

Terms and Conditions of Sale of CTP GmbH

Ludwig-Schöffel-Strasse 6, 86830 Schwabmünchen, Germany

1. General Scope

Our supplies and related services are exclusively based on the following terms of sale.

- 1.1 Conflicting or deviating conditions of our terms and conditions of sale by the buyer are hereby rejected, unless we have expressly agreed in writing. Our sales conditions apply even if we deliver without reservation to the buyer, even if we are aware of opposing or from our sales conditions deviating conditions of the buyer.
- 1.2 Our terms of sale also apply to all future transactions, even if not again expressly agreed upon. Deviations from these conditions of sale require our explicit written approval.
- 1.3 Our terms of sale apply only to companies within the definition of § 310 para. 1 BGB.

2. Quotation

Our quotations are subject to change if not otherwise stated in the order confirmation.

3. Prices

- 3.1 Unless otherwise agreed, our prices are quoted in Euro currency, freight prepaid designated place of destination in accordance to Incoterms 2000, including packaging, plus applicable statutory VAT.
- 3.2 We reserve the right to adjust our prices, if after the conclusion of the contract costs increase, especially due to collective wage agreements or raw material price changes occur. These cost increases can be inspected by the customer upon request.
- 3.3 Deduction of cash discount requires a separate written agreement.
- 3.4 The buyer is only entitled to offset payments in cases where its counterclaims are confirmed by due legal process, are undisputed or acknowledged by us. He is furthermore only entitled to exercise a right of retention to the extent that his counterclaims are based on the same contractual relationship.

4. Delivery period

- 4.1 The agreed terms of delivery and dates are always considered non-binding, unless something else was expressly agreed otherwise. The beginning of the delivery time indicated by us implies clarification of all technical questions in advance.
- 4.2 Compliance of our delivery obligation requires the timely and proper fulfilment of obligations by the buyer. Exception rights in case of non-contractual circumstances are reserved.
- 4.3 If the buyer is in default of acceptance or if he violates culpably other cooperation obligations, we are entitled to claim the extent for the incurred damages suffered. Further claims remain reserved.
- 4.4 If the requirements of paragraph 4.3 are given the risk of accidental loss or accidental impairment to the purchased goods will pass to the buyer from the time at which he falls into default of acceptance.
- 4.5 If non-observance of the delivery is due to force majeure, strikes or other events outside of our responsibilities, then the time of delivery is extended appropriately in accordance with the duration of the event which triggered the delay. We will inform the buyer at the beginning as well as the end of such circumstances as soon as possible. We are entitled to withdraw entirely or partially from the not yet fulfilled part of the contract, if the maintenance of the contract bears an unreasonable hardship on us. A rescission of contract releases us of any compensation and liability for delayed or non-executed performance. If the impediment lasts longer than three months then also the buyer is allowed, after appropriate deadline, to withdraw from the still unfulfilled part of the contract.
- 4.6 We are entitled to reasonable extent to make partial deliveries.

5. Packaging

We deliver our product in our standardized packaging.

6. Liability for defects

- 6.1 Claims for defects by the buyer require that all necessary steps have been properly met in accordance to § 377 HGB of investigation and complaint.
- 6.2 If a claim of defect of the goods is present the buyer is at his choice entitled to either the rectification of deficiencies or a delivery of non-defective goods. If the subsequent performance fails the buyer is entitled to withdraw from the contract or to reduce the purchase price. This is also valid should we ultimately and earnestly refuse the subsequent performance. If only a negligible deficiency is apparent, the buyer has only the right to reduce the purchase price.
- 6.3 In case of defect removal we are committed to assume all necessary expenses, in particular transport, travel, labor and material costs, if they are not increased due to the goods being delivered to a place other than the place of fulfilment.

- 6.4 We are liable according to legal provisions, if the buyer claims damages based on intent or gross negligence, including intent or gross negligence of our representatives or agents. If we are not accused of deliberate breach of contract, the liability for damages to the foreseeable, typically occurring damage is restricted.
- 6.5 We are liable under the law if we culpably infringe any essential contractual obligation; in this case, however, the liability is limited to the foreseeable, typically occurring damage.
- 6.6 The liability for culpable injury to life, body or health remain unaffected, including the mandatory liability under the Product Liability Act.
- 6.7 The limitation period for defect claims is 12 months from the transfer of risk.

7. General Liability

- 7.1 Any further liability for damages as stated in section 6 is - on whatever legal grounds - excluded. This applies especially to claims for damages from fault at conclusion of the contract, for other breaches of duty or tort claims for compensation for property damage pursuant to § 823 BGB.
- 7.2 The limitation under section 7.1 also applies if the buyer requests instead of a right to claim damages and instead of the performance the replacement of useless expenses.
- 7.3 Where the liability for damages towards us is excluded or limited, it also applies in respect to the personal damages of our employees, workers, co-workers, representatives and vicarious agents.

8. Retention of title

- 8.1 We reserve the ownership of the goods delivered, as long as we still have debts from the current and future business connection with the buyer. In breach of contract by the buyer, especially in case of default of payment, we are entitled to take the goods back. With the withdrawal of the goods by us takes a rescission of the contract place. We are entitled following the withdrawal of the goods to recycle the product, the proceeds of the recycling - minus reasonable costs - will be added to the liabilities of the buyer.
- 8.2 In the case of seizure or other interference by third parties the buyer has to inform us immediately in writing, so we can take legal action under § 771 ZPO. If the third party is unable to cover the common judicial and extrajudicial costs of a lawsuit and to reimburse us, the buyer is liable for the loss we incur.
- 8.3 The buyer is entitled to sell the goods in the ordinary course of business; however already now all claims equalling the invoice amount (including VAT) are assigned from the resale against his customers or third parties to us. Recognized net receivables in the amount of our then outstanding debts are already transferred from the buyer to us. To collect such claims the buyer is even after the assignment authorised. We will undertake not to claim a draw, as long as the buyer meets his payment obligations from the collected proceeds, is not in arrears with payment and, in particular, no application for the opening of composition or insolvency proceedings is made, or is at payment default. If this is the case we can demand that the buyer informs us of the assigned receivables and their debtors, will collect and provide to us all necessary information and the relevant documents and will inform the debtors of the assignment.
- 8.4 During the manufacturing with our goods by the buyer, we are a manufacturer and acquire ownership of the emerging products. If the processing is made together with other materials, we acquire co-ownership in relation to the invoice value of our goods to the other materials. Where in the case of combined or mixed goods with ours and the buyers' such will be seen as the main object, the part ownership of the product in the ratio of the invoice of our goods to the billing or - in the absence of such - for the fair value is mainly due to us. The buyer acts in these cases as a custodian, the custody is free of charge.
- 8.5 If the value of the securities exceeds our claims by more than 10% we will at the request of the buyer insofar release securities of our choice.

9. Place of jurisdiction and fulfilment

- 9.1 For contracts with merchants, legal persons of public law or special assets of public law our address of business is our place of jurisdiction; however we are entitled to sue the buyer at his domicile court.
- 9.2 If the buyer has no general place of jurisdiction in Germany or in another EU member state the exclusive place of jurisdiction for any disputes arising from this contract is at our business.
- 9.3 The law of the Federal Republic of Germany applies. The application of the CISG is excluded.
- 9.4 Unless defined otherwise in the order confirmation our address of business is the place of fulfilment.
- 9.5 In case of divergence the German version of the terms and conditions of sale applies.