdraw from the delivery obligations in whole or in part, without entitling the customer to a claim for compensation. The same shall apply, if the pre-deliveries necessary for the fulfilment of our obligations are not performed.

(4) We shall be entitled to partial deliveries to an extent which the customer can reasonably be expected to accept.

(5) Claims for compensation against us due to delay in delivery shall be excluded, unless we or our vicarious agents are to be blamed for intent or gross negligence. Should we be liable in case of ordinary negligence due to special circumstances, our liability will be restricted to a compensation for delay for each full week of delay to the amount of 0.5 % of the value of such part of the delivery which is outstanding. Irrespective of the duration of delay, the maximum compensation will amount to 5 % of the value of goods. This shall also apply in case of compensation for damages due to non-performance based on ordinary negligence. Without prejudice to the foregoing, the customer will be entitled to withdraw from the contract in case of a delay caused by us after granting a reasonable period of grace.

**VIII. Quality**

(1) Unless otherwise agreed, the documents belonging to our offer (illustrations, drawings, data on dimensions and weights) are only roughly decisive and shall therefore only be binding within the limits of permissible tolerances. The same shall apply to exhibition items and catalogue illustrations.

(2) The weight (grammage) of our products significantly depends on the respective environmental influences, in particular on temperature, transport conditions and storage. Our weight specifications, in particular in catalogues, offers and on packages refer to the fresh weight immediately after production. Deviations of up to 8 % between the fresh weight and the weight on receipt of the goods shall not constitute a defect and correspond with the contractual quality. We do not accept any liability for deviations to the aforementioned extent.

**IX. Liability for defects and compensation claims arising from defects**

The supplier shall be liable for material defects as follows:

(1) All parts or services where a defect becomes apparent shall, at the discretion of the supplier, be repaired, replaced or rendered again free of charge, provided that the reason for the defect had already existed at the time of the transfer of risk.

(2) Claims for supplementary performance shall become time-barred after 12 months from the beginning of the statutory limitation period; the same shall apply to withdrawal and reduction. This limitation period shall not apply: insofar as longer periods are prescribed by law in accordance with §§ 438 sect. 1 No. 2 (buildings and items used for buildings), 479 sect. 1 (recourse claims) and 634a sect. 1 No. 2 (construction defects) of the German Civil Code (BGB); in case of intent; in case of fraudulent concealment of the defect as well as in case of non-compliance with a quality guarantee. Claims for reimbursement by the purchaser in accordance with § 445a BGB (recourse to the seller) will also become time-barred after 12 months from the beginning of the statutory limitation period, provided that the last contract in the supply chain is not a consumer good purchase. The statutory provisions with regard to suspension of expiry, suspension and restart of the limitation period shall remain unaffected.

(3) Notices of defects by the purchaser shall be made in writing without undue delay.

(4) In case of claims for defects, payments on the part of the purchaser may be withheld to an extent reasonable in relation to the defects complained of. The purchaser shall not be entitled to a right of retention if his claims for defects are time-barred. If the notification of defect was unjustified, the supplier shall be entitled to demand reimbursement of the expenses incurred from the purchaser.

(5) The supplier shall be granted an opportunity for supplementary performance within an appropriate period of time.

(6) If supplementary performance fails, the purchaser may – without prejudice to any claims for damages pursuant to No. 10 – withdraw from the contract or reduce the agreed price.

(7) Claims for defects will not be accepted in cases of only insignificant deviations from the agreed quality, of only insignificant impairment of usefulness, in case of normal wear and tear or of damages occurring after the transfer of risk as a result of incorrect or careless treatment, excessive use, unsuitable equipment, defective construction works, unsuitable building ground or as a result of special exterior influences which had not been taken into consideration under the contract, as well as in case of not reproducible software errors. If the purchaser or a third party has carried out improper modifications, installation, removal or repair work, claims for defects with regard to such action and the consequences resulting thereof shall not exist, either.

(8) The purchaser shall not be entitled to any claims based on the expenditures required for the purpose of subsequent performance if these expenditures have increased because the goods delivered were subsequently transported to a location other than the purchaser's place of business, unless such transport is consistent with the goods' intended use. The same shall apply to claims for reimbursement by the purchaser in accordance with § 445a BGB (recourse to the seller), provided that the last contract in the supply chain is not a consumer good purchase.

(9) The purchaser may only assert recourse claims against the supplier according to § 445a BGB (recourse to the seller) insofar as the purchaser has not entered into any further agreements with its client exceeding the statutory claims due to defects.

(10) Claims for damages by the purchaser owing to a material defect shall be excluded. This shall not apply in cases of fraudulent concealment of the defect, of non-compliance with a quality guarantee, in case of injury of life, body or health, as well as in cases where the supplier intentionally or grossly negligently fails to fulfil his obligations. The preceding regulations do not lead to a change in the burden of proof to the disadvantage of the purchaser. Any other claims by the purchaser based on material defects or any claims exceeding the claims provided for in this Article VIII shall be excluded.

**X. Reservation of title**

(1) The delivery items (reserved goods) shall remain the property of the supplier until all claims against the purchaser have been settled to which the supplier is entitled as a result of the business relationship. To the extent that the value of all security interests to which the seller is entitled should exceed the total amount of all secured claims by more than 20%, the seller will release a corresponding portion of the security interests at the purchaser's request; the supplier shall have the right to choose between various security interests for release.

(2) For the duration of reservation of title, the purchaser shall be prohibited from pledging the reserved goods or using them as security, and resale shall be possible only for resellers in the ordinary course of business and subject to the reseller receiving payment from its client or with the proviso that the property shall not pass to the client until the latter has met its financial obligations.

(3) In the event that the purchaser should resell the goods that are subject to reservation of title, he hereby assigns all his future claims against his customers, along with all ancillary rights - including any claims in respect to outstanding balances - that arise from the resale to the supplier by way of security without the need for any further special declarations. If the reserved goods are sold together with other goods without having agreed on an individual price for the reserved goods, the purchaser shall assign that portion of the total price claim to the supplier which corresponds to the price of the reserved goods invoiced by the supplier.

(4) (a) The purchaser shall be entitled to process the reserved goods or to combine or to mix them with other objects. Processing takes place for the supplier. The purchaser shall store the new item resulting from such processing on behalf of the supplier with the due diligence of a prudent businessman. The new item shall be deemed as a reserved good.

(b) The supplier and purchaser are in agreement that, if the reserved goods are combined or mixed with other objects that do not belong to the supplier, the supplier shall be entitled to co-ownership in the new object to the proportionate extent which results from the ratio of the value of the combined or mixed reserved goods to the value of the remaining goods at the time of the combining or mixing activities. The new item shall therefore be deemed as a reserved good.

(c) The provision regarding the assignment of claims in accordance with No. 3 shall also apply to the new item. Such assignment shall only be valid, however, up to the amount that corresponds with the value of the processed, combined or mixed reserved goods invoiced by the supplier.

(d) If the purchaser combines the reserved goods with properties or movable items, he will, without requiring any further special declarations, also transfer to the supplier his payment claim to which he is entitled as compensation for the combined goods, along with all ancillary rights, by way of security to the amount of the ratio of the value of the combined reserved goods to the remaining combined goods at the time of combination. 5. Until further notice, the purchaser shall be entitled to collect assigned claims arising from the resale. In the event of an important reason, in particular delay in payment, suspension of payment, opening of insolvency proceedings, protest of a bill or in case of comparable sustainable reasons which suggest the purchaser's overindebtedness or impending insolvency, the supplier shall be entitled to revoke the purchaser's authorization to collect receivables. Furthermore, after prior warning and subject to compliance with a reasonable deadline, the supplier may disclose the assignment of security, utilise the assigned claims and demand that the purchaser discloses the assignment of the security to the customer.

6. In the event of attachments, seizures or other dispositions or interventions by third parties, the purchaser shall immediately inform the supplier. On provision of sufficient prima facie evidence of a legitimate interest, the purchaser shall provide the supplier immediately with the information and hand out the documents required in order to claim his rights against the customer.

(7) Should the purchaser violate his obligations, in particular in the event of default in payment, the supplier shall be entitled to withdraw from the contract and to recover the items supplied if the purchaser fails to provide remedy within a reasonable period of time specified by the supplier; the statutory provisions regarding the possibility of dispensing with the fixing of a time limit shall remain unaffected. The purchaser shall be obliged to surrender the goods. The taking back or assertion of the reservation of title or seizure of the reserved goods by the supplier shall not constitute a withdrawal from the contract, unless the supplier had expressly declared such withdrawal.

**XI. Transfer of risk**

In accordance with § 447 BGB, the risk of deterioration, destruction and of dispatch shall be transferred to the customer, as soon as the delivery item has left our business premises or warehouse. This agreement shall also apply if delivery franco domicile has been agreed. If dispatch is delayed due to reasons for which we are not responsible, the risk shall already be transferred to the customer upon notification of the readiness for dispatch.

**XII. General limitation of liability**

Beyond the liability for compliance with delivery deadlines and for the absence of defects in goods arising from contracts of sale and contracts for work and services, we will only assume liability if we, i.e. our statutory representatives or vicarious agents, may be blamed for intent or gross negligence, for example within the framework of a fault on conclusion of contract, in case of positive violations of contractual duties or tortuous acts. In cases of ordinary negligence, we will not assume liability. The aforesaid liability exclusion shall not apply in the case of injury to life, body or health.

**XIII. Data protection**

(1) Personal data will only be collected, processed and stored by us in accordance with applicable laws, in particular with the Federal Data Protection Act (Bundesdatenschutzgesetz = BdSG) and the Data Protection Regulation (DS-GVO) as well as the German Telemedia Act (TmG). It is important to us to protect your personal data when you visit our homepage.

Your data will be protected within the framework of statutory requirements.

(2) Personal data will only be collected if you provide the respective details on a voluntary basis, for example in the course of an inquiry or registration.

(3) As far as you have provided us with personal data, we will only use such data for the answering of your questions, the execution of contracts entered into with you and for technical administration.

(4) Your personal data will only be forwarded or otherwise transferred to third parties if this is necessary for the execution of contract – especially with regard to the forwarding of order data to the supplier – for the purposes of invoicing or after we have been given your prior consent. You will any time be entitled to revoke your consent with effect for the future.

(5) The deletion of the personal data stored will be carried out if you revoke your consent to the storage, if knowledge of the same is no longer necessary for the fulfilment of the purpose pursued with the storage or if storage of the same is inadmissible on other legal grounds.

(6) Within the framework of our Data Protection Declaration, we provide you with supplementary information on data protection as well as on the kind, scope and purpose of the collection and use of personal data performed on our part.

**XIV. Place of performance and place of jurisdiction, applicable law, partial invalidity**

(1) The contractual relationships shall exclusively be subject to German law. Application of the UN-Convention on Contracts for the International Sale of Goods shall expressly be excluded.

(2) Depending on the amount in dispute, the exclusive place of jurisdiction shall be the Local Court of Eisenach or the District Court of Meiningen with regard to any deliveries and payments (including legal actions due to cheques or bills of exchange) as well as with regard to any other disputes arising from the contractual relationship, provided that the customer is a registered trader, a legal entity under public law or a special fund under public law.

(3) Place of performance for any obligations arising from this contract shall be our registered office.

(4) Should individual provisions be or become void, ineffective or contestable, the other provisions shall remain unaffected and shall be interpreted or supplemented in such a way that the intended commercial purpose is achieved as precisely as possible in a legally admissible way. The same shall apply to possible gaps requiring to be supplemented.

As of: August 2018