



General Terms of Delivery of Rego Europe

§ 1 Scope of application

1. These General Terms of Delivery ("Terms") apply for all commercial transactions with our customers in the sector purchases and deliveries of movable objects, regardless whether we manufacture them ourselves or procure them from suppliers (§§ 433, 651 German Civil Code *(BGB)*).
2. Unless otherwise determined, our Terms only apply if the customer is a business person (§ 14 German Civil Code *(BGB)*, a legal person under public law or a special fund under public law.
3. Our deliveries, services and offers are based solely upon these Terms. Our Terms also apply for all future transactions with the customer, also without explicit mentioning. Deviating, opposing or supplemental purchasing conditions of the customer are no part of the agreement, unless we have explicitly consented to their application in writing. The requirement of approval applies in any case and is, for example, not fulfilled in case of the unreserved execution of a delivery to the customer in the knowledge of his General Terms and Conditions.
4. Verbal subsidiary agreements are only binding on us we confirmed them in writing. Verbal commitments from our side are not legally binding and verbal agreements are substituted by the written agreement, unless they do not explicitly stipulate to be of continued binding effect.
5. The written form required in these Terms is also fulfilled with the transmission via remote copy (fax) or email. Individual agreements with the customer concluded in isolated cases take precedent over the conditions of these Terms. Our written confirmation or a written contract is decisive for the content of such agreements.

§ 2 Offer, order, delivery periods, delay in delivery

1. Our offers are subject to change and non-binding, unless we have explicitly declared them to be binding in writing. The order of the customer is considered a binding offer of contract which we may accept within a period of up to two weeks following receipt, unless otherwise agreed. Our acceptance may occur by way of written confirmation or delivery of the goods.
2. Information we provide in respect of the delivery or service (e.g. weights, measurements, usage values, capacities, tolerances and technical data) as well as our presentation of the same (e.g. drawings, pictures) are only approximately representative, unless the usability for the contractually envisaged purpose requires accurate compliance. Such information do not constitute a guaranteed characteristics, but are descriptions or qualifications of the delivery or service. Deviations customary in trade or due to legal provisions or deviations which constitute technical developments as well as the substitution of components by equal parts are permissible to the extent these do not harm the usability for the contractually envisaged purpose. Calculations, evaluations, samples, drawings, illustrations, measurements, weights or other performance data are only binding if we have explicitly stipulated them to be binding in writing.
3. Unless delivery periods and deadlines are otherwise bindingly agreed upon, the usual non-binding delivery period is nine weeks. Delivery periods apply subject to correct and on-time self-supply, unless they have been previously bindingly agreed upon.
4. Delivery periods commence with the date of the final and complete order confirmation and are subject to the on-time and proper fulfilment of the customer's obligations. Delivery deadlines are deemed complied with if we hold the goods ready for dispatch ex works by the due date and in case of dispatch at the request of the customer have dispatched the goods by the due date.
5. If we are not able to comply with binding delivery deadlines for reasons which are not our responsibility (unavailability of service), we shall notify the customer without undue delay and at the same time inform him of the anticipated new delivery period. If the service is not available



also within the new delivery period, we are entitled to partially or completely withdraw from the agreement; we shall refund any considerations provided by the customer without undue delay. Cases of unavailability of the service in this context particularly include the delayed self-supply through our supplier if we have concluded a congruent hedging transaction or if neither we nor our supplier is responsible or if we are not responsible for the procurement in individual cases.

6. The commencement of our delay in delivery is determined by the statutory regulations. However, a warning from the customer is required in any event.

§ 3 Delivery, transfer of risk, default of acceptance

1. Unless otherwise agreed, our deliveries are ex-works or distribution centre, which is respectively also the place of fulfilment. We reserve the right to determine the type of transport, unless a certain modus of transport has been agreed upon.
2. We are entitled to partial deliveries and partial services if the partial performance can be used by the customer within the contractual purpose, the delivery of the remaining goods is secured and this does not incur a considerable burden or additional costs on side of the customer (unless we agree to cover such costs).
3. The risk of accidental destruction and accidental deterioration of the goods - also in case of partial deliveries - is transferred at the time of handover to the customer, the forwarding agent, the carrier or other persons or institutions stipulated for the execution of the dispatch to the customer, however at the latest upon leaving the works/distribution centre. If an acceptance has been agreed upon, it is decisive for the transfer of risk.
4. If the customer is in default of acceptance, omits an act of cooperation or if our delivery is delayed for any other reason owed to the customer, the risk is transferred to the customer at the moment of notification of readiness for dispatch. In this event we are furthermore entitled to demand compensation for the resulting damage including additional costs (e.g. storage costs). In this case we calculate a flat compensation of 0.5% of the net price (delivery value) for each completed calendar week of the delay, however at maximum a total of 5% of the delivery value of the goods to be delivered, commencing with the delivery deadline and/or lacking a delivery deadline with the notification of the readiness for dispatch of the goods. The verification of a greater damage and our legal claims (particularly compensation of additional expenses, appropriate compensation, termination) remain unaffected; however, the flat compensation has to be credited toward further monetary claims. The customer is entitled to prove that we incurred no damage at all or a significantly lower damage than the flat compensation stipulated above.

§ 4 Reservation of title

1. We reserve ownership to the sold goods until the complete payment of all our current and future claims from the purchase agreement and the ongoing business relationship, regardless whether or not they have already been delivered ("Reserved Goods"). In case of several claims or current accounts the reservation of title is considered security for the payment balance, even if individual goods deliveries have already been paid.
2. The Reserved Goods may not be mortgaged or pledged as security to third parties until complete payment of the secured claim. In case of third party access to the reserved goods, particularly levies of execution, the customer shall notify of our ownership at the earliest possible moment and inform us immediately to enable us to assert our ownership.
3. In the event of the customer acting contrary to the agreement, particularly in case of default of payment, we are entitled to withdraw from the agreement and demand the return of the Reserved Goods in accordance with the statutory regulations (particularly following the expiration of an appropriate period of grace without cure). In this case we are entitled to exploit the Reserved



Goods following the withdrawal. Upon deduction of an appropriate amount for exploitation expenses, the revenue from the exploitation will be offset against the amounts owed to us by the customer.

4. The customer is authorised to on-sell and/or process the Reserved Goods in the context of proper business process, unless he is in default of payment. In this case, the following conditions apply:
 - (a) The reservation of title includes goods created based on the processing, intermingling or combination of our goods at their full value. In such cases we are deemed the manufacturer; however, we shall not be held liable. If the ownership is retained during the processing, intermingling or combination with goods not in our ownership, we acquire co-ownership at the ratio of the invoice values of our delivered items to the other processed, intermingled or combined goods which are not in our ownership. If the customer's item is considered to be the main object at the combination or intermingling, it is agreed that the customer assigns to us proportional ownership in the new item. The customer possesses the thus created co-ownership for us. For the remainder, the same conditions apply for the created product as in case of goods delivered under reservation.
 - (b) For security purposes, the customer hereby assigns to us any claims generated from the on-selling or any other legal reason (insurance, tortious act) pertaining to the reserved goods to their full extent. We accept the assignation and revocable authorise the customer to collect the claims assigned to us in his own name on his account. The authority to collect expires if the customer does not duly comply with his payment obligations toward us, encounters payment difficulties, if judgement executions are asserted against him or if judicial insolvency proceedings are commenced pertaining to his assets or if the commencement has been declined due to lack of assets. In such case, we can demand that the customer discloses the assigned claims and their debtors, provides all details necessary for the collection, supplies the respective documentation and informs the debtors (third parties) of the assignation.
 - (c) We are obligated to release our securities to the extent as the realisable value of our securities exceeds the claims to be secured by more than 20 %; the selection of the securities to be released remains at our discretion.

§ 5 Prices and payment conditions

1. Unless otherwise agreed, our prices are in EURO ex-works or distribution centre including our normal packaging and loading, however excluding the respective legal VAT. The respectively legal VAT, the transport costs ex-works or distribution centre and the costs of any transport insurance separately requested by the customer are invoiced additionally. Any customs fees, levies, taxes, other public fees as well as all further costs (e.g. assembly or installation of the goods) are also borne by the customer.
2. Unless agreed otherwise in writing, the prices applicable on the day of the delivery apply for the calculation. If these are higher than at the time of the conclusion of the agreement, the customer is entitled to withdraw from the agreement with respect to the not yet received goods within 14 days following the notification of the price increase.
3. We reserve to request advance payment, deposit or provision of security. Our invoices are due and payable immediately and without deduction.
4. In the event of default of payment by the customer, the respective legal default interest rate applies; we reserve the right to assert further damage caused by default. Toward merchants, our claim to the commercial default interest according to § 353 German Commercial Code (*HGB*) remains unaffected.
5. We only accept bills of exchange, cheques or other payment orders on account of performance. The customer is exclusively liable for associated fees and costs as well as the risk of on-time submission and raising of objection.



6. The customer is only entitled to off-set claims of the customer which are approved by us or have been conclusively determined by competent body of jurisdiction. The customer is furthermore only entitled to a right of retention in as far as his counter claim is based on the same contractual relationship.
7. If it should become obvious after the conclusion of the agreement that our payment claim is jeopardised due to the customer's lack of performance (e.g. due to the application to commence insolvency proceedings), we are entitled to withdraw from the agreement according to the legal regulations pertaining to refusal of performance and, if applicable, following a period of grace. In case of agreements pertaining to the production of unreasonable objects (e.g. custom-made goods) we are entitled to declare the withdrawal immediately; the legal regulations regarding the expendability of the a deadline remain unaffected.

§ 6 Warranty

1. Unless otherwise determined below, the statutory regulations apply for the customer's rights in case of material defects and defects of title (including wrong or short delivery as well as improper installation or inadequate assembly instructions).
2. The customer's warranty claims imply that he has complied with his statutory inspections and obligations and his requirement to give notice of defects (§§ 377, 381 German Commercial Code (*HGB*)).
3. The specific basis for our liability for defects is the agreement concluded regarding the quality of the goods. Our specifically identified product descriptions, which were supplied to the customer prior to his order or were included in the agreement similar to these Terms, apply as the agreement regarding the quality of the goods.
4. The agreement regarding the quality of the goods does not constitute a guarantee. We only accept special guarantees on the basis of a separate, written agreement explicitly labelled as a warranty.
5. If the quality was not agreed upon, the goods are free of material defects if it is suitable for the use as contractually envisaged. For the remainder, in addition to the legal regulation the goods is also free from material defects if it exhibits the characteristics the customer can expect according to the product description provided by us; it is hereby sufficient if the product description was provided to the customer after the conclusion of the agreement (particularly in combination with the goods). However, we are not liable for public statements of other manufacturers or other third parties (e.g. advertising statements).
6. If the customer has a justified warranty claim against us, we are initially at liberty to choose whether we provide subsequent fulfilment by remedying the defect (subsequent improvement) or by supplying a defect-free product (replacement delivery). Our right to refuse the chosen type of subsequent fulfilment under legal prerequisites remains unaffected.
7. If the subsequent fulfilment has failed or if a period of grace set by the customer for the subsequent fulfilment has expired without cure and/or is expendable according to the statutory regulations, the customer may withdraw from the agreement (withdrawal) or reduce the purchase price (reduction). However, the right to withdrawal does not exist in case of an insignificant defect. The customer's claim for delivery of a defect-free item is forfeited with the declaration of withdrawal and/or reduction.
8. The customer is exclusively entitled to claims against us; they are not assignable.

§ 7 Supplier recourse



1. If the newly manufactured goods supplied by us to the customer is on-sold to a consumer, the following regulations apply in addition to § 6 of these Terms and for the remainder the statutory regulations.
2. With the exception of legally regulated cases, the legal assumption that the defect already existed at the transfer of risk to the customer (§§ 478 (3), 476 German Civil Code (*BGB*)) is also excluded if a period of more than six months lies between the transfer of risk to the customer and the transfer of risk to the purchaser of the customer.
3. The customer's rights to subsequent fulfilment apply with the following stipulation: The customer may demand from us the type of subsequent fulfilment which he owes to his purchaser in individual cases - under consideration of the legal and contractual rights of refusal of the customer; we are not entitled to a right of choice. The customer is entitled to assign this claim for subsequent fulfilment to his purchaser, however only for purposes of fulfilment and/or security, meaning notwithstanding his own continued liability toward the purchaser. An assignation instead of fulfilment is ineffective. Our right to refuse this subsequent fulfilment under legal prerequisites remains unaffected.
4. If we have agreed to a compensation of equal value in terms of § 478 (4) German Civil Code (*BGB*) with the customer, the claim for compensation of expenses which he had to bear vis-a-vis his purchaser (§ 478 (2) German Civil Code (*BGB*)) is excluded.

§ 8 Other liability

1. Unless otherwise stipulated in these Terms including the subsequent conditions, we are liable according to the respectively relevant regulations in case of violation of contractual and extra-contractual obligations.
2. We are only liable for compensation in case of intent and gross negligence - regardless of the legal grounds. We are furthermore liable also in case of simple negligence
 - for damages resulting from the harm to life, body or health,
 - for damages resulting from the violation of an essential contractual obligation; however, in this case our liability is limited to the foreseeable damage typical to the agreement.

The above mentioned liability limitation does not apply if we have maliciously omitted to disclose a defect or if we have provided a guarantee for the quality of the goods. The same applies for the mandatory liability according to the Product Liability Act.

3. The purchaser is only entitled to withdraw from or terminate the agreement based on a violation of an obligation not related to a defect, if we are responsible for the violation of obligation. The customer's unrestricted right of termination (particularly according to §§ 651, 649 German Civil Code (*BGB*)) is excluded. Withdrawals or terminations have to be declared in writing. For the remainder, the statutory requirements and legal consequences apply.

§ 9 Statute of limitation

1. The reciprocal claims of the contractual parties become statute barred according to the statutory regulations unless otherwise determined below.
2. By derogation from § 438 (1) No. 3 German Civil Code (*BGB*) the general period of limitation for claims based on material defects and defect of title is one year from the date of delivery. If acceptance has been agreed upon, the statute of limitation commences with the acceptance. However, claims resulting from legal defects shall not lapse as long as the third party is still able to assert his right due to the lack of statute of limitation against the customer and as between us and the customer the statutory limitation period has not expired.
3. The limitation periods stipulated above also apply in case of supplier recourse according to § 7 of these Terms; however the statutory limitation period for claims of compensation of



expenditures (§§ 478 Abs. 2, 479 (1), (3) German Civil Code (*BGB*)) as well as the statutory suspension of the statute of limitation (§ 479 (2), (3) German Civil Code (*BGB*)) remain unaffected.

4. Also the statutory regulations for in-rem restitution claims of third parties (§ 438 (1) No. 1 German Civil Code (*BGB*)) as well as in case of maliciousness (§ 438 (3) German Civil Code (*BGB*)) remain unaffected in any event.
5. If we owe contractual compensation to the customer according to § 8 of these Terms or due to a defect, the unabridged statutory limitation periods of the Purchase Law (§ 438 German Civil Code (*BGB*)) apply. These periods of limitation also apply for competing extra-contractual compensation claims, unless the application of the regular statutory period of limitation (§§ 195, 199 German Civil Code (*BGB*)) would result in a shorter period of limitation in individual cases. The periods of limitation of the Product Liability Act remain unaffected.

§ 10 Confidentiality, choice of law and place of jurisdiction

1. Place of fulfilment for all our supply obligations and all other contractual obligations of both parties is Gladenbach, Germany, unless stipulated otherwise in these Terms.
2. If individual conditions or parts of these Terms are ineffective, the effectiveness of the remaining conditions and parts remains unaffected.
3. Any information provided to us by the customer in the context of business relationships is not considered confidential, unless explicitly agreed otherwise in writing.
4. The law of the Federal Republic of Germany applies for these Terms and all legal relationships between the customer and us, excluding all international and supra-national (contractual) legal systems, particularly the United Nations Convention on Contracts for the International Sale of Goods.
5. If the customer is a merchant in terms of the German Commercial Code, a legal person under public law or a special fund under public law, the exclusive - also international - place of jurisdiction for all direct and indirect disputes arising from the contractual relationship is Frankfurt am Main, Germany. However, we are also entitled to raise claim at the customer's general place of jurisdiction.
6. The German-language version of these Terms shall prevail.