

General Terms & Conditions of Sale

of MTS Spezialfahrzeuge GmbH, Eessostr. 16-18, 76187 Karlsruhe.

I. General points

These General Terms & Conditions of Sale shall apply exclusively to the agreement on the purchase and delivery of goods which we, the Vendor, enter into with you, the Buyer. Any differing, conflicting or supplementary terms of business set out by the Buyer shall only constitute part of the contract if and insofar as we have expressly acknowledged their validity in writing. This requirement for approval shall apply in any case, even if we carry out the delivery to the Buyer without reservation, for example, in full knowledge of the terms of business of the Buyer.

The further conditions listed in section II. shall apply if you enter into the contract as a consumer as defined by section 13 of the German Civil Code (BGB). Consumers are natural persons who enter into a legal transaction for a purpose that is predominantly outside their trade, business or profession.

In other cases, the further conditions listed in section III. shall apply.

II. General terms of sale for consumers

§ 1 Scope of validity and basis of contract

(1) This section II. of these General Terms & Conditions of Sale shall apply most notably to the agreement on the purchase and delivery of goods which we, the Vendor, enter into with you, the Buyer.

(2) All the agreements which we have entered into with you in connection with the purchase agreement shall ensue in particular from these terms of sale, from our written order confirmation, and from our notice of acceptance.

(3) Any illustrations or drawings contained in our brochures, advertisements and other bidding documents shall only be approximate unless we indicate that the information given is binding.

§ 2 Prices and payment

Any packaging costs and statutory value added tax shall be included in our prices.

Shipping and delivery costs shall not apply because – unless agreed otherwise – the object of purchase shall be collected from our plant in Karlsruhe.

If you are based outside the Federal Republic of Germany and transport or send the object of purchase to another country then value added tax shall not apply. In this case you shall provide us with the receipt document required for tax purposes (export certificate). If this document is not furnished, you shall be liable to pay the value added tax on the invoice amount at the applicable rate for delivery within the Federal Republic of Germany.

All payments are to be remitted to our bank account as specified without incurring charges. The date on which the payment is credited to our account shall determine whether the payment has been made on time.

Unless agreed otherwise in writing, you shall be liable to pay the purchase price strictly net within 30 days of receiving our invoice.

Should you default on the payment then we shall be entitled to charge interest from the due date onwards at 5% above the applicable base rate set by the European Central Bank (ECB). We reserve the right to demonstrate proof of further damages.

§ 3 Long-term contracts

If the agreed term of any contract after its conclusion should be longer than four months, we reserve the right to change our prices accordingly, subject to one month's notice, in the event of cost reductions or cost increases after conclusion of contract, especially on account of collective wage agreements or changes in production costs or market prices for comparable products. At the request of the customer, we shall furnish evidence of the factors leading to any increase. Should the price increase by more than 20 % then the customer may withdraw from the contract.

§ 4 Set-off and right of retention

You shall only have a right to set your claims off against ours if your claims have been established as final and absolute, if we have acknowledged them, or if your claims are undisputed. You shall also be entitled to set your claims off against ours if you issue notification of defects or assert counterclaims under the same purchase agreement.

You may only exercise a right of retention as the Buyer if your counterclaim is based on the same purchase agreement.

§ 5 Term of delivery and performance

(1) Our lead times or delivery deadlines shall all be subject to confirmation unless we have come to an explicit agreement in any given case that they are legally binding.

(2) If a non-binding lead time or non-binding delivery deadline has been delayed by four weeks, you may then issue a written demand to be supplied within a reasonable period. If we fail to adhere to a lead time which was explicitly agreed as legally binding or if we fail to meet a delivery deadline which was explicitly agreed as legally binding through our own neglect, or if we fall behind schedule for another reason, then you shall be required to allow us a reasonable amount of additional time to effect performance. Should this extension of time pass to no avail then you shall be entitled to withdraw from the purchase agreement.

(3) Subject to the limitations set out in § 6 below, we shall be liable in other respects according to the statutory provisions if the contract in any given case relates to a transaction to be settled on a fixed date or if you are entitled, on account of a delay in delivery for which we are responsible, to argue that your interest in the performance of contract has lapsed.

(4) We shall be entitled to make part deliveries and to render partial performance at any time provided that you find this acceptable.

§ 6 Rights in the event of default and defects; liability

- (1) We shall be required to render supplementary performance if the object supplied does not meet the agreed specification or if it is not fit for the purpose assumed under our contract or in general, or if it does not have the features which our advertisements might have led you to expect. This shall not apply if we are legally entitled to refuse supplementary performance.
- (2) You may request supplementary performance of your choice, opting for the defect to be remedied (rectification) or for new goods to be supplied. You shall be required to allow us a reasonable period of time for supplementary performance. You shall not be entitled to reduce the purchase price or withdraw from the contract during the period of supplementary performance. Our attempts at rectification shall be deemed to have failed if two attempts have been made to no avail. If the supplementary performance has failed, you shall be entitled to opt between a reduction of the purchase price or withdrawal from the contract.
- (3) You may not assert claims for damages based on defects until the attempt at supplementary performance has failed. This shall not affect your statutory right to assert further claims for damages pursuant to the terms set out in the paragraphs below.
- (4) We shall be liable according to the statutory provisions for injury to life, limb and health caused by negligent breach of duty on our part or on the part of our legal representatives or servants. We shall also be liable according to the statutory provisions for other damages caused by deliberate or grossly negligent breach of contractual duty or fraudulent intent on our part or on the part of our legal representatives or servants. We shall have unlimited liability under the provisions of product liability law insofar as said law is applicable.
- (5) If a claim for default or defect is based on ordinary neglect of a fundamental contractual duty, meaning the basic neglect of a duty which actually enables due fulfilment of the contract and upon compliance with which you may routinely rely as the Buyer, then our liability shall be limited to such damages as are reasonably foreseeable or typical under such contracts. The same shall apply if you are entitled to assert claims for damages in lieu of performance.
- (6) No further liability claims may be asserted against us, irrespective of the legal nature of the claims which you assert against us. This shall not affect our liability under § 3 above.

§ 7 Reservation of title

- (1) We shall retain title to the goods supplied (goods subject to reservation of ownership) until such time as all receivables under this contract have been paid in full. The Buyer may not sell the goods before this time.
If the Buyer acts in breach of contract – failing, for example, to discharge its payment obligations on time – then we shall have the right to reclaim the goods subject to reservation of ownership after allowing an additional time limit of a reasonable duration. If we reclaim the goods subject to reservation of ownership, this shall amount to a withdrawal from the contract. The Buyer shall be required to bear the costs of the return transport. If we seize the goods subject to reservation of ownership, this shall also constitute a withdrawal from the contract on our part. We may utilise any goods subject to reservation of ownership which we have reclaimed. The revenue earned from the utilisation shall be offset against the amounts owed to us by the Buyer after we have deducted an appropriate amount for the utilisation costs.
- (2) The Buyer must handle the goods subject to reservation of ownership with care, and must take out and pay for adequate fire, water and theft insurance covering their replacement value.
- (3) If the goods subject to reservation of ownership are seized or otherwise attached by third parties, the Buyer must advise of our ownership and must notify us immediately in writing so that we can our enforce our property rights. If the third party is unable to refund the judicial or extrajudicial costs which we incur in this regard then the Buyer shall be liable for these costs.

§ 8 Applicable law / place of performance / place of jurisdiction / foreign consumer protection legislation

- (1) The law of the Federal Republic of Germany shall apply to contracts between us, to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods. In the case of purchase orders placed by consumers from foreign countries, mandatory regulations shall apply accordingly, as may the protection granted by case law in the respective country of residence.
- (2) The place of performance is Karlsruhe.
- (3) If the customer has no place of general jurisdiction in Germany or if the residence or habitual abode is not known at the time at which the action is brought, our place of business shall be the place of exclusive – and international – jurisdiction for all disputes arising from this contract.

III. General terms of sale for traders

§ 1 General points and scope of validity

- (1) Part III of the General Terms & Conditions of Sale shall apply to all our business relations with our customers ("Buyers") insofar as they are traders or entrepreneurs, as defined in section 14 of the German Civil Code (BGB), a legal entity under public law or a special fund under public law.
- (2) Part III shall apply most notably to contracts governing the sale and/or supply of movable goods ("Goods"), regardless of whether we make the Goods ourselves or purchase them from suppliers (sections 433, 651 BGB). Unless agreed otherwise, the terms of business shall apply as amended at the time at which the purchase order is placed by the Buyer or as last communicated to the Buyer in writing, forming a framework agreement which shall also govern any future contracts of the same kind without reference having to be made to the terms of business again in any individual case.
- (3) Statements and notices of legal relevance which the Buyer is required to submit to us after conclusion of contract (e.g. notice of time limits, notification of defects, notice of withdrawal or reduction) must be issued in writing to be valid.
- (4) References to the validity of statutory regulations are for explanatory purposes only. The statutory regulations shall therefore still apply, even without any such explanation, unless they are immediately amended or explicitly excluded in these General Terms & Conditions of Sale.

§ 2 Conclusion of contract

(1) Unless stated otherwise, our quotations are subject to confirmation. We can accept purchase orders placed by the customer within 14 days. As a rule, a contract shall only come into effect on our order confirmation, including in the case of verbal instruction, but on the start of performance at the latest. The binding force of any agreements, especially supplementary verbal arrangements and assurances given by our sales staff shall, as a rule, be subject to our written confirmation. Any individual arrangements agreed with the Buyer in certain cases (including supplementary agreements, additions and amendments) shall take precedence over these terms of business although the content of any such agreements shall be subject to a written contract or to our written confirmation except in case of evidence to the contrary.

Any obvious mistakes, misprints, clerical errors, arithmetical errors and miscalculations shall have no binding force and shall not constitute a basis for any claim.

Any guarantee we furnish must have been explicitly described as such by us in writing.

(2) The order confirmation or, in case of immediate execution of an order, the delivery note shall be the sole authority on the scope and subject of performance. If said documents contain changes to the purchase order placed by the customer then the latter shall be deemed to have consented to said changes if the customer unreservedly accepts the performance and does not issue any immediate written objection. If the customer makes changes to an order or adds to the scope of an order after the order has been confirmed, we shall be entitled to adjust the price or ask for additional time.

(3) Our quotations shall be based on information supplied by the customer without any knowledge of the conditions or input requirements at the customer's place of business. Liability for a specific intended use or a certain – technical – application shall only be accepted insofar as the exact specification is explicitly agreed in writing. This shall also apply if we work according to drawings, specifications, models, plans, etc. provided by the customer.

(4) Any information, models, samples or illustrations in catalogues, price lists or in other advertising materials shall be approximate only (e.g. weight, dimensions, serviceability, capacity, tolerances or technical data) unless exact data are required for usability for the contractual purpose. Any reference to technical standards shall serve as a performance specification and shall not amount to any guarantee as to quality and characteristics.

(5) Should we become aware while carrying out the work that it is not technically possible or that certain specifications will need to be modified then we shall advise the customer of this situation and suggest viable alternatives where possible. We shall issue the customer with a supplementary quotation as required. The customer must reply immediately in writing, or within 10 working days of receiving the quotation as an absolute limit, indicating whether the modification is acceptable. If an agreement cannot be reached then both parties may withdraw from the contract. Our expenses, as incurred hitherto, must be reimbursed. The customer may not claim any damages in this regard.

§ 3 Delivery deadline and delayed delivery

(1) The date for delivery shall be agreed on an individual basis or specified by us on our acceptance of the purchase order.

Performance times or dates agreed in writing or verbally shall be approximate only, unless a fixed deadline has been set out in writing.

(2) We shall inform the Buyer immediately if we are unable to meet binding delivery deadlines for reasons beyond our control (unavailability of performance) and shall at the same time advise the Buyer of the new estimated delivery time. Our adherence to the performance time shall be subject to our being supplied on time. We shall not be liable for default on the part of our suppliers if we have agreed a matching cover transaction, if neither we nor our suppliers are at fault, or if we have no purchase obligation in any individual case. Any claims for damages against upstream suppliers shall be assigned to the customer.

The customer may only withdraw from the contract after the expiry of a non-binding performance time subject to having issued us with written notice of an additional period of at least 14 days on pain of declining delivery.

(3) Acts of God, official sanctions and other circumstances events beyond our control, such as strikes for which we are not responsible, disruptions to operations, lack of authorisation, difficulties with the procurement of materials, unrest, embargoes, travel warnings issued by the Federal Foreign Office, which make it very difficult or impossible for us or for our suppliers to effect performance for a prolonged period of time, shall release us from our contractual obligation for the relevant duration of their impact. We shall not be liable for delays or impossibility of performance on account of these events. The customer may ask us to issue a decision within two weeks as to whether we wish to withdraw from the contract or fulfil the contract within a reasonable period of grace. We shall be entitled to withdraw from the contract in full or in part if it is unreasonable for us to fulfil the contract for the reasons outlined above without providing a basis on which the customer may assert claims for damages. In this case the customer shall be released from reciprocal contractual obligations. If the customer can no longer be expected to abide by the contract for the reasons outlined above then the customer may withdraw from the contract after allowing a reasonable extension of time. We shall advise of any delays, whatever the reason.

(4) The date of our default in delivery shall be dictated by the statutory regulations. In any case, however, the Buyer shall be required to issue an overdue notice. If we default on delivery, the Buyer may claim a flat rate of damages for delay. If we fail to meet the contractual obligation, our liability for damages in case of slight negligence shall be limited to a flat rate of 0.5% for each full week of delay but shall not exceed 5% of the invoice value of the performance affected by the delay. We shall be entitled to provide evidence of lesser damages. Any amounts shall be credited against further claims for damages.

(5) This shall not affect the rights of the Buyer under § 8 of this section III. or our statutory rights, especially in case of an exclusion of liability (e.g. due to impossibility or unacceptability of performance and/or supplementary performance).

§ 4 Delivery, transfer of risk, acceptance, default of acceptance

(1) Unless agreed otherwise, deliveries shall be made ex works (Incoterms 2010). Our registered place of business shall also be the place of performance for delivery and any supplementary performance.

(2) The risk of accidental perishing or accidental deterioration of the Goods shall pass to the Buyer on the handover of the Goods at the latest. In case of sale involving the carriage of Goods (where agreed), however, the risk of accidental perishing or accidental deterioration of the Goods and the risk of delay shall pass on the handover of the item to the forwarding agent, freight carrier or to the person or body instructed with the dispatch of the Goods. Insofar as an inspection and acceptance procedure is agreed in any given case, this shall be applicable in respect of the passing of risk. In other respects, the statutory law on contracts for work and services shall also apply analogously to any agreed inspection and acceptance procedure. A duty of acceptance shall not be affected by conflicting regulations or the absence of permits.

The Goods shall be deemed to have been handed over or accepted if the Buyer fails to take due delivery of said Goods.

(3) If the Buyer should fall behind with acceptance obligations or neglect other duties of cooperation, or if our delivery is delayed for other reasons for which the Buyer is responsible, then we shall be entitled to claim compensation for the damages incurred in this respect, including any additional expenses (e.g. storage costs).

§ 5 Prices and terms of payment

(1) Unless agreed otherwise in any individual case, our prices as listed at the time of conclusion of contract shall apply, ex warehouse, plus statutory value added tax, excluding incidentals, such as packaging, loading, carriage, unloading, transport insurance, assembly, customs duties and other expenses.

(2) Should a lack of information, unclear remit or vague instructions cause additional work on our part then this additional work shall be invoiced separately at the applicable standard prices if the customer fails to provide the missing information or clarify the task despite being asked.

(3) Unless agreed otherwise, invoices shall be payable strictly net with immediate effect. The date on which a payment is credited to our account shall determine whether it has been made on time. Cash discount deductions shall be subject to our express written agreement. Any cash discount agreed shall be deducted from the net invoice amount after deduction of any trade allowance, freight charges and other costs.

(4) The Buyer shall be in default on failing to meet the above deadline for payment. Interest shall be payable on the purchase price at the applicable statutory rate for the entire period of default. We reserve the right to claim further damages for delay. This shall not affect our right to claim interest from traders and merchants counting from the due date (section 353 of the German Commercial Code (HGB)).

(5) Should it become evident after signing the contract (e.g. due to a request to open insolvency proceedings) that our claim to the purchase price is jeopardised by lack of capacity on the part of the Buyer then we shall be entitled to refuse performance and – after setting a time limit, where applicable – to withdraw from the contract, pursuant to the statutory regulations (section 321 of the German Civil Code (BGB)). In case of contracts where manufacture is unreasonable (custom-made items), we may give immediate notice of withdrawal; this shall not affect the statutory regulations on the dispensability of the setting of a time limit.

(6) If the Buyer is based outside the Federal Republic of Germany and the object of purchase is transported or sent to another country then value added tax shall not apply. In this case the Buyer shall be required to provide us with the receipt document required for tax purposes (export certificate). If this document is not furnished, the Buyer shall be liable to pay the value added tax on the invoice amount at the applicable rate for delivery within the Federal Republic of Germany.

(7) The Buyer shall only have a right to set claims off against ours if said claims have been established as final and absolute, if we have acknowledged them, or if the claims are undisputed. The Buyer shall also be entitled to set claims off against ours if the Buyer issues notification of defects or asserts counterclaims under the same purchase agreement.

The Buyer may only exercise a right of retention if the latter's counterclaim is based on the same purchase agreement.

§ 6 Reservation of title

(1) We shall retain ownership of the sold Goods until such time as we have received full payment of all present and future receivables under the purchase contract and from any current business connection (secured claims).

(2) The Goods subject to reservation of title may not be pledged or assigned to third parties by way of security until such time as the secured debts have been paid in full. The Buyer shall be required to notify us in writing immediately of any request to open insolvency proceedings or of any third-party access to the Goods belonging to us (e.g. seizure).

(3) In case of breach of contract on the part of the Buyer, especially non-payment of the due purchase price, we shall be entitled, pursuant to the statutory regulations, to withdraw from the contract and/or to reclaim the Goods based on the reservation of title. The claim for the return of the Goods shall not amount to a notice of withdrawal; instead we shall be entitled to merely reclaim the Goods and reserve the right to withdraw. If the Buyer fails to pay the purchase price when due, we may only enforce these rights if we have previously allowed the Buyer an additional period of time to make the payment to no avail or if any such additional period may be dispensed with under the statutory regulations.

(4) The Buyer shall be entitled, subject to revocation pursuant to paragraph (c) below, to sell and/or process the Goods subject to reservation of ownership in the normal course of business. In this case the following provisions shall also apply.

(a) The reservation of title shall extend to the products made through processing, mixing or combining our Goods. We shall be deemed the manufacturer of any such products and entitled to the full value thereof. If our Goods are processed, mixed or combined with goods belonging to third parties to which they retain a right of ownership then we shall acquire a share in ownership in proportion to the invoice values of the Goods processed, mixed or combined. In other respects, the same shall apply to the new product as for the Goods supplied under reservation of ownership.

(b) The Buyer hereby assigns to us by way of security the claims against third parties ensuing from the onward sale of the Goods or of the product, either in total or in the amount of our co-ownership share as set out in the above paragraph. We hereby accept the assignment. The duties of the Buyer specified in paragraph 2 shall also apply with regard to the assigned claims.

(c) Apart from us, the Buyer shall be entitled to collect the receivables. We undertake not to collect the receivables while the Buyer duly discharges the relevant payment obligations and there is no evidence of any lack of capacity and we do not claim reservation of title by exercising a right pursuant to paragraph 3 above. If this is the case, however, we may ask the Buyer for details of the assigned claims and their debtors and for all the information required for collection, including the relevant documents, and may ask the Buyer to inform the debtors (third parties) of the assignment. We shall also be entitled in this case to revoke the authorisation granted to the Buyer for the onward sale and processing of the Goods subject to reservation of title.

(d) If the realisable value of the securities exceeds our claims by more than 10%, we shall release securities of our choosing at the request of the Buyer.

§ 7 Claims for defects asserted by the Buyer

(1) Unless specified otherwise below, the statutory provisions shall apply in respect of the rights of the Buyer in case of material defects and deficiencies in title (including incorrect delivery, short delivery, incorrect assembly or unsatisfactory assembly instructions). In all cases, the special statutory provisions shall still apply in case of the final delivery of the Goods to a consumer (recourse of suppliers under sections 478 and 479 of the German Civil Code (BGB)).

(2) The agreed specification of the properties and condition of the Goods shall be the main basis of our liability for defects. All the product specifications forming the subject of individual contracts shall constitute the agreement on the properties and condition of the Goods. They may also be documents supplied by the Buyer.

(3) If no agreement has been made on the properties and condition, a judgement shall be made according to the statutory ruling as to whether a defect is present or not (section 434 (1) sentences 2 and 3 of the German Civil Code (BGB)). We shall not assume liability, however, for public statements made by the manufacturer of individual components or by other third parties (e.g. advertising claims).

(4) Any customer who is a trader or merchant shall have a duty of thorough and immediate inspection on receipt. Any defects must be reported to us immediately in writing ("notification of defects"). Any damages sustained in transit must be documented for the transport service provider. In other respects, section 377 of the German Commercial Code (HGB) shall apply. If this duty of notification is neglected, the Goods shall be deemed to be free of defect and consistent with the purchase order unless the defect in question would not have been visible on inspection. Any such defects must be reported immediately on their discovery.

(5) Any departure from the agreed quality and scope due to materials and any changes in the course of technological advance, in the design, construction, dimensions, weight or colour, shall be permissible within the usual tolerances in the industry insofar as they do not limit the usability for the contractual purpose, they are not under any guarantee, and they are reasonable for the customer given an objective appraisal of all the circumstances.

Claims may not be made on the basis of defects after use unless the defect was fraudulently concealed or reference may be made to a guarantee as to properties and condition. This shall not affect our statutory liability for personal injury.

(6) If the delivered item is defective, we may choose in the first instance whether to redress the situation by correcting the defect (rectification) or by supplying an item free of defects (replacement). This shall not affect our statutory right to refuse supplementary performance.

(7) We shall be entitled to make the supplementary performance subject to due payment of the purchase price by the Buyer. The Buyer shall be entitled, however, to withhold a portion of the purchase price in due proportion to the defect.

(8) The Buyer shall be required to allow us sufficient time and opportunity for supplementary performance, duly providing us with the rejected Goods for inspection. In case of replacement, the Buyer shall be required under the statutory provisions to return the defective item to us. The supplementary performance shall not include the deinstallation of the defective item or its reinstallation if our duties under the original contract did not include installation.

(9) We shall bear the costs required for inspection and supplementary performance if a defect is indeed found to be present, especially transport costs, travel expenses, labour and materials (not deinstallation and reinstallation costs). Otherwise we may seek to be reimbursed by the Buyer for the costs incurred by the unjustified request for remedial action (especially inspection and transport costs) unless it was impossible for the Buyer to see that there was no imperfection.

(10) In urgent cases, e.g. in order to avert disproportionate damages, the Buyer shall have the right to remedy the defect and to claim compensation from us for the expenses required to this end from an objective standpoint. We must be notified immediately, in advance where possible, of any such remedial action taken by the Buyer. The right of the Buyer to take remedial action shall not apply if we would have been entitled to refuse supplementary performance under the statutory provisions.

(11) If the supplementary performance has failed, or if a time limit set for the supplementary performance by the Buyer has expired to no avail or can be dispensed with under the statutory provisions, then the Buyer may withdraw from the purchase contract or reduce the purchase price. The right of withdrawal shall not apply, however, in case of a minor defect.

(12) Even in case of defects, the Buyer may only assert claims for damages or claims for reimbursement of expenses incurred in vain in accordance with § 8 and may not make claims in other respects.

§ 8 Liability in other respects

(1) Unless specified otherwise in these terms and conditions of business, including in the provisions set out below, we shall be liable in accordance with the statutory regulations for breach of contractual and non-contractual duty.

(2) Under the law of negligent liability, we shall be liable for damages – irrespective of legal grounds – in case of deliberate intent and gross negligence. In case of ordinary negligence, we reserve the right to apply more lenient liability criteria in accordance with the statutory regulations (e.g. diligence usually employed in one's own affairs) and shall be liable in the following instances only:

a) For damages arising from injury to life, limb or health

b) For damages arising from serious neglect of a fundamental contractual duty (a duty which actually enables due fulfilment of the contract and upon compliance with which the other party may and does routinely rely). In this case, however, our liability shall be limited to such damages as are reasonably foreseeable or typical under such contracts

(3) The limitations of liability set out in paragraph 2 shall also apply in case of breach of duty by or in favour of persons whose neglect is our responsibility under statutory provisions. They shall not apply insofar as we have fraudulently concealed a defect or have furnished a guarantee for the properties and condition of the Goods, nor shall they apply to claims made by the Buyer under the law on product liability.

(4) The Buyer may only withdraw from or cancel the contract for a breach of duty not involving a defect if we are responsible for the breach of duty. The Buyer shall have no straightforward right of termination (most notably excluded under sections 651, 649 of the German Civil Code (BGB)). The statutory preconditions and legal consequences shall apply in other respects.

§ 9 Statute of limitations

(1) By way of derogation from section 438 (1) subs. 3 of the German Civil Code (BGB), claims for material defects and deficiencies in title shall be subject to a general limitation period of one year after delivery. The limitation period shall begin from the point of acceptance in cases where an inspection and acceptance procedure is agreed.

(2) If the goods in question are building structures, or items which have been used for buildings as intended (construction materials), and have caused the building to be defective then the statutory limitation period shall be five years from delivery (section 438 (1) subs. 2 of the German Civil Code (BGB)). Nor shall this affect further special arrangements with regard to the statute of limitations (cf. section 438 (1) subs. 1, section 74 (3), sections 444, 479 and 75 of the German Civil Code (BGB)).

(3) The above limitation periods under sale of goods law shall also apply to claims for contractual and non-contractual damages asserted by the Buyer on the basis of a defect with the Goods unless the routine statutory period of limitation would be shorter in any given case (sections 195 and 199 of the German Civil Code (BGB)). Claims for damages asserted by the Buyer pursuant to § 8 paragraph 2 sentences 1 and 2a) and under the law on product liability shall, however, be exclusively subject to the statutory periods of limitation.

§ 10 Choice of law and place of jurisdiction

(1) The law of the Federal Republic of Germany shall apply to these terms and conditions of business and to the contractual relations between us and the Buyer, to the exclusion of uniform international law, especially the United Nations Convention on Contracts for the International Sale of Goods.

(3) If the Buyer is a merchant, as defined by the German Commercial Code (HGB), a legal entity under public law or a special fund under public law then the place of exclusive – and international – jurisdiction for all disputes arising from this contract shall be our registered office. The same shall apply if the Buyer has no place of general jurisdiction in Germany or if the latter's residence or habitual abode is not known at the time of bringing an action. We shall, however, also be entitled in any case to bring an action at the place of performance for delivery in accordance with these General Terms & Conditions of Sale, or pursuant to an overriding arrangement negotiated in any individual case, or at the place of general jurisdiction of the Buyer. This shall not affect overriding statutory provisions, especially such as relate to exclusive jurisdiction.

Karlsruhe, July 2016