

General Sales and Delivery Conditions of PARAT GmbH + Co. KG and for Usage with Business People and Companies

§ 1 General Scope

- All suppliers, services and offers made by PARAT GmbH + Co. (hereafter "PARAT") are based exclusively on these terms of payment and delivery. They are a component of all contracts that PARAT concludes with their contractual partners (hereafter "Customer" or "Client") with regard to the deliveries and/or services offered by PARAT. They will also apply for all future deliveries, services or offers to the customer, even if they have not been expressly agreed to. The provisions established here shall apply upon acceptance of the goods that are the object of the contract by the customer at the latest. However, these general terms of payment and delivery shall only apply, if the Customer is: a company in the sense of § 34 of the Bürgerliches Gesetzbuch (hereafter "BGB" [German Civil Code]), a legal entity organized under (German) public law or an entity incorporated under (German) public law. Any of the customer's conditions of purchase shall be regarded to the extent that such contradicts the conditions regulated by this contract or meets the regulations exceeding the conditions regulated by this contract. Even when PARAT refers to correspondence that contains the Customer's business terms and conditions or those of a third party, or which refers to such, consent to the applicability of those general business terms and conditions shall not be contained therein.

§ 2 Offer and Conclusion of Contract

- All offers by PARAT are subject to change without notice and not contractually binding, insofar as such have not been expressly designated as contractually binding or contain a specific term of acceptance.
- The Customer shall be contractually bound by the offers made to them by PARAT (e.g. in the form of a delivery contract or orders) from the time point of their reception by PARAT for three weeks. Delivery contracts & orders require written confirmation by PARAT to become legally effective. An invoice sent to the Customer in reference to the respective contract shall also apply as written confirmation.
- To the extent that the contract confirmation issued by PARAT with regard to prices, delivery conditions or the regulations of these general terms and conditions shall contain betterments to the benefit of the Customer, such discrepancies shall apply as accepted by the Customer.
- Depictions of the object of the delivery or service (e.g. drawings or illustrations) as well as specifications from PARAT regarding the object of the delivery or service (e.g. weights, dimensions, serviceability, load capacity, technical data and/or tolerances), in particular from catalogs and offers, are only approximately authoritative, to the extent that the usability for the contractually intended purpose shall not presuppose a precise agreement. Such are not guaranteed characteristics of state, but rather descriptions or characterizations of the delivery or service. Deviations customary in trade or deviations that follow on the basis of legal prescriptions or represent technical improvements, as well as the replacement of components with equivalent parts or other corresponding changes, shall be allowed, to the extent that such do not affect the usability for the contractually intended purpose.
- PARAT retains the rights of ownership and/or copyright to all offers and cost estimates issued by PARAT as well as drawing, illustrations, calculations, brochures, catalogs, tools, models and other documents and aids made available to the Customer. Making these objects accessible to third parties either of themselves or their content without the expression permission of PARAT, publishing knowledge of such, usage of such by the Customer or third parties or reproducing such is not granted to the Customer. The Customer is obligated to return these objects in whole upon demand by PARAT and to destroy any potential finished copies, if such are not needed by them as part of the ordinary conduct of business or if negotiations do not lead to the conclusion of a contract.

§ 3 Prices and Payments

- PARAT's sales prices are understood to be net prices for the services and deliveries listed in the respective contract confirmation. Additional or special services will be invoiced separately. Any legally applicable value added taxes will be identified and invoiced separately, to the legally regulated extent and in the legally regulated amounts. Subject to any special agreement, the sales prices shall apply from the location of fulfillment determined in § 4 and shall not include packaging, freight, postage, insurance and miscellaneous shipping costs, which shall also be invoiced separately.
- Insofar as PARAT's list prices underlie the agreed upon prices and the deliveries should first occur more than four months after the conclusion of the contract, PARAT's applicable list prices shall apply to the delivery (respectively less an agreed upon percentage or fixed rebate).
- Price changes are allowed, when there are more than four weeks between the submission of the offer or conclusion of the contract and the agreed upon delivery date. If the salaries, the prices for raw materials, the material costs or the market acquisition prices subsequently increase until the delivery, PARAT is entitled to increase the price correspondingly to the cost increases suitably. The Customer shall only be entitled to withdraw if the price increase does not merely significantly exceed the general cost of living costs between the order and the delivery.
- Invoice amounts must be paid within 30 days from the date of the invoice with any delay, insofar as not otherwise agreed upon in writing. The date of reception of the payment by PARAT is the authoritative factor.
- Offsetting against counterclaims by the Customer or retention of payments because of such claims shall only be permitted to the extent that such counterclaims are undisputed or determined to be legally effective.
- PARAT is entitled to execute or provide outstanding deliveries or services only against prepayment or surety, when circumstances that are significantly suitable to reduction of the creditworthiness of the Customer and which endanger the payment of PARAT's open claims by the Customer from the respective contractual relationship (including those from other individual contracts for which the same framework contract applies) become known to PARAT after the conclusion of the contract.

§ 4 Delivery and Delivery Time

- The location of fulfillment is the registered office of PARAT, insofar as another location has not been specified in the contract confirmation. The risk for the goods shall be transferred to the Customer with the transfer of the goods. The transfer to the Customer shall be equivalent with the transfer to a forwarding agent, freight carrier or other third party contracted with transportation.
- From the perspective of PARAT set deadlines and appointments for deliveries and services shall always apply approximately, unless a fixed deadline or appointment has been expressly accepted or agreed upon (business to be settled on a fixed date). Insofar as transmission has been agreed upon, delivery deadlines and appointments shall be relative to the point in time of the transfer to the forwarding agent, freight carrier or other third party contracted with transportation.
- PARAT shall not be liable for impossibility or delay of delivery to the extent that such has been caused by force majeure or other events not foreseeable at the point in time of the conclusion of the contract (such as operational disruptions of all types, difficulties in the procurement of materials or energy, delays in transportation, strikes, legal lockouts, lack of workforce, energy or raw materials, difficulties in the procurement of necessary legal permits, legal measures or outstanding, improperly or untimely deliveries by suppliers), for which PARAT is not responsible. Insofar as such events make the delivery or service significantly difficult or impossible and the obstacle is not of temporary duration, PARAT is entitled to withdraw from the contract. With regard to obstacles of temporary duration, the delivery and service obligations shall be extended or the delivery or service appointments deferred by the amount of time of the obstacle plus an appropriate period for startup. The Customer may withdraw from the contract through immediate declaration to PARAT in writing, insofar as the acceptance of the delivery or service cannot be expected of the Customer as a consequence of the delay.
- PARAT is authorized to make partial deliveries, in particular when:
 - the partial delivery can be used for the Customer within the scope of the contractually intended use
 - the delivery of the remainder of the ordered goods has been assured.
- If PARAT must default on a delivery or service or if a service or delivery become impossible regardless of cause then the liability for damage compensation on the part of PARAT shall be limited in accordance with the stipulation of § 7 of these conditions.
- Proper and timely self-delivery on the basis of a covering transaction at the same conditions is a retained right. PARAT will immediately inform the Customer of the non-availability of the goods that are the object of a contract or their upstream products and compensate the Customer in the event of withdrawal with a corresponding counter service (settlement of prepayment).

§ 5 Guarantee & Material Defects

- The guarantee term shall amount to one year from the date of delivery or, if acceptance is required, from the date of acceptance.
- The objects delivered must be carefully inspected immediately after delivery to the Customer or to a third party determined by them. They shall be considered as approved, when a written notice of defects with regard to obvious defects or other defects, which could be detected by an immediate careful inspection, within seven business days after the date of delivery of the objects or otherwise within seven business days of the discovery of the defect or to an earlier point in time, when the defect would be detectable for the Customer during normal usage of the object without a detailed inspection, in the manner determined in § 2 (2) Clause 6, has been received. The questionable object must be returned to PARAT carriage free upon demand by PARAT. PARAT shall remunerate the costs of the most inexpensive dispatch given a justified notice of defect. Such does not apply to the extent that the costs have increased because the object is located at a location other than the location of intended use.
- For material defects in the delivered object, PARAT shall initially be obligated and entitled to rectification of defects or replacement delivery by an appropriate deadline at the discretion of PARAT. In the event of failure, meaning impossibility, unreasonableness, refusal or inappropriate delay of the rectification of the defect or replacement delivery, the Customer may withdraw from the contract or reduce the sales price appropriately. A failure in the sense of the preceding regulation shall also be present, if the second subsequent delivery is also defective. The right of the Customer to demand a damage claim instead of the service according to the stipulation of the legal provisions and these conditions (§ 7) remains unaffected.
- If a defect touches upon the blame of PARAT, the Customer may demand a damage claim under the prerequisites determined in § 7.
- At their discretion, PARAT will assert their guarantee claims against the manufacturer and suppliers for the Customer's invoice or cede such to the Customer given defects in the components from other manufacturers, which PARAT cannot correct for reasons of licensing contracts or the facts of the matter. Guarantee claims against PARAT shall exist for such defects under the miscellaneous prerequisites and according to the stipulations of these general sales and delivery conditions only when the legal enforcement of the claims indicated above against the manufacturer and suppliers was unsuccessful or is futile, such as due to insolvency. For the duration of the legal dispute, the limitation for the affected guarantee claims by the Customer against PARAT shall be inhibited. The guarantee shall not apply, when the Customer has changed the object, or allowed such to be changed by third parties, without the agreement of PARAT, the rectification of the defect has become impossible or unreasonable for this reason. In each case, the Customer must bear the additional costs arising from the change of rectification of the defect.

- A delivery of used objects agreed upon with the Customer in an individual case shall occur under exclusion of any guarantee for material defect.
- Insofar as PARAT guarantees the products sold, such shall override the regulations contained in these sales conditions.

§ 6 Legal Protections

- In accordance with the stipulation of § 6, PARAT vouches that the delivery object is free of the commercial legal protections or copyrights of third parties. The purchaser will immediately inform PARAT in writing, if such rights are asserted to them with regards to claims because of infringement.
- In the event that the delivery object infringes upon the commercial legal protections or copyright of a third party, PARAT will alter or exchange the delivery object(s) at the sole discretion and at their own costs such that the rights of third parties are no longer infringed upon and such that the delivery objects continue to fulfill the contractually agreed upon function, or procure the customer the right of usage through the conclusion of a license agreement. If PARAT does not succeed in this within an appropriate period of time, the Customer is entitled to withdraw from the contract or reduce the sale price appropriately. Any claims for damages by the Customer are subject to the limitations of § 7 of these general sales and delivery conditions.
- PARAT will assert their claims against the manufacturers and suppliers for the Customer's invoice, or cede such to the Customer at their discretion, given legal infringements by products from other manufacturers delivered by PARAT. Claims against PARAT shall exist in such cases in accordance with the stipulation of § 6 only when the legal enforcement of the previously indicated claims against the manufacturers and suppliers was unsuccessful or is futile, such as due to insolvency. For the duration of the legal dispute, the limitation for the affected guarantee claims by the Customer against PARAT shall be inhibited.

§ 7 Liability on Damage Compensation due to Blame

- Regardless of the legal basis, in particular for reasons of impossibility, default, defective or erroneous delivery, contractual infringement, infringement of obligations during contractual negotiations and disallowed conduct, PARAT's liability for damage compensation is limited in accordance with the stipulation of § 7, insofar as such results in blame.
- PARAT is not liable in cases of simple negligence on the part of its entities, legal representatives, employees or other vicarious agents, insofar as an infringement of the contractually significant obligations is involved. The obligations regarding legal delivery of the delivery object(s) free of defects as well as obligations of consultation, protection and due diligence that should make the contractually appropriate usage of the delivery object(s) possible or intend the protection of life and limb of the Customer's personnel or the protection of their property against significant damages.
- Insofar as PARAT shall be liable pursuant to § 7 (2) for damage compensation according to the reasons, such liability shall be limited to damages that PARAT has foreseen as potential consequences of a contractual infringement upon conclusion of the contract or that PARAT should have foreseen for the application of normal care. Indirect damages or consequential damages that are the consequence of defects in the delivery object may only be compensated to the extent that such damages can be expected given appropriate, typical usage of the delivery object.
- In the event of a liability for simple negligence, PARAT's obligation of compensation is for material damages and additional property damage resulting from such limited to an amount of EUR 500,000.00 for each case of damage (corresponding to the amount of coverage of their product liability insurance at that time or liability insurance), even if an infringement of contractually significant obligations is involved.
- The preceding exclusions and limitations of liability shall apply to the same extent to the benefit of the entities, legal representatives, employees and other vicarious agents of PARAT.
- The limitations of § 7 shall not apply for PARAT's liability because of intentional conduct, for guaranteed characteristics of state, because of infringement of the life, limb or health or in accordance with the German Product Liability Act (Produkthaftungsgesetz).

§ 8 Limitations

- The limitation term for claims and rights because of defects of the delivery regardless of legal basis shall amount to one year.
- The limitation terms in accordance with the preceding Paragraph 1 shall also apply for all claims for damage compensation against PARAT, which are in relation with the defect, regardless of the legal foundations of the claim. The limitation term in Paragraph 1 shall apply insofar as claims for damage compensation of any type against PARAT exist, which are not in relation to a defect.
- The limitation terms according to the preceding Paragraphs 1 and 2 shall apply with the following stipulations:
 - The limitation terms shall generally not apply in the event of intent
 - The limitation terms shall also not apply, if PARAT fraudulently concealed the defect or insofar as PARAT assumed a guarantee for the characteristics of the delivery. If PARAT fraudulently concealed a defect, the legal limitations terms that would have applied without the presence of fraud shall apply in place of the terms listed in the preceding Paragraph 1.
 - The limitation terms shall also not apply for claims of damage compensation in the cases of injury to life, limb or health or freedom, for claims pursuant to the German Product Liability Act, for a culpably negligent infringement of obligations or for the infringement of contractually significant obligations in the sense of § 7 (2) Clause 2.
 - The limitation terms shall not apply for the Customer's claims of regress pursuant to §§ 478 & 479 of the BGB.
- The limitation term shall begin with the entrance of the transfer of risk for all claims in the sense of § 4 Paragraph 1.

§ 9 Right of Recourse (§ 478 of the BGB)

- Customer's claims of right of recourse against PARAT in accordance with § 478 of the BGB (recourse of the company) shall only exist insofar as the Customer has not arranged any agreements exceeding the legal claims of defects with their purchasing agent.

§ 10 Retention of Ownership

- All goods delivered remain in the ownership of PARAT (retained goods) until the fulfillment of all of PARAT's claims against the Customer regardless of the legal basis, in particular with regard to the respective current account balance claims by PARAT against the Customer, even if payments for the specially designated demands have been made. Transfer of ownership shall first occur after the complete payment of the sale price. PARAT is entitled to demand the return of the delivered goods and/or to withdraw from the contract upon infringement of obligations by the Customer, in particular upon payment default, without setting a deadline. The Customer is obligated to return the delivered goods. A declaration of withdrawal does not exist in the demand for return by PARAT, unless such is expressly declared.
- If the Customer combines, processes or mixes the goods delivered by PARAT under ownership retention with other goods that are not owned by PARAT, the co-ownership of the combined, processed or mixed goods is due to PARAT in proportion to the invoiced value of the retained goods in comparison with the amount of the invoice for the other third-party goods. The Customer shall keep such goods safe for PARAT free of charge.
- The Customer may only dispose of the retained goods as part of normal business transactions at their normal business conditions as long as they are not in default. They are only entitled and empowered to resell the retained goods with the stipulation that the claim from the resale shall be transferred to PARAT. The Customer is not entitled to other dispositions of the retained goods. The Customer's claims from the resale of the retained goods shall now be ceded to PARAT. The cession of the claim from the resale shall only be in the amount of the invoiced value of the retained goods for the case that the retained goods shall be resold together with other goods that are not owned by PARAT.
- The Customer is entitled to collect claims from the disposal of the retained goods. The Customer is not authorized to cede these claims. The authority of PARAT to collect these claims shall remain unaffected. However, PARAT is obligated to not collect the claims as long as the Customer discharges their obligations of payment properly and is not in default of payment. However, if this is the case, PARAT may demand that the Customer makes the ceded claims and their debtors known, provides the all of the information required for collection, turns over the associated documents and informs the debtor (third party) about the cession.
- If the value of the existing sureties for PARAT exceeds the claims of such against the Customer by more than 10%, PARAT is obligated to release the surety upon demand by the Customer at the discretion of PARAT to the extent of such.
- The Customer must inform PARAT immediately of a seizure of the delivered goods or other interference by third parties. If the right of ownership retention or the cession in accordance with the law in whose jurisdiction the goods are located is not legally effective, the surety of the right of ownership retention and the cession in this jurisdiction shall apply as agreed upon accordingly. If the cooperation of the Customer is required in this, they must take every measure that is required for the approval and retention of such rights.

§ 11 Special Obligations of Resellers

- Customers who acquire goods ordered by them and delivered to the for purposes of resale (resellers) are obligated upon ordering the goods, or upon their acceptance at the latest, by the obligations regulated in the following Paragraphs 2, 3 and 4 with regard to PARAT.
- Resellers are obligated to accept goods that defective or flawed by material defects and resell them to PARAT for purposes of inspection or repair.
- If PARAT returns the goods resold as part of the preceding Paragraph 2 after their inspection or repair to the affected reseller, the reseller shall forward these goods to the end customer. The reseller shall take appropriate measures to do so.
- If the end customer asserts the continuance of the guarantees assured by PARAT, the reseller shall inspect and ensure the proof of the asserted guarantee prior to acceptance and forwarding to PARAT. In particular, this shall affect the inspection of the date of sale based on sales receipts and the creation of copies.
- The expenses of the reseller shall be reimbursed by PARAT for the services provided by them in accordance with Paragraphs 2, 3 and 4. The reseller must prove the costs arising from their efforts as well as their appropriateness to PARAT upon demand by PARAT.

§ 12 Final Provisions

- The ineffectiveness, inability to execute or incompleteness of one of the provisions in these business conditions or in one of the contracts concluded upon the basis of these business conditions does not affect the effectiveness of these business conditions and of the corresponding contract. The legal regulation shall take the place of the ineffective regulation.
- The court of jurisdiction for disputes from contracts that have been concluded upon the basis of these conditions shall be the court responsible for the registered office of PARAT. The laws of the Federal Republic of Germany shall apply in this.