

## I. Scope and Incorporation

1. These General Conditions of Sale and Supply (GCSS) shall be an integral part of the contract of purchase. Our GCSS apply exclusively. Conflicting or deviating Conditions of Purchase of the customer or other reservations made by the Customer shall not be effective unless we expressly accept them in writing for a particular order. However, such conflicting or deviating Conditions of Purchase or other reservations may be integrated formlessly if not made at the time of the formation of the contract.
2. These terms and conditions do also apply on all future relations between the parties, even if not agreed upon expressly.
3. Our GCSS shall only apply towards customers that are businesses in the sense of section 24 of the German Code on General Conditions and Terms of Business resp. section 14 of the German Civil Code.

## II. Written Form, E-Mail, Power of Employees and Delivery Persons

1. Additional or other clauses or provisions, representations or changes have to be made in written form or signed with a qualified electronic signature according to the German Electronic Signature Act (ESA) unless they are not made at the time of the formation of the contract.
2. Our employees are not authorized to make oral representations in the course of the formation of the contract or agree orally upon additional clauses or amendments of the contract with our customer unless their authorization is prescribed by law. Such representations, additional clauses, or amendments of contracts made by employees have to be in written form or signed with a qualified electronic signature according to the ESA unless they are not made at the time of the formation of the contract. Delivery persons or other persons appearing in the scope of the performance of the contract or occasionally to its performance, have no such authorizations at all.

## III. Offers, Specifications, Deviations from Specifications

1. We shall revoke our offers until their acceptance unless we designate them as binding.
2. In the case the customer's order is an offer in the sense of section 145 of the German Civil Code, we may accept such offer within twelve working days by sending or handing over a written acknowledgement or an acknowledgement signed with a qualified electronic signature according to the ESA. We are bound to our binding offers for 12 working days.
3. Deviations from product characteristics agreed upon shall be deemed according to the contract if the deviation reasonably has to be accepted by the customer, or does not or not substantially reduce the suitability of the product for the use presupposed by the contract unless we represented the missing characteristic or could realize that the missing characteristic was of major importance for the customer, or its absence is endangering the sense of the agreement.

## IV. Prices, Payment

1. All prices are net prices, computed in EURO, exclusive of packaging, transportation, other incidental costs and the value-added tax (VAT) due at the time of delivery.
2. Our prices are binding according to below standing para. IV. 3.
3. We may increase the prices agreed upon in the scope of market prices if, 4 weeks or more after the formation of the contract, our costs increase, especially due to increases of cost of materials or bottlenecks in the supply markets. However, if, 4 weeks or more after the formation of the contract, our costs decrease, especially due to decreases of cost of materials or improvements in the supply markets, we are obliged to decrease our prices accordingly. These provisions shall not apply if a fixed price was agreed upon.
4. Payments by cheque or bill of exchange, are only deemed to have been realized where the debt amount has been credited to us. Any discount or bank charges will be borne by the Customer. We are not liable for the timely presentation or collection unless our negligence exceeds minor negligence.
5. If customer's default with the payment lasts longer than 30 calendar days, cheques or bills of exchange of the customer are protested, or a bankruptcy petition is filed against customer, we shall be entitled to set due and payable the whole of the price of all goods bought or agreed to be bought by the customer, to retain all deliveries and services, and to demand return of the reserved goods or to collect them from third party areas and take possession of them.
6. The customer shall not be entitled to any right of retention or refusal or offset of his counterclaims against our claims unless the counterclaims the customer exercises retention or refusal or sets them off against our claims are uncontested or res judicata.

## V. Delivery, Delivery Date

1. Deadlines for deliveries shall be deemed to have been met when the goods are handed over to the forwarding agent. We notify the customer the readiness for shipment.
2. Deadlines for deliveries are agreed upon on the basis of our expected ability to perform and are subject to all facts, events and circumstances not attributable to us and not given at the time of the formation of contract. Such circumstances are especially force majeure, included (but not limited to) unforeseeable events in manufacturing or distribution caused by delivery delays by suppliers; boycotts, lock-outs, or strikes at our own plants, the plants of suppliers, or at transport establishments; or due to war, civil disorder, or mobilization. Such circumstances lead to an extension of the delivery date, even if occurring during our default with delivery. In such case also an additional period of time, fixed by the customer, is extended by the duration of such circumstances.
3. If we are in default of delivery for more than seven weeks, customer may rescind the contract after fruitless expiration of a reasonable additional period of time fixed by customer. Periods of default are computed regardless of circumstances not attributable to us, such as mentioned in para. V. 2.
4. We reserve the right to rescind the contract in cases of a delaying of the delivery not attributable to us, such as mentioned in para. V. 2., lasting more than seven weeks.
5. Partial deliveries and services shall be acceptable provided that we have a (i) justified interest in these, included but not limited to cases of bottlenecks in our supply markets, and (ii) these are acceptable to the customer.
6. If our supplier does (definitely) not supply us although we have picked it out with care and the order to the supplier meets the requirements of our obligation towards our customer, we get discharged from our obligation to deliver if we notify the customer the non-supply and, as far as in accordance with the law and the contract with the supplier, offer customer the assignment of our claims against such supplier. In selecting our suppliers, we are not liable for minor negligence. However, this provision does not apply, if we have assumed the risk of the procurement (Beschaffungsrisiko).

## VI. Retention of Title

1. We retain the title in any items delivered by us prior to the receipt of all payments due from customer's business transactions with us, e.g. the purchase price included any subsidiary claims, all charges due on the redemption and/or clearance of drafts, bills of exchange, and/or cheques accepted in payment. Claims subject to a condition precedent are included.
2. Until payment in full of the purchase price, customer shall not pledge the goods, assign or transfer them as security, or otherwise charge them with the rights of any third party, but may sell them in the ordinary course of business. The customer shall make the passing of title of the resold goods subject to their full payment.
3. The customer agrees to assign at this point in time any of its claims, including any claims based on credit insurance policies resulting from the resale of any items subject to retention of title, including any associated rights, irrespective of whether the item subject to retention of title has been resold to one or several buyers. Should any accounts receivable assigned have been included in a current account, the agreed assignment shall also refer to any claims resulting from such current account.

4. The customer is entitled to collect the purchase prices from resold goods until further notice. If we set due and payable the whole of the price of all goods bought or agreed to be bought by the customer pursuant to para. IV. 5., customer is obliged to inform its buyers from the assignment pursuant to para VI. 3, to provide us all necessary information, present all relevant documents, resp. make us available its bookkeeping for information purposes.
6. If the value of the security provided to us exceeds the value of the claims to be safeguarded by more than 20 per cent, we shall, at the customer's request, bring the excess coverage down to 20 per cent by releasing security of our own choice.
7. We shall be notified without undue delay of any third-party seizure or other event affecting our property and customer has to give us reasonable support on our intervention. Customer has to bear the cost of such intervention having been successful but the costs could being not recoverable from the defendant and compulsory execution against the defendant being fruitless.
8. Customer has no right of retention concerning any security.
9. If the law in customer's country does not recognize retention of title, we shall be entitled to assert and claim all other available property rights in its products.

## VII. Packaging, Shipment and Passing of Risk

1. Our consignments are dispatched in standard packaging at the customer's cost. Our shipments will be made at our sole discretion, in the scope of the applicable professional standards.
2. The risk of loss and/or damage to goods supplied by us shall pass to the Customer when they are handed over to the transport person, the transport person's mandatory or other person we authorized, unless we deliver the goods with our own employees or vehicles to the customer. Should shipment be delayed due to circumstances beyond our control, the risk shall pass to the customer upon notification of readiness for shipment. These provisions about passing of risk also apply on returns after correction of faults, repair works at customer's cost, and replacement delivery.
3. On request of the customer and at its cost, we will insure the goods delivered against the risks customer notifies us.

## VIII. Warranty

1. Customer has to examine the goods without delay and notify us in writing of any recognizable defects and shall, as far as possible with reasonable efforts, specify the defects found. In case of warranty, we may, at our discretion, repair or replace the delivered goods.
2. If we are unwilling or unable to repair the goods, or if, due to reasons that may be attributed to us, such repair exceeds a reasonable period of time, or if replacement deliveries repeatedly fail to be satisfactory, the customer is entitled to either reduce the purchase price or to withdraw from the contract (rescission of contract). However, if an alleged defect proves to be no defect or exclusively results from fault of the customer, we may claim for allowance. Customer may prove us that our cost is less than what we charge.
3. Any further claims shall be excluded unless otherwise provided for under the following section IX.

## IX. Limited Liability

1. We shall be liable for customer's damage, irrespective of the legal grounds therefore, including but not limited to, (i) liability under tort, (ii) breach of contractual duties (Verletzung vertraglicher Pflichten), and (iii) breach of duties upon contracting (Verschulden beim Vertragsschluss), **only** if such claims are based either on intent (Vorsatz) or gross negligence (grobe Fahrlässigkeit), except as otherwise provided in the following para. IX. 2.
2. Not included under the limitation of liability pursuant to above para. IX. 1. are (i) claims for damages because of personal injuries, (ii) material damages, or (iii) damages due to breach of material contractual obligations („cardinal obligations“), and (iv) if customer relies on the due performance of our obligations due to reasons, creating a specific bond of trust recognized by law (besonderer Vertrauensstatbestand). If our liability is not based on claims for damages that have been caused by us or our agents or servants, we are not liable for consequential damages, including, but not limited to lost profit. In any case of our liability, such liability is limited to the amount of the foreseeable damage typical to such contracts; additionally, our liability is limited to 250.000,- € (in words: two hundred fifty thousand and 00/100 Euros). If we are not liable, and, insofar hold claims against third persons, we will, on customer's request, assign our claims against such third persons to customer.
3. Not included under the limitation of liability pursuant to this section IX. are claims (i) under the Product Liability Act (Produkthaftungsgesetz) and (ii) any other mandatory statutory liability regulations as well as claims because of (iii) misrepresentation or (iv) lack of assured characteristics or (v) our assumption of the risk of procurement (Übernahme des Beschaffungsriskos) of the sold product.

## X. Liability for Produced Goods

We do not assume any liability for the quality, compound, general or specific fitness for purpose, or form of goods, produced with Indutherm's products, except if such lack of quality, incorrect compound, insufficient fitness, or imperfect form is due to a defect of our product. In such case we assume liability in accordance with the provisions in the above Section X, and only insofar as the defect of the produced goods is caused by the defect of our product.

## XI. Severability

The invalidity or non-enforceability of any part of the present General Conditions of Sale and Supply and of any contract between the parties which refers thereto shall not affect the validity of the remaining terms and conditions thereof. Invalid or non-enforceable provisions have to be replaced by such provisions, which - within the legally admissible - come economically as close as possible to the effect desired by the parties. The same applies to eventual flaws or loopholes.

## XI. Place of Performance and Jurisdiction, Applicable Law, Interpretation of Terms of Trade

1. Place of performance for all our contractual obligations is D 75045 Walzbachtal-Wössingen. Place of jurisdiction for all disputes arising out of the contractual relationship is Karlsruhe. We have the option to sue the customer at its general place of jurisdiction.
3. German law shall apply. No uniform laws governing the international sales of movable property or the conclusion of international sales contracts for movable property, both dated 17<sup>th</sup> July, 1973, or the UN agreement on the sales of goods dated 11<sup>th</sup> April, 1980, CISG - shall apply. Application of the Uniform Law on the International Sale of Goods and the Uniform Law on the Formation of Contracts on the International Sale of Goods - both dated 17<sup>th</sup> July, 1973, shall be excluded.
3. Customary terms of trade shall be interpreted in accordance with the INCOTERMS current at the time.

## XIII. About INDUTHERM

1. INDUTHERM is a limited liability company in registered in the commercial register of the Local Court of Mannheim and HRB No. 705705, duly incorporated for an unlimited duration, and validly existing under the laws of the Federal Republic of Germany.
2. Our registered offices are at Brettener Strasse 32, D 75045 Walzbachtal-Wössingen, Germany. This address shall be used for all notices.
3. Our taxpayer's identification number for value-added tax (Umsatzsteueridentnummer) is DE815027844.