

General Terms and Conditions

Schellenberger Bürstenfabrik GmbH

§ 1 Scope of terms and conditions

Unless explicitly agreed otherwise, the following General Terms and Conditions apply to all contracts, deliveries and other services, and business to business transactions with our customers. Different conditions, in particular purchase conditions of the customer, are herewith explicitly disclaimed. It is agreed that these conditions of the customer will not be applicable.

As part of the ongoing business relationship between merchants, these conditions will also be part of the contracts with our firm, when we have not, in the individual case, expressly referred to the inclusion, in the conclusion of contract.

§ 2 Our company's offers and the formation of a contract

Our offers in catalogues, on the internet and in sales documentation are always subject to change i.e. only to be understood in a legal sense as a request for a quotation. Orders are to be regarded as accepted only if they have been confirmed in writing or carried out by us without delay or by the agreed date after receipt of the order.

To the extent that our employees or agents make oral side-agreements or give assurances exceeding the written agreement, they shall always require our written confirmation, to become effectively integrated into the contract. Unaffected by this provision are verbal assurances given by persons who have unrestricted authority to represent us or have authority to represent us which cannot be restricted externally. All services which are in addition to the duties of a seller, for example, the consultation or planning services, require separate agreement and are only provided against payment.

Customer's requests for subsequent reduction or cancellation of an order will only be accepted following special agreement, as long as it is not stated that the goods come from a warehouse, can only be taken in consideration, if we are able to, take the goods back free of charge without additional effort on our part. We shall in any case be entitled, in the event of, taking back the purchased goods. According to the foregoing provisions we reserve the right to charge a handling fee. The customer has the right to prove us lower effort.

In case of contestation of mistake by the customer, we have in accordance with § 122 BGB (German Civil Code) entitled to compensation of caused damage.

§ 3 Storage of our customer data

The customers are informed and hereby expressly agree that, we comply with the provisions of the General Data Protection Regulation (EU-DSGVO) in making use of personal data acquired in the course of the business relationship.

§ 4 Delivery / Time of the transfer of risk / Control of delay

With the availability of the goods from the factory at the agreed place of delivery by us the risk passes to the customer. If the dispatch is delayed on the customer's request or fault, the goods are warehoused at the cost and risk of the customer. In this case, the information that the goods are ready for shipment to the buyer has the same effect the dispatch would have. Evidence of the display of readiness to dispatch applies with the proof of dispatch of the display of the notification of readiness, adding two business days as provided.

Partial deliveries are permissible if, in a, for the customer, reasonable extend. In case of custom-made products, we reserve the right, for technical production reasons, to increase or reduce the quantity delivered by up to 10%.

If after the conclusion of contract we become aware of facts, especially delay of payment for earlier deliveries, which would convince a prudent businessman that payment of the purchase price was doubtful because of the buyer's lack of capacity, we are entitled – after setting a reasonable time limit – to require the buyer on the latter's option to pay on delivery or provide appropriate security and to withdraw from the contract if the buyer refuses either, in which case all invoices for partial deliveries already made by us become due for payment without delay. Any agreed terms of delivery are legally binding and shall only commence with a deposit of the agreed price, including VAT, by the customer.

We supply ex works; the minimum order value is € 500.

The period of delivery shall be adequately prolonged by the duration of the impeding circumstances, also in default, in cases of force majeure or other unforeseeable events occurring after the conclusion of the contract that are not our own fault e.g. strikes, lockouts and transport disturbances to the extent that such obstacles can be proven to have a considerable influence on the planned performance of delivery. This also applies if these circumstances occur with our sub-suppliers.

The customer can demand a declaration from us whether we intend to withdraw from the contract or deliver within a reasonable period of time. If we do not make a respective statement, the customer can withdraw from the contract. Damage and outlay compensation claims of the customer are, in this case, excluded. The aforesaid regulations apply to the customer, if obstacles occur on customer's premises. With regard to punctual deliveries, we shall only be liable for our own culpability and that of our vicarious agents, within the agreed delivery period. We are not liable for

default of sub-suppliers as these do not apply as our agents. However, we are obliged, by request, to assign any existing claims against our sub-suppliers.

§ 5 Regulations for packaging

As far as packaging is required, this will be charged separately. The production facility as an "Original Equipment Manufacturer" (OEM) is not responsible for participating in a dual system for packaging collection and recycling. In any case this task is transferred to commercial customers. The customer is obligated to pass packaging material on to the appropriate waste disposal enterprise. Taking back packaging material is excluded.

§ 6 Prices and payment

Our prices are indicated exclusive of the respectively valid value-added tax at the time of invoicing. Unless otherwise agreed, the purchase price applies with receipt of the goods and is due payable immediately without any deductions.

If the customer in question is an entrepreneur, our prices, unless otherwise stated, are subject to change and based on the current commodity prices. If the period between the confirmation and the delivery of goods & services is more than twelve weeks, in which an increase or decrease in the costs of raw material occurs, in the event of the customer being an entrepreneur, each party is entitled to request appropriate price changes by negotiations.

We have the explicit rights to demand deposits or advance payments up to the full invoice amount. If the customer does not meet our calls for advance payment or a deposit within the set time limit, we are entitled in the event of refusal, to withdraw from the contract. In this event, invoices for order deliveries that have been made shall become immediately due. In this case the customer does not claim for damages or reimbursement of expenses. In this case the customer is not entitled to claim damages or reimbursement of expenses instead of services towards us because there is no breach of duty on our part.

Bills of exchange as means of payment are explicitly excluded. Credits for bills and checks shall be subject to receipt less the expenditure with value date on the day on which we can dispose of the equivalent value.

The statutory provisions apply in the case of payment arrears. Reductions and trade discounts shall no longer be granted on our part if the customer is in default of payment for an earlier delivery or services. The costs for packaging, postage and freight as well as customs duties or other official fees will be invoiced additionally.

All our payment claims shall become immediately payable if the payment terms and conditions are not adhered to or facts, giving rise to the conclusion that our claims to the purchase price are at risk as a result of lack of solvency on the part of the customer, become known. We shall also be entitled to make further payments dependant on payment against delivery, compliant with valuable security.

If our customer is an entrepreneur, it is agreed that there is no right of retention and no set-off of the customer, if the counter-claim is not explicitly recognized, undisputed or has been declared legally valid. The fact that we do not reply to a customer's claim does not mean that we accept the customer's claim or that it is not disputed.

§ 7 Right of access

If our customer is in default, we are entitled, after prior reminder to repossess our goods and if necessary, to enter the customer's premises and take repossession of our goods. We can also forbid sale and removal by the customer, of non-delivered goods.

§ 8 Extended reservation of ownership

For goods which the customer purchases from us in the course of an ongoing business relationship, we reserve title until all our claims from the business relationship, including the claims originating in the future – insofar these can be defined - have been settled. This also applies if individual or all claims have been put together by us in one invoice and the balance has been drawn and recognized. In case of delayed payment, the customer is obliged, after our reminder, to release the goods to us.

If the goods, title to which we retain, are processed into other mobile products, such processing is for us with the proviso that we are under no obligation in this respect. In the case of processing together with goods not belonging to us, we shall acquire co-ownership of the new object to a degree in relation to the value of the conditional commodity to the other goods at the time of processing. If the customer acquires sole ownership on the basis of the combining, commingling or mixing, co-ownership to the extent of the value of the conditional commodity in relation to our goods at the time of combining, commingling or mixing transfers to us now, in advance. The customer shall keep in all the above cases, the goods in safe custody, free of charge on our behalf.

If the customer sells our goods alone or in connection with goods not belonging to us, the customer hereby, i.e., at the time of concluding the contract, assigns all claims in the full value of our goods, together with all secondary rights and ranked before all others. We hereby explicitly accept the assignment. If the resold goods are in our co-

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ownership, the assignment of the claims shall include the sum that corresponds to the value of the share of the co-ownership.

The customer has the right of resale and for the application of the goods according to usual course of business under proper rules, on the condition that the claims as stipulated in the paragraphs above are in actual fact assigned to us. Insofar a prohibition of assignment with a third party has been agreed, the right of resale becomes invalid. Any other dispositions over reserved goods, in particular pledging and chattel mortgage, are impermissible. An assignment in the course of genuine factoring is permitted to the customer only on condition that we are informed of this and are given details of the factoring bank and of the accounts of the customer which are held there and on condition that the proceeds of factoring exceed the value of our secured claim. Our claim becomes payable immediately upon receipt of the credit note relating to the proceeds of factoring.

We herewith issue a revocable authorization to the customer, if we become aware of facts which, according to dutiful commercial judgement, give rise to the claim to the purchase price being at risk as a result of insolvency on the part of the customer, to collect the above mentioned debts. As long as the customer discharges his obligation to pay, we shall make no use of our authorization to collect as long as there exists no justifiable doubt on the ability of the customer to pay.

If our goods become involved in recovery actions by third parties, the customer must inform us immediately and hand over the necessary paperwork to allow us to intervene and exercise opposition proceedings and the assertion of our rights. Upon our request the customer is obliged to inform us about the debtors under mentioning of names and addresses, of assigned claims as well as to notify debtors of assignment. At the same time our customer must indicate to what extend and when these claims have already been fulfilled. We are authorized to disclose the assignment to the customer's debtors directly.

If the customer ceases to make payments and/or files a petition for opening insolvency proceedings, the customer automatically is no longer entitled to sell, use or install goods or collect any assigned amounts. Direct debit mandate concerning check protests are also forfeit. This does not apply to any existing rights of the liquidator. If the value of the securities provided exceeds our total receivables by more than 20 percent, we are obliged to release or return that part of the securities at the choice of the customer.

§ 9 Warranty / Liability

Our liability for deficiencies is as follows: The customer undertakes to inspect the goods immediately for defects and quality. Obvious defects are to be reported to us immediately within 7 days, in writing. In the case of mutual business transactions between merchants, paragraphs §§ 377, 378 of the German Commercial Code (HGB) shall not be affected.

If the customer establishes defects in the goods, s/he is not authorized to dispose of the goods until an agreement on the handling of the notification of defects has been achieved.

The goods which are subject of the complaint must be made available for examination by the customer to us.

Claims of our customers towards us due to defects expire after a period of twelve months. Claims of our private customers expire after a period of 24 months, for new and tangible goods, after 12 months. Possible recourse claims of the customer in accordance with paragraphs §§ 478, 479 BGB, remain unaffected by this. These recourse claims on the part of the customer shall only exist, if our customer has been obliged, in accordance with provisions of the law, to fulfill the demands of its clients.

Damage and outlay compensation claims of the customer (compensation claims) on whatever legal grounds, in particular due to breach of contractual and unlawful acts are excluded. This does not apply in cases of acceptance of a guarantee or a procurement risk by us. It does also not apply unless liability is implied by law, e.g., pursuant to product liability legislation, in cases of gross neglect, violation of life, body or health and infringement of essential duties of contract. The damage compensation entitlement for breach of essential contract obligations is, however, limited to the foreseeable damage typical of the contract, unless willful conduct or gross negligence is the case, or if liability is due to injury to life, body or health. The above provisions do not imply a change in the burden of proof to the detriment of the customer.

§ 10 Agreement on quality

Insofar we have provided the customer with product descriptions and/or instructions of use these are considered to be a conclusive agreement on quality according to statutory regulations or final-use agreement, as long as no agreement on quality according to statutory regulations expressly agreed, exists. Variations in colour and size as well as variations in material are expressly agreed upon as product quality, insofar they do not exceed a tolerance limit of 20 %.

General tolerances of our products specified according to DIN EN ISO 2768-1v.

§ 11 Copyright & IPR violations

The document submitted to the customer as well as notified concepts and ideas, remain our property, also if they are used within the context of the contract, as long as no separate agreement has been made.

The customer is required to use, all known and reported facts to him from within our company, solely within the framework of the contract. Communication of facts and the forwarding of documents or information to third parties is explicitly excluded and in case of contravention, pursued by us.

The buyer indemnifies the company from third-party claims which contain infringement of industrial property rights, through the products delivered by the company to the buyer. This exemption does only apply if the delivered products have been manufactured or changed, according to the specifications of the buyer and actually represent these products.

§ 12 Applicable law / jurisdiction

Place of jurisdiction between us and our corporate customers is the domicile of our company as agreed. The place of performance for all our customers for deliveries and payment is in principle – if nothing else is agreed – also our registered office.

Our relationships with our customers is regulated exclusively by the Federal Republic Germany applicable law on the exclusion of national and international trade rules (UN Sales law, CISG) and in exclusion of references in private international law in Germany, the application of formal and substantive rules lead to foreign law.

§ 13 Severability clause

If a provision or any part of a provision of this contract should be or become ineffective or unenforceable, this does not affect the other provisions. The ineffective or enforceable provision or part thereof will be replaced by a provision which comes closest to the purpose of the ineffective or unenforceable provision.

Should the parties not cause such an agreement, the ineffective or unenforceable provision or part thereof, as desired by the parties, that of statutory provision which comes closest to the purpose of the ineffective or unenforceable provision or part thereof.