

General Terms of Sale [english]

General Terms of Purchase [english]

General Terms of Sale

Compound One GmbH deliveries and related services shall be performed exclusively on the basis of the General Terms of Sale outlined below. We hereby object to any reference made by the buyer to its own terms and conditions. The General Terms of Sale also apply to any future business transactions, even if they are not once again expressly agreed. Any departure from these terms of sale shall be expressly approved by Compound One GmbH in writing.

1. Offers

Offers made by Compound One GmbH are subject to change.

2. Prices

If Compound One GmbH should alter prices for the product to be delivered or the terms of payment in general during the time period between conclusion of a contract and delivery, it is entitled to charge the prices or request the payment conditions in effect on the day of delivery. In the event of a price increase the buyer is entitled to withdraw from the contract within 14 days following notification of the price increase.

3. Product information

3.1 The characteristics of the goods are defined in the Compound One GmbH product specifications, unless otherwise agreed.

3.2 Models and samples are only binding to the extent that their properties have been expressly agreed as characteristics of the goods. The characteristics and any other information shall only be guaranteed if they were agreed to beforehand.

4. Advice and information

Any advice provided by is given Compound One GmbH to the best of its knowledge. Any advice or information regarding suitability and application of the goods does not release the buyer from the obligation to conduct its own tests and analyses.

5. Delivery and damage in transit

In the absence of any agreement to the contrary, Compound One GmbH deliveries are basically provided carriage paid to the designated place of delivery (CPT) pursuant to Incoterms. The carrier shall notify the buyer immediately of any claims of damage in transport and send a copy of the notification to Compound One GmbH, within the special time limits applicable to such claims. Unless otherwise agreed in an individual case, the buyer shall be responsible for the compliance with statutory and regulatory provisions regarding import, transport, storage and use of the goods. Goods shall be delivered in standard packaging. Return of packaging is subject to prior agreement.

6. Default payment interest

If the buyers should default on a payment, Compound One GmbH is entitled to charge default payment interest in the amount of the one-month Euro Interbank Offered Rate valid at the time of default, plus 5 percentage points, at least however 9%.

7. Liability

Compound One GmbH is principally liable for claims to damages pursuant to statutory provisions.

8. Rights of buyer in case of defects

8.1 Any defects in the goods determined during a regular inspection shall be notified to Compound One GmbH within four weeks after receipt of the goods. Any other defects shall be notified to Compound One GmbH within four weeks of their discovery. The notification shall be made in writing and describe exactly the type and scope of the defect.

8.2 If the goods are defective and the buyer has properly notified Compound One GmbH pursuant to No. 8.1, the buyer may avail himself of statutory rights under the following conditions:

- a) Compound One GmbH is first entitled to, at its discretion, either remedy the defect or deliver non-defective goods to the buyer (cure).
- b) Compound One GmbH reserves the right to two attempts at curing the defect. If the cure is unsuccessful or unreasonable for the buyer, the buyer may either withdraw from the contract or demand a reduction in the purchase price.
- c) For claims to damages and reimbursement of expenses incurred futilely due to a defect, No. 7 shall apply.

9. Force majeure

Any events or circumstances which we are not able to prevent, for example acts of God, war, labor disputes, commodity or energy shortages, unavoidable traffic and operations disruptions, fire and explosion damage, instructions from a higher authority as well as any other cases of force majeure

release us from our contractual duties for the duration of the disruption and in the scope of their impact. This also applies to the extent that the events and circumstances make the execution of the transaction involved substantially non-economical for a determinable period or affect our suppliers. If these events should last more than three months, we are entitled to withdraw from the contract.

10. Offsetting, refusal of performance and rights of retention, security

10.1 Offsetting against other indisputable or final and unappealable counterclaims as well as the exercise of refusal of performance and of right of retention on the grounds of other undisputed or final and unappealable counterclaims shall require our consent.

10.2 In case of substantiated doubts regarding the creditworthiness of the buyer, especially in the case of default on payment, we may, subject to other claims for other deliveries, demand prepayment or security, as well as revoke any terms of payment granted.

11. Right of retention

11.1 Compound One GmbH reserves the right to retain title to the individual goods sent to the ordering party until the ordering party has paid all outstanding accounts, regardless of whether the receivable is related to the goods or to any other reason. As long as the ordering party is prepared and able to fulfill its obligations, it may process and/or sell the goods in the scope of proper business transactions.

11.2 If the goods are processed with other items not belonging to us, the buyer already at this point assigns to Compound One GmbH co-ownership in the new item in the proportion of the value of the reserved goods to the other processed items as security for our claims, under the condition that the ordering party store the item for Compound One GmbH free of charge.

11.3 Claims from sale of goods in which Compound One GmbH has ownership rights are assigned at this point to Compound One GmbH as security by the ordering party in the scope of its share of ownership in the sold goods. If the ordering party processes the delivered goods for compensation with main item from a third party, it assigns at this point to Compound One GmbH as security its claims to compensation against the third party up to the amount of the invoice for the goods delivered. Compound One GmbH assumes these assignments.

11.4 At the request of Compound One GmbH the ordering party shall provide all required information on the status of the goods still owned by Compound One GmbH and on the claims assigned to Compound One GmbH, as well as inform its customers of the assignment.

11.5 The ordering party agrees to carefully store the reserved goods and to insure them against theft and damage at its own expense. It is obligated to inform Compound One GmbH without delay if third parties assert claims to the goods under retention of title, and to assist Compound One GmbH with any measures taken to protect its property.

11.6 If the value of the security should exceed the claims of Compound One GmbH by more than 20%, Compound One GmbH shall release security to the extent exceeded at its discretion.

11.7 The right of the ordering party to dispose of the goods under right of retention as well as to collect the claims assigned to Compound One GmbH shall expire the moment the ordering party defaults on payments and/or its financial situation deteriorates. If these conditions are met, Compound One GmbH is entitled to request immediate surrender of all goods subject to retention of

title, excluding the right of retention without setting another deadline or exercising withdrawal from the contract.

12. Incoterms

The Incoterms as amended shall apply to the interpretation of commercial terms.

13. Place of performance and jurisdiction

The place of performance for performances of the buyer is Bad Aibling. If the buyer is a registered merchant, the place of jurisdiction is Bad Aibling, or, at our discretion, the general place of jurisdiction of the buyer.

14. Governing law

The law of the registered office of Compound One GmbH shall in principle govern this agreement.

Status: 04/2020

General Terms of Purchase

§ 1 General terms – Scope of application

(1) Our General Terms of Purchase apply exclusively; we do not recognize any terms of the supplier that contradict or diverge from our Terms of Purchase unless we have expressly given our consent in writing. Our terms of purchase shall also apply if we accept deliveries from our supplier without reservation, with the knowledge of contradicting or deviating terms of our supplier.

(2) All agreements reached between us and our suppliers for the purpose of executing this agreement shall be expressed in writing in this agreement.

(3) Individual agreements reached in individual cases with the seller (including oral agreements, additions and changes) shall take precedence in any case over these General Terms of Purchase. A written agreement or our written confirmation shall be decisive for the content of such agreements.

(4) Legally relevant declarations and notifications to be made to us after conclusion of the agreement (for example deadlines, warnings, declarations of withdrawal) shall be made in writing in order to be effective.

(5) Our General Terms of Purchase only apply to entrepreneurs pursuant to Sec. 319 (4) of the German Civil Code.

§ 2 Conclusion of the agreement

(1) Our order is not binding until it has been made in writing or has been confirmed. The buyer is obligated to inform us of obvious mistakes (for example mistakes in writing or calculations) or incomplete information regarding the order or order documents or to request that we remedy the mistake or complete the information before acceptance; the agreement shall otherwise be deemed not concluded.

(2) The seller shall confirm our order within a deadline of 2 working days in writing or in particular to execute our order without reservation by sending the goods (acceptance). A delayed acceptance shall be deemed a new offer and requires our acceptance.

§ 3 Delivery time and delivery delays

(1) The delivery time stipulated by us in the order is binding. The seller is obligated to inform us without delay and in writing if it expects to be unable to adhere to agreed delivery times, regardless of reason.

(2) If the seller does not perform at all or not within the agreed delivery time or is delayed, our rights, especially with regard to withdrawal and claims to damages, are determined by statutory provisions.

§ 4 Prices and terms of payment

(1) The price stated in the order shall be binding. All prices are exclusive of any applicable statutory VAT.

(2) Unless otherwise agreed in an individual case, the price shall include all performance and additional service of the seller (for example, assembly or installation) as well as ancillary expenses (for example, proper packaging, cost of transport including any shipping or third-party insurance). If we so request, the seller shall take back any packaging material.

(3) Unless otherwise agreed, the price shall be due within 30 calendar days of complete delivery and performance (including any acceptance that may have been agreed) as well as of receipt of a proper invoice.

(4) We shall not owe any overdue payment interest. The seller's right to payment of default payment interest remains unaffected. The statutory provisions shall apply in determining the effective date of our default. In any case, a warning from the seller shall be required.

(5) We have the statutory right of setting-off and rights of retention as well as the objections of non-completion of the contract. We are especially entitled to retain payments due, as long as we still have claims from incomplete or defective performance vis-à-vis the seller.

(6) The seller only has a right to set off or retention for final and unappealable or undisputed counterclaims.

§ 5 Shipping, packaging

(1) Bills of delivery, as any other correspondence related to an order, shall contain the order data of , Compound One GmbH in particular the order number of material identification. Furthermore, unless otherwise agreed, the delivery shall be accompanied by proof of works inspection of the delivered material, unless it was sent prior to shipment.

(2) The obligation of the supplier to accept returned packaging is determined by statutory provisions.

(3) The contractor shall agree to fulfill the statutory provisions within the scope of the delivery and shipment of hazardous materials within the meaning of the law on transport of hazardous goods as well as of any further statutory regulations. If there are particular regulations to observe, in particular regarding discharge, transport and storage of the goods, we must be given prior notice of such in writing.

§ 6 Defective delivery

(1) Unless otherwise agreed in the following, the statutory provisions shall apply to our rights with respect to material defect or defect of title of the goods (including incorrect or incomplete delivery, as well as improper assembly, defective assembly or operating instructions) and with respect to any other breach of duty on the part of the seller.

(2) According to statutory provisions, the seller is responsible in particular for ensuring that the goods exhibit the agreed properties at the point of passage of risk to us. The respective product descriptions are deemed in any case to be an agreement on characteristics which – in particular due to identification or reference in our order – are the subject of the respective agreement, or were referred to in the agreement in the same manner as these General Terms of Purchase. Here, it is of no consequence whether the product description originates from us, the seller, or the manufacturer.

(3) In departure from Sec. 442 (1) sentence 2 of the German Civil Code, we also are entitled to unlimited claims for defects if the defect remained concealed at the time of conclusion of the agreement due to gross negligence.

(4) The statutory provisions (Secs. 377 and 38a of the German Commercial Code) shall apply to the commercial obligation to examine the goods and give notice of defects, under the following conditions: Our obligation to examine the goods is limited to defects that are openly visible during our inspection upon receipt of goods of external surfaces including delivery documents as well as during our quality control during spot checks (for example transport damage, incorrect and incomplete deliveries). To the extent that an acceptance has been agreed, there is no duty to inspect the goods. Otherwise, the extent to which an inspection under consideration of the circumstances of an individual case is useful in the ordinary course of business shall be decisive.

Our obligation to notify of any defects with respect to defects discovered at a later point in time remains unaffected. In all cases, our complaint (notification of defects) shall be deemed to be without delay and timely if received by the seller within 20 working days.

(5) If the seller does not comply with its obligation to cure – at our discretion by remedying the defect (subsequent improvement) or by delivery of an item free of defects (replacement) – within a reasonable deadline that we determine, we may remedy the defect and demand compensation from the seller of the expenses necessary for such, or a commensurate advance payment. If the seller's cure is unsuccessful, or unreasonable for us (for example due to particular urgency, danger to

operational safety or the threat of occurrence of disproportionate damage), a deadline is not required, and the seller shall be notified without delay, if possible, beforehand.

(6) Otherwise, in the case of material defects or defect of title, we are entitled according to statutory provisions to reduce the purchase price or withdraw from the agreement. In addition, we are entitled to statutory claims to damages and compensation of expenses.

§ 7 Payment

(1) Invoices shall be submitted separately in proper form after delivery has been completed. The actual amounts and weights as well as the agreed prices shall be decisive for payment.

(2) Payment shall take place in a customary commercial manner. A payment shall be deemed timely if on the last day of the payment deadline a payment order has been given or a check was sent.

(3) The payment of an invoice shall not be deemed to be a waiver of the right to give notification of a defect in the goods invoiced.

§ 8 Manufacturer liability

(1) If the seller is liable for a product defect, it shall indemnify us from third-party claims to the extent that the cause lies in its own area of influence and organization, and it is liable in relation to third parties.

(2) Within the scope of its obligation to indemnify, the seller shall reimburse any expenses pursuant to Secs. 638 and 670 of the German Civil Code that are connected with third-party claims, including any recalls that we conduct. We shall inform the seller of the content and extent of any recall actions, to the extent possible and reasonable, and give it the opportunity to respond. Any further legal claims shall remain unaffected.

(3) The seller shall take out and keep current product liability insurance with coverage of at least EUR 2.5 million per person / case of damage to property or goods.

§ 9 Confidentiality

(1) The supplier shall treat inquiries, orders, deliveries, and performance as a business secret.

(2) No information or documentation, including models, tools, etc., made available to the supplier or produced by the supplier according to our specifications, as well as other information received, may be used for purposes other than those we expressly approve, nor be copied or made available to third parties.

(3) The documentation remains our property and shall be surrendered to us at any time upon request and without delay.

(4) These provisions also remain in force after termination of the business relationship.

§ 10 Statute of limitations

(1) The reciprocal claims of the parties to the agreement are subject to the statute of limitations, unless otherwise agreed.

(2) In departure from Sec. 438 (1) no. 3 of the German Civil Code, the general limitation period for claims for defects is three years starting with transfer of risk. If an acceptance has been agreed, the limitation period shall begin with acceptance. The three-year limitation period shall apply accordingly also to claims for defects in title, whereby the statute of limitations for third-party material claims to surrender (Sec. 438 (1) no.1 of the German Civil Code) shall remain unaffected. Beyond this, claims for defects in title are unlimited, as long as the third party can assert such claims against us, in particular in the absence of a limitation period.

(3) The limitation period of commercial law including the above-mentioned extension shall apply, within the legal scope, for all contractual claims for defects. To the extent that we are also entitled to non-contractual claims for damages, the regular statute of limitations (Secs.195 and 199 of the German Civil Code) shall apply, unless the application of commercial law statutes of limitation lead to longer limitation periods in individual cases.

§ 11 Selection of law and governing jurisdiction

(1) The law of the Federal Republic of Germany shall govern these General Terms of Purchase and all legal relationships between us and the seller, under the exclusion of any international or supranational (contractual) legal system, in particular, CISG. The conditions and effectiveness of retention of title are subject to the law of the respective place of storage of the items, insofar as the selection of German law is accordingly inadmissible or void.

(2) If the seller is a merchant within the meaning of the Commercial Code, a legal person in public law or a public fund, our registered place of business in Bad Aibling shall have jurisdiction, also internationally, for any disputes arising from the contractual relationship. We are however entitled to file claims at the place of performance of delivery.

Status: 04.2020