

General terms and conditions of sale and delivery

I. General – scope

1. The following terms and conditions shall apply to all business relations to the exclusion of any other terms and conditions, in particular the Purchaser's own terms and conditions of purchase. These terms and conditions shall apply to all deliveries of ALBERT FREY AG, irrespective of the legal nature of the contract on which the performance is based. They therefore apply to sales contracts, service contracts, contracts for work and materials and to combined contracts.
2. Individual agreements on the rights and obligations of the contracting parties shall take precedence over these terms and conditions.
3. All agreements made between ALBERT FREY AG and the Purchaser for the purpose of executing the contract must be recorded in writing.
4. These terms and conditions shall only apply to companies (within the meaning of Section 14 (1) of the German Civil Code), legal entities under public law and special funds under public law (Section 14 (2) of the German Civil Code).
5. These terms and conditions shall also apply to all future business transactions between ALBERT FREY AG and the Purchaser.

II. Offer, offer documents

1. Our offer is subject to change unless otherwise stated in the order confirmation.
2. ALBERT FREY AG reserves all rights, in particular the property rights and copyrights, to illustrations, plans, design work and drafts, drawings, calculations and other documents. They may only be made accessible to third parties with the written consent of ALBERT FREY AG. ALBERT FREY AG may only make documents which the Purchaser has designated as confidential available to third parties with the Purchaser's written consent.
3. The Purchaser may not disclose to third parties any business secrets of ALBERT FREY AG or its affiliated companies (within the meaning of Section 15 of the German Stock Corporation Act (Aktengesetz)) of which they have become aware. ALBERT FREY AG may not disclose to third parties any business secrets of the Purchaser or their affiliated companies of which ALBERT FREY AG has become aware.

III. Prices – terms of payment

1. The agreed prices are ex works. The transport costs, including the cost of the packaging, loading, storage and unloading, shall be borne by the Purchaser. The value added tax valid at the time of delivery shall be added to the prices.
2. Any tools, surplus material, welding gas cylinders or other aids are not the subject matter of the contract. They shall remain the property of ALBERT FREY AG.
3. The agreed price must be paid in cash without any deduction.
4. If the Purchaser exceeds the contractually agreed due dates, ALBERT FREY AG shall be entitled to charge default interest in the amount of 2% above the applicable discount rate of the Bundesbank (German Central Bank), but at least 5% per year. The same shall apply to the amount of the default interest to be paid in the event that the Purchaser defaults on a payment.
5. If, after conclusion of the contract, ALBERT FREY AG becomes aware of circumstances which give rise to doubts as to the Purchaser's creditworthiness, ALBERT FREY AG may demand security in the form of a simple irrevocable bank guarantee (not payable on first demand) or a bank guarantee for an indefinite period in the amount of the total agreed price, to be returned against payment of the price owed.
6. If cost increases occur after the contract has been concluded, in particular due to collective bargaining agreements or increases in the cost of materials, ALBERT FREY AG shall be entitled to increase the agreed price appropriately. ALBERT FREY AG shall provide the Purchaser with evidence thereof upon request.
7. If the Purchaser requests changes to the subject matter of the contract after its conclusion and if these changes result in additional expenses, ALBERT FREY AG shall be entitled to increase the agreed price appropriately. ALBERT FREY AG shall provide the Purchaser with evidence of the additional expenses upon request.
8. The Purchaser shall pay the agreed price to one of the bank accounts specified by ALBERT FREY AG at their own risk and expense.

IV. Delivery time

1. The delivery period shall begin after the order confirmation has been dispatched and all technical questions have been clarified, but not before the Purchaser has procured any and all required plans, documents, authorisations and approvals and the agreed advance payment has been received.

2. The performance owed by ALBERT FREY AG shall be deemed to have been rendered in due time if the subject matter of the contract has been duly dispatched or the Purchaser has been notified of the readiness for dispatch by the expiry of the delivery period.
3. Delays or disruptions due to force majeure shall not entitle the Purchaser to make any claims against ALBERT FREY AG. This particularly applies to claims for contractual penalties or damages. Force majeure within the meaning of this contract shall be any unforeseeable events or such events which are beyond the control of ALBERT FREY AG – even if they were foreseeable – and the effects of which cannot be prevented by reasonable efforts on the part of ALBERT FREY AG. This includes, but is not limited to, delayed performance by subcontractors/suppliers, war (whether or not it is declared) or a situation that is comparable to war, riot, revolution, sabotage, strikes, fire, floods, storm surges, a general shortage of materials, transport-related delays, transport accidents, earthquakes, physical or man-made obstructions of any kind at the construction site/production facility.
4. In all cases of hindrances for which ALBERT FREY AG is not responsible, regardless of their nature, ALBERT FREY AG is entitled to demand an appropriate extension of the delivery deadlines and additional payments from the Purchaser to compensate for additional services and/or costs.
5. Compliance with the delivery period shall be conditional upon the timely and proper fulfilment of the Purchaser's contractual obligations.
6. Partial deliveries by ALBERT FREY AG may only be rejected if they are unreasonable for the Purchaser.
7. If the Purchaser is in default of acceptance or in breach of other duties to cooperate, ALBERT FREY AG shall be entitled to claim any damages which result from this, including any additional expenses: In this case, the risk of accidental loss or accidental deterioration of the purchased item shall also pass to the Purchaser from the moment the Purchaser is in default of acceptance.

V. Transfer of risk

1. The risk of accidental loss and deterioration of the subject matter of the contract shall pass to the Purchaser when the subject matter of the contract is delivered to the first carrier. This shall also apply if partial deliveries are made or if ALBERT FREY AG has itself assumed further costs, e.g. shipping costs or additional services such as transport, installation or assembly of the subject matter of the contract.
2. If the subject matter of the contract or parts thereof are ready for shipment and the shipment or handover is delayed for reasons caused by the Purchaser, the risk of accidental loss and accidental deterioration shall pass to the Purchaser from the day of the readiness for dispatch.
3. If the Purchaser so desires, ALBERT FREY AG shall cover the delivery by transport insurance; the Purchaser shall bear any costs incurred in this respect. Protective equipment shall only be supplied against payment if agreed accordingly.
4. If the Purchaser does not immediately accept the notified readiness for dispatch of the delivery item, ALBERT FREY AG shall store it as it is able to at the risk and expense of the Purchaser. This storage shall not release the Purchaser from their payment obligation, which comes into effect at the time of readiness for dispatch.

VI. Warranty for defects

1. ALBERT FREY AG shall be liable to the Purchaser for ensuring that, at the time when the risk passes to the Purchaser, the subject matter of the contract does not have any defects which nullify or reduce its value or suitability for ordinary use or for the use stipulated in the contract. ALBERT FREY AG shall not be liable if the value or suitability for use has only been reduced by an insignificant amount. ALBERT FREY AG shall also be liable for ensuring that the subject matter of the contract has the warranted characteristics at the time of the transfer of risk.
2. However, ALBERT FREY AG shall not be liable for defects which have occurred for the following reasons: Defects based on designs that the Purchaser has specified or determined or on materials specified, determined or provided by the Purchaser, including sample materials, unsuitable or improper use, incorrect assembly or commissioning by the Purchaser or third parties, or on other materials which the Purchaser provides. ALBERT FREY AG is also not liable for wearing parts of the subject matter of the contract.
3. Insofar as there is a defect in the purchased item for which ALBERT FREY AG is responsible, the Purchaser shall initially only have the right to demand rectification of the defect, whereby ALBERT FREY AG may choose between repairing the defect or issuing a replacement delivery at its reasonable discretion. ALBERT FREY AG shall bear the expenses



necessary for rectifying the defect. Replaced parts shall become the property of ALBERT FREY AG.

4. If a defective part is a product supplied by a third party, the liability of ALBERT FREY AG shall initially be limited to the assignment of the liability claims to which ALBERT FREY AG is entitled against the third party. ALBERT FREY AG's own liability shall only be resumed after the Purchaser has already taken judicial action against the third party.
5. The Purchaser shall be obliged to inspect the subject matter of the contract immediately upon receipt and to notify ALBERT FREY AG immediately of any visible defects. This obligation to immediate notification shall also apply if a defect becomes apparent at a later date. The Purchaser's warranty rights shall be subject to the condition that the Purchaser has duly complied with their obligations to inspect the goods and to give notice of defects in accordance with Sections 377 and 378 of the German Commercial Code (HGB). If the Purchaser fails to give such notice, the subject matter of the contract shall be deemed to be approved even with regard to the defect.
6. If the Purchaser does not accept the rectification offered by ALBERT FREY AG in accordance with the contract, ALBERT FREY AG shall be released from the rectification and warranty obligation after a grace period has been set and this has expired.
7. If ALBERT FREY AG is not prepared or not in a position to remedy the defect/issue a replacement delivery, in particular if this is delayed beyond a reasonable period of time for reasons for which we are responsible, or if the remedy of the defect/replacement delivery is otherwise unsuccessful, the Purchaser, at their own discretion, shall be entitled to withdraw from the contract (rescission) or to demand a corresponding reduction of the purchase price.
8. ALBERT FREY AG may refuse to remedy the defect if the Purchaser fails to meet the agreed payment obligations. An exception to this is a payment sum that corresponds to the amount of the required rectification costs.
9. If the subject matter of the contract is missing a warranted characteristic at the time of transfer of risk, the Purchaser may claim damages instead of a rectification, provided that the warranty for the characteristic was intended to protect against consequential damage, and provided that the damage incurred is due to the absence of such characteristic.
10. Unless otherwise stated below, any further claims by the Purchaser shall be excluded, irrespective of the legal grounds.
11. The Purchaser is obliged to carefully observe the instructions for use and operation as well as the safety instructions of ALBERT FREY AG. In particular, the Purchaser must follow ALBERT FREY AG's instructions as to how the subject matter of the contract is to be used without risk, which precautionary measures are to be taken, both regularly and in individual cases, and what constitutes incorrect use, which must be avoided. If the Purchaser breaches this obligation, ALBERT FREY AG shall not be liable for the resulting damage.
12. ALBERT FREY AG shall not be liable for damage caused by defects (including damage from loss of profit), nor for damage that has not occurred to the delivery item itself, nor for consequential damage caused by defects, irrespective of the legal grounds. The aforementioned limitation of liability shall not apply insofar as the cause of the damage is based on intent or gross negligence. However, the obligation to pay compensation shall be limited to the foreseeable damage. It shall also not apply if the Purchaser asserts claims for damages due to non-performance according to Sections 463 and 480 (2) of the German Civil Code (BGB) due to the absence of a warranted characteristic. This regulation does not apply to claims in accordance with Sections 1 and 4 of the German Product Liability Act (Produkthaftungsgesetz). The same shall apply in the event of initial inability or impossibility to deliver the product for which we are responsible. Insofar as the liability of ALBERT FREY AG is excluded or limited, this shall also apply to the personal liability of our employees, representatives and vicarious agents.
13. Used machines are excluded from liability. Assurances regarding the condition and mode of operation of used machines are only effective subject to the proviso that they were given to the best of our knowledge and belief or on the basis of information that the previous owner provided.

VII. Limitation

1. The period of limitation for all claims regarding defects is six months.
2. The period of limitation shall commence when the subject matter of the contract has been delivered and, should ALBERT FREY AG be obliged to assemble the product, once the assembly has been completed. If the Purchaser is in default of acceptance, the period of limitation shall commence once the default of acceptance has begun.

Software:

Insofar as ALBERT FREY AG provides the Purchaser with software, the following shall apply:

1. In accordance with Section 31 (2) of the German Act on Copyright and Related Rights (Urheberrechtsgesetz), ALBERT FREY AG shall grant the Purchaser a non-exclusive right of use to the software provided. Section 31 (2) of the German Act on Copyright and Related Rights states the following: "A non-exclusive right of use entitles the rightholder to use the work in the manner permitted without it ruling out use by other persons." The Purchaser shall receive the right of use only. ALBERT

FREY AG shall at all times remain the sole owner/rightholder of all intellectual property rights with respect to the software.

2. The Purchaser shall be entitled to use the software provided to them only for the subject matter of the contract.
3. The Purchaser shall be entitled to use the provided software for an indefinite period of time for the entire economic lifetime of the subject matter of the contract.
4. The Purchaser shall not be entitled to transfer their right of use to third parties; in particular, the Purchaser shall not be entitled to distribute or lease the software and the related documentation.
5. ALBERT FREY AG shall remain entitled to all property rights, copyrights and other commercial property rights to the software, updates and documentation. The same shall apply to any modifications or translations of the programs.

VIII. Retention of title

1. ALBERT FREY AG retains title to the subject matter of the contract until it has irrevocably and unconditionally received all payments owed by the Purchaser. Until this is the case, the Purchaser shall not be entitled to charge the subject matter of the contract with a security interest (e.g. ownership by way of security, lien, mortgage, land charge, etc.) or to resell it.
2. The Purchaser shall immediately notify ALBERT FREY AG of any seizures, attachments or other measures taken by third parties with respect to the subject matter of the contract and they shall hand over the documents required for intervention.
3. In the event that the conduct of the Purchaser is in breach of the contract, in particular if the property of ALBERT FREY AG in the subject matter of the contract is at risk, or if the Purchaser handles the subject matter of the contract improperly, or if the Purchaser is in default of payment, ALBERT FREY AG shall be entitled to demand the return of the subject matter of the contract delivered, after prior notice and provided that ALBERT FREY AG has rights to the subject matter of the contract of the kind described in section 1. If the Purchaser does not comply with the returns request, the required number of ALBERT FREY AG personnel are hereby inevitably entitled to enter the Purchaser's construction site/production facility, to dismantle the delivered subject matter of the contract and to take it away. The request for return of the subject matter of the contract shall not constitute a withdrawal from the contract, unless ALBERT FREY AG has expressly declared this in writing. However, the seizure of the subject matter of the contract by ALBERT FREY AG shall always constitute a withdrawal from the contract.
4. After taking back the subject matter of the contract, ALBERT FREY AG shall be entitled to reuse it; the proceeds from this reuse shall be credited against the Purchaser's liability – less reasonable costs for this process.
5. In the event that the subject matter of the contract is resold, with or without prior processing, which may only take place in the Purchaser's ordinary course of business, the Purchaser's purchase price claim against their supplier shall pass to ALBERT FREY AG by way of assignment in advance by virtue of processing, which has been agreed in advance with ALBERT FREY AG. This amount of the claim assignment shall be limited to the value (purchase price) of the subject matter of the contract. In the event that the subject matter of the contract is resold, the Purchaser shall also be obliged to reserve its right of ownership vis-à-vis the third party until their purchase price claim has been paid in full.
6. If the purchased item has been inseparably combined with other items which do not belong to ALBERT FREY AG, ALBERT FREY AG shall acquire co-ownership of the new item in the ratio of the value of the purchased item to the other combined items at the time these were combined. If the items were combined in such a way that the Purchaser's item is to be regarded as the main item, it shall be deemed to be agreed that the Purchaser transfers co-ownership to ALBERT FREY AG on a pro rata basis. The Purchaser shall hold the sole ownership or co-ownership of the item thus created in safe custody for ALBERT FREY AG.
7. In order for us to secure our claims against the Purchaser, they shall also assign the claim to us. These claims arise against a third party as a result of the connection of the purchased item with a real estate property.
8. ALBERT FREY AG undertakes to release the securities to which it is entitled at the request of the Purchaser, insofar as the value of our securities exceeds the claims to be secured by more than 20%; the choice of the securities to be released shall lie with ALBERT FREY AG.

IX. Place of jurisdiction – place of performance

1. For any disputes arising from and in connection with the contractual relationship, if the Purchaser is a registered merchant, a legal entity under public law or a special fund under public law, the exclusive place of jurisdiction shall be the registered office of ALBERT FREY AG.
2. However, ALBERT FREY AG is also entitled to file a suit against the Purchaser at the local court of their place of residence.
3. The place of performance is the registered office of ALBERT FREY AG.

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