

Terms and conditions

1. Validation, Area of Application

All performance and deliveries shall be subject exclusively to the following terms and conditions.

2. Quotations

Our quotations are subject to change. It expressly reserves the right to undertake changes and corrections. Plans like drafts, brochures, illustrations, dimensions, load capacity and weights included in the quotation are only proximate applicable – if not otherwise stated.

3. Order Confirmation

All conditions of purchase and all agreements shall not be valid unless they have been expressly acknowledged by AS Schöler GmbH in written (employees and sales representatives of AS Schöler GmbH included). This shall also apply to all changes of the agreed formal requirements.

4. Prices

The prices – unless otherwise agreed in writing – are ex works, excl. packaging and insurance. AS Schöler GmbH delivery prices shall remain valid for the day of charging.

5. Delivery Period

The risk assumption is automatically transferred to the contractor´s partner (consignee) at the time of acceptance. Shipment shall be carried out on the purchaser´s risks and responsibility in the most cost-effective way.

6. Packaging

Goods are shipped in disposable packaging which cannot be taken back by the consignor. Due to economization purposes small package units cannot be opened. In the event of deviant lot sizes the nearest packing unit shall be delivered.

7. Terms of Payment

Payments for rent, freight charges and packaging shall be due in full and immediately upon receipt of the invoice. All other invoices shall be paid within 8 days upon receipt with a discount of 2% or if made within 30 days of receipt of the invoice, shall be at stated net price.

8. Cheque/Letter of Exchange Article

AS Schöler GmbH reserves the property on any service items until complete payment of all claims resulting from commercial relationship (principle and accessory claims). In case of payment by letter of exchange or cheques, the reserve of property is valid until their credit.

9. Change of Ownership Clause

To the extent that the value of the seller´s security interest in the collateral exceeds the secured claims by 20% the seller, at the client´s request, shall release a corresponding proportion of the security interest in the collateral.

10. Dispatch

The delivery time stated in the purchase order is not binding, if not otherwise stated. In the event of delay on the part of AS Schöler GmbH the customer is not entitled to demand compensation, as not otherwise regulated by law. Partial deliveries shall be permissible. Each part delivery shall be treated separately and shall remain without influence on the already fulfilled part of delivery. Payment of each part delivery is payable immediately upon receipt of invoice.

11. Reservation of Proprietary Rights

All delivered goods remain the property of AS Schöler GmbH until such time as all claims by AS Schöler GmbH arising out of business relationship have been satisfied – open account – and bills or cheques – are cashed in by the customer. This also applies when individual or all claims are included in a current invoice and the balance is discounted and confirmed. The processing, transformation, connection or installation of reserved merchandise is always done by the manufacturer according to § 950 BGB, without any obligation. If the reserved goods are the main goods, or the main goods are owned by the customer the entire proprietary belongs to AS Schöler GmbH. In other cases the seller shall obtain co-ownership of the new goods in the proportion of the value of his own goods and that of the other goods at the time the goods are converted, compound, bonded or mingled. The customer keeps the sole or collective property of BTH on this item in custody without any charge. It is treated as reserved merchandise. The goods shall remain in AS Schöler GmbH's ownership and the buyer must not pledge the goods or transfer them as a security if not stated otherwise. The buyer shall notify the seller immediately of any attachments or any other impairment of the seller's rights and shall furnish all information and documents required to protect AS Schöler GmbH's rights. Enforcement officers and third parties must be informed about AS Schöler GmbH ownership rights. The customer shall inform us immediately in the event of any third party action against the reserved goods or any receivables assigned to us under provision of all information necessary to initiate third party counterclaim proceeding to protect our rights. The costs of any such legal proceedings or otherwise redress any such third party action shall be borne by the customer, insofar a third party does not reimburse these. Furthermore the entire debt claim shall be paid immediately. The customer may only resell the reserved merchandise in the usual course of business and only subject to retention of title until we revoke this authorization. The customer shall not otherwise dispose the reserved merchandise in a way that interferes with otherwise endangers our rights in such goods, including, but not limited to, pledge or assignment by the way of security, without prior consent. AS Schöler GmbH shall retain any statutory rights of set-off or rights or retention. Furthermore BTH shall be entitled – after a reminder – to dispose the goods according to their sole discretion. A credit note will be issued for all authorized returns.

12. Prolonged Reservation of Title

The processing, transformation, connection or installation of reserved merchandise is always done by the customer on behalf of AS Schöler GmbH. If the reserved merchandise is processed with other items which do not belong to AS Schöler GmbH or mixed with other items which do not belong to AS Schöler GmbH, AS Schöler GmbH acquires a portion of property of the new item in proportion of the value of the reserved merchandise to the value of other items processed or mixed with at the moment of such processing or mixture. AS Schöler GmbH rights on the reserved merchandise continue with the new item; the customer keeps the sole or collective property of AS Schöler GmbH on this item in custody.

13. Prolonged Ownership with Resale to Third Party with Assignment in Advance

The customer hereby assigns to us all claims arising from resale or arising any time in the future from another legal transaction affecting the reserved goods, as security for the customer's existing and future obligations which arise from the business relationship between us and the customer. In the event that the customer sells the reserved goods on to third party together with other goods, the customer hereby assigns to us the right to that proportion of the purchase price which is equivalent to the value of the reserved goods. We hereby accept such assignment. As long as the customer complies with its contractual obligations, then the assignment of the foregoing rights will be treated as an undisclosed assignment. The customer is hereby authorized to collect all claims resulting from such rights unless and until we revoke this authorization. In case of such revocation, the customer shall provide us with all information

relating to the claims assigned and the relevant debtors necessary for us to call in such claims by ourselves and shall inform the debtors of the transfer of such rights to ourselves.

The seller shall accept the cession. The buyer shall be entitled to recover these debts after their cession. This shall not affect AS Schöler GmbH's right to recover the debts itself. However, AS Schöler GmbH undertakes not to recover the debts as long as the buyer duly retires his obligations and is not in default. Should the buyer, however, be in default, AS Schöler GmbH may request the buyer to disclose the accounts receivable assigned and the debtor, to provide all information necessary for debt recovery, deliver the related documents and notify the debtor (third party) of the assignment.

14. Liability of Defects

Claims regarding open issues or, missing issues or the quality of issues after careful inspection must be reported in written to us (not to our sales representatives) immediately, but not later than 8 days upon arrival of the goods at the customer's destination. Minor changes in dimensions and specifications within the limits of technical tolerances do not entitle the customer to any complaint. Return shipment of rejected goods needs a written approval by AS Schöler GmbH. Return shipment of rejected goods needs prior approval from AS Schöler GmbH. In case of an authorized claim we will replace the faulty goods or repair the goods or release a credit note. The buyer shall be entitled to cancel the contract if AS Schöler GmbH is not able to meet an obligation of rectification of defects or replacement delivery according to the agreed contract. Our liability – regardless of the legal basis – is limited to damages that have been caused willfully or with gross negligence by us or our legal representatives, in case of breach of essential duties, with slight negligence. Claims of defects are excluded prejudice suffered after passing of risk as a result of erroneous or negligent handling unless anticipated in contract. Only such characteristics are assured that are expressly guaranteed and are noticeable unambiguously. The warranty shall be excluded if the customer has processed or amended the goods without prior written authorization. Any Claims for defects, or any consequences thereof, shall be likewise excluded in the event of improper modifications or repair work performed by the client or third parties unless not otherwise stated in written by us, resp. 1 month after the written refusal; 6 months after expiration of the claim at the latest.

15. Warranty

We grant a warranty of twelve months in one-shift operation counted from the time at which the appliance is purchased by the buyer (from invoice date) for all stud welding units and guns, automatic stud welding heads, automatic stud feeders and automatic stud welding guns. AS Schöler GmbH shall be obliged to remedy any deficiencies or to replace the items without any charge if faults in the construction or material are indicated. AS Schöler GmbH is permitted the right of repair in a place of our choice or within our company. In case of damages caused by the customer, inadequate operation, and inadequate supervision or due to force majeure AS Schöler GmbH refuses to pay any compensation. Any changes performed without our approval as well as the use of foreign parts shall exclude any warranty. The breach of condition of agreed payments shall cancel any warranty obligations. Parts subject to normal tear and wear are excluded from any warranty. AS Schöler GmbH shall have the right to take any warranty for parts from third parties only by the coverage the supplier warranties towards us. AS Schöler GmbH delivers high quality welding studs and pins according to the common standard quality of bulk goods (mass-produced articles). Should the customer request an inspection certificate 3.1 acc. to EN 10204, he receives an inspection certificate 3.1 acc. to EN 10204 in copy. Through adherence of our operating instructions and welding of our studs on recommended material faultless results will be achieved. AS Schöler GmbH cannot warrant for the suitability of the procedure of certain applications and the compliance with certain mechanical strength properties. In case of doubt AS Schöler GmbH shall perform a trial welding procedure whose survey and acceptance of the buyer is limited according to our responsibility.

16. Drawing Parts

No liability in quantities shall be provided for articles with negligent fabrication according to drafts or drawings. Delivery quantities are allowed to fluctuate between +/- 10%. Withdrawal from contract and/or demand of compensation of the contract – for articles fabricated according to drafts or drawings is not possible after arrival of material at the place of supplier or after the start of production.

17. Place of Jurisdiction

The place of performance and jurisdiction for both contract parties is Witten/Ruhr. The court of jurisdiction shall be the responsible court Amtsgericht Witten (local court) or as per our choice Landgericht Bochum (district court). The relationship between AS Schöler GmbH and the supplier shall be governed by German law exclusively.

18. Open Account Article

All delivered goods shall remain the property of AS Schöler GmbH until such time as all claims by AS Schöler GmbH arising out of the business relationship have been satisfied – irrespectively of payments made for specifically described claims. This also applies if individual or all claims of the supplier are included in the invoice and the balance is stroke and confirmed.

19. General

Should any of these conditions or any provision in the context of other agreements be invalid or become invalid, the validity of the other provisions or agreements shall remain unaffected.

20. Priority Clause

These terms and conditions were originally issued in the German language and the German version shall apply. The English version serves to the better understanding of the supplier and the buyer only.