



1. Scope

1.1 The following Terms apply for all deliveries and services offered by **MHA ZENTGRAF**.

1.2 Deviating or additional terms of the client do not apply.

1.3 In the context of an ongoing business relationship, these Terms apply in their respective version without explicit reference to their inclusion with all future deliveries and services by **MHA ZENTGRAF**.

2. Object of the contract and prices

2.1 Regarding special designs, **MHA ZENTGRAF** shall examine the client's guidelines on their correctness. **MHA ZENTGRAF** shall inform the client if they do not consider guidelines as plausible.

2.2 Services by **MHA ZENTGRAF**, which exceed the duties for a seller, such as consultancy, planning, installation and maintenance services, are to be fixed separately in writing.

2.3 All prices are net and apply ex works; VAT at their current applicable rates, packaging, transport, installation and insurance costs shall be payable additionally.

2.4 The prices according to the respective current price list of **MHA ZENTGRAF** at the moment of order are applicable. With a period of more than 4 months between conclusion of the contract and agreed delivery date, **MHA ZENTGRAF** shall be entitled to adapt the prices, if suppliers of **MHA ZENTGRAF** have changed their prices taking effect on the order. The client is to be immediately informed.

2.5 The minimum order value is set at EUR 300,--. If the order falls below this limit, the client shall pay an appropriate supplement to the list prices.

3. Offer and conclusion of contract

3.1 Offers of **MHA ZENTGRAF** are not binding. Cost estimates for special designs shall be unbinding and payable.

3.2 The contract shall be entered into when the client's order is confirmed in writing or if the performance has started or if the Products were delivered. Verbal ancillary agreements and confirmations are invalid without **MHA ZENTGRAF**'s written approval.

3.3 **MHA ZENTGRAF** is entitled to withdraw from the contract without observing a notice period, if the client's financial situation persistently deteriorates or if the opening of insolvency proceedings on his assets have been demanded.

3.4 If a right to withdraw has been granted to the client and if the client uses such right, he shall then pay to **MHA ZENTGRAF** cancellation costs of 50% of the order value.

4. Delivery, transfer of risk and delay

4.1 Delivery and service deadlines are only binding with the written confirmation of **MHA ZENTGRAF**. The delivery period begins at the moment of dispatch of the order confirmation, however not before additional documents, confirmations, releases or materials of the client are complete, as well as before receipt of an agreed deposit.

4.2 With service or delivery delays, which **MHA ZENTGRAF** is not liable for, such as force majeure, strike, import and export limitations, interruption of operations or disruption of traffic routes, the delivery period shall be prolonged – also within a delay - accordingly. The same applies if such conditions occur at the suppliers' or sub-suppliers' of **MHA ZENTGRAF**. **MHA ZENTGRAF** shall immediately inform the client of such delays and their probable duration.

4.3 If **MHA ZENTGRAF** is liable for the delay, the client shall be entitled to rescind the contract after an appropriate extension period, which was fixed in writing.

4.4 Should there be a default of acceptance on the client's side, **MHA ZENTGRAF** shall then be entitled to claim the costs actually resulting from storage, starting one month after notification of readiness to dispatch, or of 0,5% of the invoice amount for each begun month, unless the client can prove a lesser damage to **MHA ZENTGRAF**. At the end of an appropriate period, **MHA ZENTGRAF** shall be entitled to rescind the contract. The risk of an accidental deterioration and of an accidental loss is transferred to the client at the moment of default of acceptance.

4.5 Deliveries are ex works (EXW INCOTERMS 2010) Merzig. The delivery period is met when **MHA ZENTGRAF** has issued its readiness to deliver the Products before its expiration. The transfer of risks occurs at the moment of the notification of readiness to dispatch.

4.6 Safety devices are only provided if agreed on in writing.

4.7 **MHA ZENTGRAF** is entitled to partial deliveries to a reasonable degree. The client is obligated to pay for such partial deliveries.

5. Receivables, payment and default of payment

5.1 Payments shall be made without deduction within 30 days after the invoice date.

5.2 The right to withhold payments or to set them off against counterclaims is only granted to the client insofar that his claims are undisputed or finally recognized by declaratory judgment.

5.3 **MHA ZENTGRAF** reserves the right to transfer entitlements to its accounts receivable from customers to third parties.

5.4 If a customer is in default of payment, all outstanding accounts receivable from that customer shall become due with immediate effect.

5.5 Customers are to bear all fees, costs and outgoings associated with any successful legal proceeding that is launched against them by **MHA ZENTGRAF** outside Germany.

6. Intellectual property and property rights

6.1 **MHA ZENTGRAF** reserves all property rights and rights of use for all offer documentations, drawings, descriptions, samples and cost estimates. They shall not be transferred, published, copied or otherwise made accessible to third parties without **MHA ZENTGRAF**'s prior written consent.

6.2 The client shall ensure that the construction of Products according to his guidelines does not infringe the industrial property rights of a third party. The client shall hold harmless **MHA ZENTGRAF** from all claims due to violation of such property rights.

6.3 If common developments between **MHA ZENTGRAF** and the client result from special designs, the contractual partners shall conclude a separate agreement on the distribution of the intellectual property rights.

7. Retention of title

7.1 **MHA ZENTGRAF** reserves the title of ownership on the Products until their payment is completed. With Products, which are provided to the Client in the context of an ongoing business relationship, **MHA ZENTGRAF** reserves the title of ownership until all claims resulting from such relationship are settled. Client shall maintain the Products supplied in an orderly condition for the period of the retention of title and shall execute all required maintenance works or have them executed by a third party.

7.2 Client is entitled to the processing or combination of the products Zentgraf still has title on in the context of his proper business operations. **MHA ZENTGRAF** acquires co-ownership of the resulting Products, which the Client transfers already now. The amount of the co-ownership share of **MHA ZENTGRAF** is calculated according to the relation of the supplied Products' value and the other products. Client shall in these cases store the Products owned or co-owned by **MHA ZENTGRAF** free of charge.

7.3 Client shall be entitled to resell the Products Zentgraf still has title on in the proper business operations against payment or under reservation



of title. Claims arising from this resale or any other legal basis (insurance, unlawful acts) are already now transferred from Client to **MHA ZENTGRAF** with all subsidiary rights together with all ancillary rights. **MHA ZENTGRAF** accepts this transfer. If the resold supplied Products are co-owned by **MHA ZENTGRAF**, the transfer includes all claims from the amount corresponding to **MHA ZENTGRAF**'s share value to the co-ownership.

7.4 **MHA ZENTGRAF** authorizes Client irrevocably to collect the claims transferred to **MHA ZENTGRAF** for their invoice in their own name. This authorization to collect can be revoked if Client does not meet his payment duties. Revenues that **MHA ZENTGRAF** is entitled to from the transfer are payable immediately after their receipt. On request, Client shall notify his clients of this transfer and provide **MHA ZENTGRAF** with the names of the debtors of the transferred claim, in order for **MHA ZENTGRAF** to be able to perform the collection of transferred claims and/or their disclosure.

7.5 Client shall not be authorized to pledge or assign by way of security the products Zentgraf still has title on. If a third party accesses such Products and/or claims transferred to **MHA ZENTGRAF**, the Client shall then be obligated to notify **MHA ZENTGRAF** accordingly without delay. Costs arising for **MHA ZENTGRAF** from such access shall be borne by Client, as far as a substitution cannot be obtained by a third party.

7.6 If the value of the security becomes excessive by more than 20%, **MHA ZENTGRAF** shall be entitled to release collateral of their choice to the extent of the excess.

8. Warranty

8.1 Client shall examine the delivered Products or services immediately after receipt on their kind and quantity. Apparent defects and those recognizable after proper examination shall be immediately, but not later than 5 days following receipt of the product, reported in writing, stating the detailed description of the defect. Defects that cannot be detected within this period in spite of a careful examination are to be notified in writing immediately when detected. If the client fails to notify, the goods shall be deemed approved.

8.2 All claims arising from a defect shall lapse 12 months after delivery. The period of limitations begins on acceptance for work performance contractually agreed. Compensational claims are valid only to the extent of the regulations stated in point 9.

8.3 Client shall immediately stop the use of defective Products, particularly their resale or processing.

8.4 **MHA ZENTGRAF** shall not be held liable for defects caused by natural wear and tear, contamination, improper transport, treatment, storage, use, installation of the Products or defects caused by the Client or a third Party. A damage resulting from specialties in operating conditions, which cannot be foreseen by **MHA ZENTGRAF** (such as risk of contamination), do not represent a defect in terms of the warranty.

8.5 Specifications of the Products or other information on the subject of the agreement serve only as a description and include no guarantee on their condition. Deviations from these specifications are not considered as defects as long as they remain within the frame of the state-of-the-art permitted and as long as their functionality is not considerably affected. This does not apply if **MHA ZENTGRAF** has expressly guaranteed in writing these specifications upon conclusion of the contract.

8.6 Client shall not be authorized to repair defects on his own or have a third party do so, unless **MHA ZENTGRAF** is unduly delayed with the supplementary performance or if the client is forced to repair the defect due to urgent operational requirements or danger ahead. If the Client fails to comply, **MHA ZENTGRAF**'s duty to warranty for the affected Products is cancelled.

8.7 For the fulfillment of their duties to warranty, **MHA ZENTGRAF** is entitled to a supplementary performance of their own choice by repairing the defects or delivering defect-free Products. If the costs for such supplementary performance are disproportionate, **MHA ZENTGRAF** shall be entitled to refuse such performance. Replaced parts become property of **MHA ZENTGRAF**.

8.8 If a supplementary performance is not done within a set time period or

cannot be met on a second try, the client is entitled to claim a discount or to rescind the contract.

9. Liability

9.1 **MHA ZENTGRAF** shall be liable for damages caused by them intentionally, by gross negligence or while violating essential contractual duties with slight negligence. Compensation for the violation of essential contractual duties in cases of slight negligence is limited to the contractually typically foreseeable damages, at the maximum the purchase price.

9.2 The regulations of point 9.1 do not apply for compensational claims according to the product liability statute and claims arising from the injury to life, body and health.

9.3 As far as these regulations exclude or limit the liability, this also applies for the liability for officers of **MHA ZENTGRAF** as well as for the liability of employees and coworkers, performing and vicarious agents.

9.4 All liability claims lapse after twelve months. With intentional breach of duties or gross negligence, injury to life, health and body as well as with claims according to the product liability laws, the statutory periods apply.

10. Duty to co-operate of the client

10.1 As far as necessary for the execution of the contract, the client shall provide **MHA ZENTGRAF** with all information, documentation and other means in due time.

10.2 If Client realizes that his own information is incorrect, incomplete, ambiguous or impossible to execute, he shall notify **MHA ZENTGRAF** immediately.

10.3 If Client does not comply with his duty to co-operate and this results in delays or additional expenses, he shall compensate **MHA ZENTGRAF** for those suffered damages.

11. Place of performance, place of jurisdiction and applicable law

11.1 Place of performance and jurisdiction is Merzig. **MHA ZENTGRAF** is entitled to sue the supplier at his registered office.

11.2 All legal relationships between **MHA ZENTGRAF** and the supplier are subject to the law of the Federal Republic of Germany with the exception of UN Purchase Law and International Private Law.