

GENERAL TERMS AND CONDITIONS OF A&R TEXTIL

1. GENERAL

- 1.1. Sale and delivery shall only take place according to the following terms and conditions of the supplier. The supplier is not bound by the conditions of the customer, even if they have not been expressly rejected.
- 1.2. Electronic data processing is used for the handling of business relations and for the internal processing of business transactions. In accordance with the provisions of the German Federal Data Protection Act, the Customer is informed that the Supplier processes the personal data required for this purpose and only passes them on within the company.

2. OFFER

- 2.1. The supplier's offer is subject to change without notice. The order shall only be deemed to have been accepted when it has been confirmed in writing by the supplier, whereby this can also be in text form (§ 126 b BGB).
- 2.2. Representatives and employees of the Supplier who are not expressly authorized are not entitled to make verbal promises of any kind whatsoever to the Purchaser, nor to make or receive declarations relating to legal transactions.
- 2.3. The documents belonging to the offer such as illustrations, drawings and weight specifications are only approximately authoritative, unless they are expressly designated as binding. The same applies to performance and consumption data. The supplier reserves the property rights and copyrights to cost estimates, drawings, samples and other documents, also in electronic form; they may not be reproduced and made accessible to third parties.

3. PRICES AND PAYMENT

- 3.1. In the absence of a special agreement, the prices are ex works including loading at the factory. Unless otherwise agreed, the goods will be shipped to a destination named by the buyer (sale to destination). The supplier determines the type of dispatch. The shipping and packaging costs incurred for each order will be charged according to the time and effort involved. Value added tax at the respective statutory rate shall be added to the prices, if not already considered.
- 3.2. The invoice amount is due immediately.
- 3.3. Payments made to representatives without written authority to collect shall not have any discharging effect on the supplier.
- 3.4. Offsetting is only possible with counterclaims of the customer which are not disputed by the supplier or which have already been legally bindingly titled. A right of retention can only be based on payment claims of the customer under these conditions.
- 3.5. The agreed price is based on current material costs and wages. If these change by the time the order is delivered, the price will also be changed in accordance with the percentage change in material costs and wages, whereby the respective change in material costs and wages will be included in the calculation in equal percentages. The respective manufacturing status is considered when changes occur in material costs or

wages, i.e. the adjustment only refers to the part of the price that corresponds to the costs still to be incurred.

- 3.6. The minimum order value is € 50.00 (or equivalent in local currency).
- 3.7. The withholding of payments due to or the offsetting of any counterclaims which are disputed by the supplier or which have not been legally established is not permitted.

4. DEFAULT

If the contractual, calendar-based or statutory payment deadlines are exceeded, annual interest will be charged at 8% above the respective base rate. The supplier reserves the right to prove and assert a higher default interest or damage caused by default.

5. DELIVERY TIME, DELAY IN DELIVERY, DAMAGE CAUSED BY DELAY

- 5.1. The delivery period begins with the dispatch of the order confirmation, but not before the provision of the documents, permits and releases to be procured by the purchaser based on express contractual agreements. A further condition for the start of the delivery period is the receipt of an agreed down payment.
- 5.2. Insofar as the Supplier is not obliged to take the delivery item to a location determined by the Purchaser, the delivery period shall be deemed to have been met if the delivery item has left the Supplier's works by the time of its expiry or if the Purchaser has been notified that it is ready for dispatch.
- 5.3. If the supplier cannot meet binding delivery deadlines for reasons for which he is not responsible (non-availability of the service), he shall inform the customer of this immediately and at the same time inform the customer of the expected new delivery deadline. If the service is also not available within the new delivery period, the supplier is entitled to withdraw from the contract in whole or in part; any consideration already provided by the customer will be refunded immediately. A case of non-availability of performance in this sense is in particular the non-timely self-delivery by suppliers of the supplier, if the supplier has concluded a congruent hedging transaction. The Supplier's statutory rights of rescission and termination as well as the statutory provisions on the execution of the contract in the event of an exclusion of the obligation to perform (e.g. impossibility or unreasonableness of performance and/or subsequent performance) shall remain unaffected.
- 5.4. The occurrence of the delay in delivery shall be governed by the statutory provisions. In any case, however, a reminder from the purchaser is required. If the Supplier is in default of delivery, the Customer may, in the event of simple negligence on the part of the Supplier, to the exclusion of further rights, demand lump-sum compensation for damages caused by default. The lump-sum compensation shall amount to 0.5% of the net price (order value) for each completed calendar week of delay, but in total no more than 5% of the order value of that part of the total delivery which cannot be used in time or in accordance with the contract as a result of the delay. The Supplier reserves the right to prove that the Purchaser has not incurred any damage at all or only a substantially lower damage than the above lump sum.

5.5. If dispatch is delayed due to circumstances for which the customer is responsible, the customer shall be charged the costs incurred by storage at the supplier's works, starting one month after notification of readiness for dispatch, but at least ½ % of the invoice amount for each month. The purchaser reserves the right to prove that the damage was lower.

6. TRANSFER OF RISK

6.1. The risk shall pass to the Purchaser upon handover of the delivery parts to the transport person, unless the Supplier has expressly assumed the dispatch of the delivery item.

6.2. If dispatch is delayed due to circumstances for which the customer is responsible, the risk shall pass to the customer upon receipt by the customer of notification that the delivery item is ready for dispatch. However, the supplier is obliged to arrange the insurance policies requested by the customer at the latter's request and expense.

7. LIABILITY FOR MATERIAL DEFECTS

For defects in the delivery, the supplier is liable as follows, excluding further claims, without prejudice to the supplier's liability for breaches of duty according to clause 8

7.1. If there is a defect for which the supplier is responsible, the supplier is entitled to remedy it at his discretion by free repair or replacement. Replaced parts become the property of the supplier. If the Supplier is not prepared or not in a position to remedy the defect, in particular if this is delayed beyond reasonable time limits for reasons for which the Supplier is responsible or if at least two attempts at remedy fail, the Purchaser is entitled - without prejudice to any claims for damages pursuant to Clause 8 - to withdraw from the contract or to claim a reduction in the remuneration.

7.2. Insofar as the Purchaser is entitled to demand rights in respect of material defects at his own discretion, he is obliged, at the Supplier's request, to declare within a reasonable period of time whether, if the preconditions are met, he will demand subsequent performance, withdraw from the contract, claim a reduction in the purchase price and/or demand compensation for damages instead of performance.

7.3. The expenses necessary for the purpose of subsequent performance, in particular transport, travel, labour and material costs, shall be borne by the Supplier, unless the expenses increase because the object of the delivery has subsequently been taken to a place other than the Purchaser's domicile and the transfer has not been agreed in writing with the Supplier.

7.4. The delivery item must be inspected immediately upon receipt. Obvious defects must be reported to the supplier in writing within 14 days of receipt, avoiding loss of the rights to claim for defects.

7.5. The supplier does not assume any warranty for damages which are partly caused by the following circumstances: Unsuitable or improper use by the customer or by third parties engaged by him, natural wear and tear, faulty or negligent handling, use of unsuitable operating materials or replacement materials, improper chemical, electromechanical or electrical influences, provided that the damage is not attributable to a fault of the supplier.

7.6. In order to carry out all repairs and replacement deliveries which the Supplier deems necessary at its reasonable discretion, the Purchaser shall, after consultation with the Supplier, give the Supplier the necessary time and opportunity and provide the Supplier with auxiliary staff at its expense. If the customer violates this obligation, the supplier's liability for material defects shall lapse. Otherwise, the customer is only entitled to have the defect remedied himself at the supplier's expense if the supplier is in default with the remedy of the defect. Only in urgent cases where operational safety is endangered shall the Purchaser be entitled to remedy the defect itself or have it remedied by third parties before the Supplier is in default and to demand reasonable reimbursement of its costs from the Supplier.

7.7. Claims for material defects become time-barred after 12 months.

7.8. The liability of the supplier shall be governed by Clause 9, and any further claims based on a material defect shall be excluded.

8. LIABILITY

8.1. For material and consequential material damage caused to the customer by slightly negligent breaches of duty on the part of the supplier, the supplier's obligation to pay compensation shall be limited to the compensation paid by the supplier's liability insurance. This limitation of liability also applies to the personal liability of the employees, staff, representatives and vicarious agents of the supplier. The Supplier is prepared to allow the Purchaser to inspect the liability insurance policy upon request. However, this limitation of liability shall only apply if the sum insured is within the scope of the foreseeability of such property damage and consequential property damage. Insofar as the insurance does not take effect without the sum insured being exceeded, the Supplier assumes subsidiary liability towards the Purchaser, but only to the extent described in clause 9.2 below.

8.2. Any further claims for damages and reimbursement of expenses by the purchaser are excluded. This shall not apply to indispensable claims under the Product Liability Act, in cases of intent or gross negligence, due to injury to life, body or health or the culpable breach of an essential contractual obligation. In the event of culpable breach of an essential contractual obligation by the Supplier, however, only for foreseeable damage typical for the contract, unless there is intent or gross negligence or due to injury to life, body or health. A change in the burden of proof to the detriment of the customer is not associated with the provisions of Section 8.

8.3. Insofar as the Purchaser is entitled to claims for damages under this clause, these shall become statute-barred upon expiry of the limitation period applicable to claims for material defects pursuant to clause 7.7.

9. RETENTION OF TITLE

9.1. The supplier retains title to all goods delivered by him until all claims arising from the business relationship with the customer have been paid.

9.2. The purchaser is permitted, subject to revocation at any time, to resell the delivered goods in the ordinary course of business, unless the claim resulting from the resale has already been assigned to others; the right to resell shall also lapse if the purchaser ceases to make payments.

- 9.3. The customer hereby assigns to the supplier by way of security the claim to which he is entitled from the resale or from economically similar disposals of these goods; it makes no difference whether the reserved goods are sold without or after combination with other items.
- 9.4. In the event that the reserved goods are resold by the customer together, whether separately or in combination or mixing with other goods not belonging to the supplier or after further processing, the assignment shall only apply to the amount of the invoice amount of the reserved goods including VAT valid between the supplier and the customer.
- 9.5. The customer is authorised to collect the claim assigned as long as he fulfils his payment obligation to the supplier; he must transfer the amounts collected by him immediately to the supplier insofar as the latter's claims are due. In the event of a breach of the Purchaser's payment obligation, the Supplier shall be entitled to disclose the assignment of claims against the Purchaser's customers.
- 9.6. The supplier is entitled to demand the surrender of the reserved goods if the purchaser does not meet his payment obligations either despite a time or deadline determined according to the calendar. The demand for return shall also constitute a withdrawal from the contract.
- 9.7. The customer may neither pledge the delivery item nor assign it as security. In the event of seizure, confiscation or other dispositions by third parties, he must inform the supplier immediately.

10. PLACE OF PERFORMANCE AND JURISDICTION

- 10.1. The place of performance for all obligations arising from this contract is the registered office of the supplier.
- 10.2. The place of jurisdiction for all legal disputes arising from the contractual relationship, including actions on bills of exchange - insofar as legally permissible - is the supplier's registered office. The supplier is also entitled to take legal action at the court which is responsible for the registered office of the customer.

11. APPLICABLE LAW AND LANGUAGE

- 11.1. The mutual legal relations shall be governed by German laws, excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG). The contractual language is German.
- 11.2. In the event that the meanings of the German and English texts of these General Terms and Conditions differ, the German text shall prevail.

12. BINDING NATURE OF THE CONTRACT

The contract remains binding even if individual points of its terms or individual clauses of these general terms and conditions are legally ineffective. The gap resulting from the omission of the invalid provision shall be filled in good faith in the sense of the contract.