

Standard Terms and Condition of Sale and Delivery 04 / 17

1. General Scope of Application

- Our Standard Terms and Conditions of Sale and Delivery do apply towards entrepreneurs, legal entities governed by public law or government-owned funds under public law ("Customer").
- Our supplies, services and offers are exclusively based upon the following Standard Terms and Conditions of Sale and Delivery. Unless otherwise agreed in writing, all current and future business relationships between us and the Customer regarding services and supplies provided by us shall be governed by our Standard Terms and Conditions of Sale and Delivery.
- By placing an order or by accepting delivery the Customer accepts the following Standard Terms and Conditions of Sale and Delivery. Conflicting terms and conditions of purchase or order confirmations by the Customer or third parties shall not apply, even if we do not object to them separately. They shall only apply if and to the extent we have expressly agreed to their application in writing.
- Unless expressly agreed otherwise, any legal relationship between RIA and the Customer shall exclusively be governed by the written contract between us, which shall include these Standard Terms and Conditions of Sale and Delivery.

2. Conclusion of Contract, Validity Period

- Unless provided otherwise, our quotations shall be subject to change and non-binding. They shall lapse no later than 30 days from the date of issue. The Customer's orders shall not be deemed accepted until they have been expressly confirmed by us in writing (which may include fax or e-mail) or until we have dispatched the goods to the Customer.
- By placing an order, the Customer declares his binding intention to purchase the goods. The Customer shall be bound to his order for three weeks from the date of the order. We are entitled to accept the offer within this period of time. Receipt of our acceptance shall be relevant for the adherence to this time limit. Such acceptance may be declared by either written order confirmation (which may include fax or e-mail) or by delivering the goods to the Customer.
- If the Customer orders electronically, we shall confirm receipt of the order. Confirmation of receipt of the order shall not constitute binding acceptance of the order. As the case may be, confirmation of acceptance of the order may be given at the same time as the confirmation of receipt.
- Any illustrations, data, measurements and weight specifications used in the quotation shall be approximate only, unless the use for the purpose contemplated by the contract requires exact conformity. Such specifications are not guaranteed to precisely match the descriptions, but are merely indicative of the characteristics of our supply, service or offer. Variations in the specifications which are customary, required by law, are improvements or are comparable replacement components shall be allowed, if this is acceptable for the Customer and as long as they do not affect the purpose contemplated by the contract.
- Any side agreements and amendments to the respective contract and/or to these Standard Terms and Conditions of Sale and Delivery shall only be effective if made in writing. This requirement may only be waived in writing. Fax and e-mail shall comply with such written form requirement if they transmit a copy of an original, signed document.
- Dissenting, conflicting or supplementing understandings, side agreements, promises and any other commitments made by our representatives and employees, other than the managing director [*Geschäftsführer*], authorised representative [*Prokurist*] or general agent [*Handlungsbevollmächtigte*], shall only be valid if they are confirmed by us in writing.

3. Delivery and Time of Delivery, Passing of Risk

- Our obligation to provide proper and timely delivery is subject to us receiving adequate supplies from our suppliers, unless we are responsible for the incorrect or delayed self-supply.
- Unless a period or a date is expressly fixed, the dates and times we indicate for delivery shall be non-binding. Unless otherwise expressly agreed, periods for delivery shall begin at the date of the order confirmation provided that the Customer has fulfilled its obligations in a timely and proper manner.
- We shall be released from any obligation to deliver or perform within a particular time period in the event of default or failure or delay as a result of a force majeure. Force majeure shall mean a cause or event that is not

reasonably foreseeable or is otherwise outside of our control, including acts of God, labour strikes, lockouts, raw material scarcity, difficulties in material or energy procurement, delay of transport, hold-ups, riot or war, unless we or one of our suppliers is responsible for such occurrence. If the end of the force majeure event cannot be foreseen and such event substantially impedes or precludes delivery or performance under the contract, then each party shall be entitled to rescind the contract (in whole or in part). If the end of the force majeure event can be foreseen, then times and dates for delivery or performance shall be extended or rescheduled, as applicable, by the length of such disturbance plus an appropriate additional preparation time; we shall notify the Customer about such disturbance in an appropriate way.

4. In the event of a delay in delivery, the Customer shall only be entitled to rescind the contract if we are responsible for the delay and an appropriate grace period set by the Customer has expired without the delivery having been made.

5. We reserve the right to deliver the goods in more than one instalment for good reason if and to the extent that such partial delivery is of interest for the Customer according to the purpose of the contract, and no additional expenses or costs are incurred by the Customer (unless we agree to bear such additional costs ourselves).

6. If the contract provides that the Customer shall collect the goods the risk of damage to or loss of the goods shall pass to the Customer at the latest upon handover to the Customer or third parties authorized by the Customer. If the contract of sale involves shipment of the goods, the risk in the goods passes to the Customer when the goods are handed over to the first carrier, haulier or any other person appointed to transmit the goods to the Customer, whereby the beginning of the loading process shall be authoritative for the handover. If the handover or the shipment of the goods is delayed and the Customer is responsible for the delay in handover or shipment, the risk in the goods shall pass to the Customer on the date the goods were ready for shipment or handover and the Customer was notified thereof. This sub-paragraph 6 shall also apply to partial deliveries or partial performance within the meaning of sub-paragraph 3.5 of these Standard Terms and Conditions of Sale and Delivery.

7. If the handover or shipment of the goods is delayed and the Customer is responsible for the delay or should he fail to perform any of his obligations to co-operate, we reserve the right, without prejudice to any other right or remedy, to either store the goods at the Customer's risk and expense, or to rescind the contract in accordance with legal requirements.

4. Packaging

- Packaging shall be included with the goods, unless it is expressly provided on a loan basis.
- We shall retain ownership of all packaging expressly provided on a loan basis. Such packaging items are to be handled with care and may not be used for any other purpose than storage of the delivered goods. The Customer shall return such packaging items free of carriage within two weeks of delivery. The Customer shall be liable for any damage caused by a breach of his obligations under this paragraph, unless he can prove that he should not be held responsible for such damages.
- Delivery of small amounts will incur additional charges. A small amount under this contract is any amount less than 750 kg per order.

5. Terms of Payment, Default, Deterioration of Financial Status

- Unless a specific price has been agreed, we reserve the right to determine the price according to our price list applicable on the date of delivery.
- If any costs of production, turnover or transportation (including public charges) should decrease, increase or occur for the first time, we reserve the right to adjust our prices. On demand, we shall substantiate such changes to the Customer without delay. Prices which include shipping costs are based on the assumption of normal traffic conditions upon shipment.
- Unless otherwise agreed, prices shall be ex works (EXW Incoterms® 2010), in Euros, excluding VAT, duties, levies and other charges. VAT, as applicable on the date of the invoice, shall be calculated and charged separately (as a separate item on the invoice).
- Unless otherwise agreed in writing, each invoice is due for payment net as well as without any further deductions within 30 days after receipt of the invoice by the Customer. Payments by the Customer shall be made, without deductions for bank charges or other fees, into our designated bank account.

5. Payments by the Customer shall not be considered made until such payment is received by us in cleared funds.

6. If payment by the Customer is delayed, we reserve the right to demand interest for such delay at the applicable statutory rate of 9 per cent above the base interest rate (cf. Sec. 247 BGB, German Civil Code [*Bürgerliches Gesetzbuch*]). This shall not affect our right to claim additional or further damages due to late payments. Our right to claim interest from the due date under Sec. 353 HGB (German Commercial Code [*Handelsgesetzbuch*]) remains unaffected, regardless of any agreed extension of the time for payment.

7. If the Customer should be in delay with payment or if we become aware of circumstances indicating that the Customer's creditworthiness is questionable (e.g. initiation of insolvency or bankruptcy proceedings), we reserve the right to withhold any outstanding deliveries or performance and/or to make any further deliveries or performance conditional on the Customer providing payment in advance or the provision of security, until all outstanding payments are made in full. If the Customer fails to provide such security or to make payments in advance, and following the expiry of a reasonable grace period, we reserve the right to rescind any or all of the affected contracts, in whole or in part. This shall not exclude our other legal rights, which are reserved.

8. We reserve the right to issue separate invoices for each instalment, as defined in sub-paragraph 3.5.

9. The Customer shall only be entitled to claim a setoff against our claims if and to the extent the Customer's claim is undisputed, or that we have admitted his right to do so, or the matter has been finally adjudicated, or the Customer's claim is part of the same contract as our claim (synallagmatic counterclaim).

10. The Customer shall only be entitled to exercise a right of retention if and to the extent the Customer's claim is undisputed, or that we have admitted his right to do so or the matter has been finally adjudicated. In either case, this shall only apply in relation to the same contract as our claim.

6. Warranty

1. The Customer shall inspect the goods as soon as they are delivered to him or any appointed third parties. If there should be any defects, the Customer shall notify us in writing and without undue delay ("**Notification of Defect**"), otherwise he shall not be entitled to raise any claim in relation to such defects. In the event of latent defects, the Customer shall give Notification of Defect to us in writing upon their discovery without undue delay.

2. The Customer's compliance with the above time-limits will be satisfied provided that the required notification is dispatched in time. The Customer shall bear the burden of proof with regard to the defect itself, the defect not being perceptible during inspection, the point at which the defect was identified, the notification having been dispatched in time and its receipt.

3. In the event of such Notification of Defect, we reserve the right to examine the relevant product. The Customer shall grant us the time and opportunity required for such examination. We reserve the right to also require that the Customer returns the relevant product to us at our expense. We shall further be entitled to request that the Customer provides evidence of the product's defectiveness. Should the Customer's Notification of Defect prove to be unjustified (and provided that the Customer was aware of this prior to the notification or was negligent in failing to be aware of this), the Customer shall reimburse us for all costs incurred in this regard, e.g. travel expenses or shipping costs.

4. If an objection is made in relation to one delivery, the Customer shall not be entitled to reject any other delivery, whether under the same contract or otherwise.

5. The Customer's right to bring claims for defects shall be limited to one (1) year from the passing of the risk in the goods. The limitation period shall not apply in relation to claims of recourse under Sec. 478 and/or 479 BGB (German Civil Code [*Bürgerliches Gesetzbuch*]) or to damage claims for personal injury or death, or if we or our agents have caused a breach of duty intentionally or with gross negligence. In such a case the statutory limitation period shall apply.

6. The product's quality required by the contract shall be exclusively determined within the specific written agreements concerning characteristics, descriptions and specifications of the goods. A particular quality shall only be agreed if it has been expressly specified in writing. Information contained in public statements, promotions or advertisements, sales catalogues, price lists or any other source of information provided to the Customer, as well as any other product description, shall under no circumstances constitute a guarantee of any specific quality of the goods.

7. In the event of a product defect and a timely Notification of Defect, the Customer is entitled to claim subsequent performance. We reserve the right to remedy the defect at our discretion, either by repairing the defect or, alternatively, by delivering a substitute product free from defects (together, "**Subsequent Performance**"). Either remedy shall be provided at no

additional costs to the Customer. Any additional costs incurred by us for remedying the defect which we would not have incurred but for the fact that the Customer shipped the products to a location other than the location at which we delivered the products to the Customer shall be borne by the Customer. Moreover, we may also remedy the defect by means of a *pro rata* reduction of the purchase price. The Customer shall grant us a reasonable time and opportunity as is needed for Subsequent Performance.

8. If Subsequent Performance fails, or is shown to be an unreasonable solution for the Customer, or if we refuse to provide Subsequent Performance in accordance with Sec. 439(3) BGB (German Civil Code [*Bürgerliches Gesetzbuch*]), the Customer shall, at his discretion, be entitled to rescind the contract in accordance with the statutory provisions, to demand a reduction in the purchase price and/or to claim damages pursuant to paragraph 9 of these Standard Terms and Conditions of Sale and Delivery. Alternatively, the Customer shall be entitled to claim reimbursement of its wasted expenditure.

9. In case of an agreement to deliver goods which shall be in conformity with a specific product type, any product data is based on average values. Deviations within the standard tolerance shall be permitted. We note that deviations, variations and/or other differences may be substantially greater in relation to overstock materials, industry qualities, substandard, off-grade or lower qualities etc., especially in the case of regenerated or recycled products.

10. If the Customer has neglected to secure rights of recourse against any third party (e.g. fact finding by railway authorities, short landed certificates etc.), his claims for defects of the goods shall be excluded.

11. Any provision we take to mitigate damages shall under no circumstance be taken to constitute an admission of defects in the goods. Any negotiation subsequent to a Notification of Defect shall not exclude our right to raise objections on the basis of the defect notification having been late, unjustified or insufficient.

12. If a claim relating to a defect in the goods is merely based on an irrelevant deviation of the goods from the agreed specifications, the Customer shall not be entitled to rescind the contract or to claim damages in lieu of performance.

7. Information

Any information on possible ways of future manufacturing and application, technical consulting and other statements we or the manufacturer give to the Customer shall be made in good faith, but will not be binding on RIA or cause RIA to incur any liability for such information, unless the information is wrong as a result of gross negligence or intention.

8. Retention of Title

1. The delivered products shall remain our property until any claim for payment existing or arising from our business relationship with the Customer has been fully settled ("**Collateral**" [*Eigentumsvorbehaltprodukt*]). In the case of multiple claims and/or current accounts, this retention of title shall serve as security for our claim for payment, even if individual goods have been paid yet.

2. Should the Customer be in default with the performance of material obligations such as payment, we reserve the right to rescind the contract in accordance with relevant statutory provisions. Notwithstanding any other rights we may have, we may also request the return of the Collateral. Any transport costs arising from such return shall be borne by the Customer. Upon return we are entitled to realise the Collateral. After deduction of the costs for the realisation of the Collateral, the revenue from the realisation shall be offset against the Customer's debts.

3. The Customer shall treat the Collateral with care as long as it is our property. The Customer shall insure the Collateral as appropriate at its original value, provide us with proof of such insurance and assign to us any claims arising under such insurance.

4. The Customer shall be allowed to transform the Collateral within the ordinary course of business and to resell the transformed products as long as he is not in default.

a) Should the Collateral be transformed by the Customer, such transformation shall be carried out in our name and on our behalf. Furthermore, we shall acquire the sole ownership interest or – if the transformation is carried out using the materials of several owners or if the value of the transformed item is higher than the value of the goods – *pro rata* ownership of the new item. The proportion shall be determined by the ratio of the invoice value of the Collateral compared to the overall value of the new item. If we acquire no title, the Customer shall hereby already transfer his future ownership interest or – in the ratio as mentioned above – joint ownership of the newly created item to us as security and hold the newly created item in custody for us free of charge.

b) Should the Collateral be joined with other products, we shall acquire joint ownership of the new goods in the ratio of the value of the Collateral to

the other products at the time of joining. Should the joining of the goods occur in such manner that the Customer's products have to be viewed as the main product, it shall be deemed to be agreed that the Customer assigns a proportionate joint ownership interest to us. The Customer shall hold such joint ownership interest in custody for us free of charge.

c) The Customer hereby assigns any receivables arising from the resale of the Collateral or – in case of joint ownership of the Collateral *pro rata* as mentioned above – as security to us; we hereby accept such assignment. Should the Customer sell the Collateral after joining it with other products or together with other products, his assignment of the receivables shall only include the amount invoiced for the Collateral. The Customer is granted authorisation to collect the claims assigned to us in trust in the Customer's own name. We may revoke such authorisation and the right to resell the Collateral if the Customer is in default of the performance of any material obligations, such as payment, or if insolvency or bankruptcy proceedings are initiated against him, or if such proceedings have been rejected due to a lack of assets; in the event of such revocation, we shall be entitled to collect the respective claim ourselves.

5. The Customer shall provide us at all times with any demanded information about the Collateral which we request, or receivables hereunder assigned to us. The pledging or granting of floating mortgages on Collateral to a third party or any other disposition which jeopardises our ownership interest shall not be permitted. The Customer shall inform any third party about our retention of title and notify us in writing without undue delay of any attachments of our claims to the Collateral, in particular seizures, so as to enable us to enforce our ownership rights. The Customer shall be held liable for any legal costs of defending against any such attachments and/or claims, unless we are reimbursed for such costs by the third party.

6. If and to the extent the realisable value of our secured interest exceeds all of our claims that are to be secured by more than 10%, we shall be obliged to release Collateral; we reserve the right to select the Collateral to be released at our discretion.

9. Liability

1. Our liability for damages shall be limited as follows:

a) For damages caused by a slightly negligent breach of a material contractual obligation, we shall only be held liable up to the amount of the typically foreseeable damages typical for such kind of contract. A material contractual obligation is an obligation the proper fulfillment of which (i) is crucial for the performance of the contract, or (ii) the Customer has relied upon, and was entitled to rely upon.

b) We shall not be liable for damages caused by any slightly negligent breach of a non-material contractual obligation.

2. Such limitation of liability as set out in the preceding sub-paragraph shall not apply to any mandatory statutory liability (in particular under the German Product Liability Act [*Produkthaftungsgesetz*]), or any other negligence causing [*schuldhaft verursacht*] personal injury or death, or if and to the extent that we have assumed a guarantee or have given assurance regarding certain qualities of the product which are lacking.

3. The Customer shall take all reasonable steps necessary to avoid and mitigate its damages.

4. Such limitation of liability as set out above shall also apply in case of damages caused by a breach of obligations by one of our executive bodies, legal representatives, employees or other authorised agents.

10. Indemnification

If the Customer sells the delivered products, whether unchanged, transformed or after joining them with other products, he shall indemnify us against any product liability claim of third parties and infringements of property rights if and to the extent the Customer caused the damage himself and/or was liable for the defect leading to the liability towards third parties.

11. Confidentiality

Trade and business secrets provided by and/or disclosed to the respective other party in connection with the delivery of products, whether orally, in writing or in any other form, as well as any understanding or conclusion obtained thereby (together "**Confidential Information**") shall be treated as confidential and shall not be used for any other purposes. This shall apply regardless of whether such Confidential Information has been identified as "confidential" or "secret" or otherwise as liable to secrecy.

12. Assignment

The Customer may assign the rights and obligations arising from the parties' contractual relationship to third parties only with our written consent. This shall not affect Sec. 354a HGB (German Commercial Code [*Handelsgesetzbuch*]).

13. Miscellaneous

1. If one or several provisions of these Standard Terms and Conditions of Sale and Delivery should be or become invalid or void, in whole or in part, this shall not affect the validity of the remaining provisions. The invalid or void provision shall be replaced, in whole or in part, by such a legally valid provision, whose commercial purpose is as close to the invalid provision's purpose as required by contract as possible.

2. The courts of Rottweil, Germany shall have exclusive jurisdiction to determine any disputes which may arise out of, or in connection with, the contracts concluded by and between us and the Customer as well as these Standard Terms and Conditions of Sale and Delivery. Place of performance shall be Rottweil, Germany. We are entitled, however, to take legal action against the Customer before any other court having jurisdiction.

3. The laws of the Federal Republic of Germany shall apply to the contracts, these Standard Terms and Conditions of Sale and Delivery and the parties' entire legal relationship to the exclusion of any and all reference to other legal systems international treaties or the United Nations Convention on Contracts for the International Sale of Goods (CISG).

Notice:

The Customer takes note that we store data from the contractual relationship under Sec. 28 BDSG (Federal Data Protection Act [*Bundesdatenschutzgesetz*]) and that we reserve the right to transmit such data, as far as necessary to fulfil contractual obligations, to third parties (e.g. insurance companies).