

General conditions of purchase

Valid for:

I. Scope

1. By accepting the order, the order taker acknowledges the following terms and conditions of purchase. Our silence with respect to any other terms and conditions of the Contractor shall in no case be deemed to constitute consent. In particular, acceptance of the Contractor's delivery/service shall not constitute implied consent to the Contractor's terms and conditions.
2. These terms and conditions shall also apply to all future transactions with the Ordering Party.

II. Order, order

1. Only orders placed in writing or confirmed by us in writing are binding for us. Amendments, subsidiary agreements, supplements, etc. require written confirmation by our purchasing department, with whom all correspondence must be conducted, stating all complete order data.
2. Components or bases of the individual purchase contracts are the details of the order placed by us together with the associated documents, such as drawings, technical delivery conditions, construction regulations, material regulations, etc., the relevant environmental protection, hazardous materials, hazardous goods and accident prevention regulations, as well as performance or other details about technical, physical, chemical, mechanical or other characteristics and DIN, VDE or other mentioned supra-company standards....
3. If our order is not confirmed within 5 working days from the order date, we are entitled to cancel the order.
4. Delivery call-offs within the scope of an existing delivery contract are binding unless the orderer objects in writing within 48 hours of receipt on the grounds of unreasonableness of the quantity or dates, stating the earliest possible delivery dates.
5. The passing on of orders to third parties or the involvement of subcontractors is only permitted with our written consent. Even if consent is granted, the third party engaged by the contractor shall be deemed to be the contractor's vicarious agent.

III. Delivery dates, force majeure

1. Delivery dates are binding. All services must be provided to the agreed destination by the prescribed date. In the event of delay on the part of the contractor, we shall be entitled to the statutory claims. Instead of being able to provide concrete evidence of any damage, we may also demand a lump-sum compensation amounting to 1% of the order value per week or part thereof, but not more than 5% of the order value.
2. The aforementioned provisions shall also apply in the event that the Contractor performs partial or complete services on time but is unable to accept them.
3. Force majeure, labor disputes, unrest and similar unforeseeable obstacles on the part of the contractor must be notified to us immediately. If such unforeseeable hindrances occur on our or our customer's side and lead to disruptions in our production or that of our customers, we shall be released from any obligation to accept or pay damages for the duration and to the extent of their effect.
4. The Contractor shall immediately notify us in writing of any threat to deadlines affecting him.

IV. Production release

1. Series deliveries may not be started until we have accepted the samples in writing. In this case, as well as in other cases where the placing of orders, delivery, etc. depends on the approval of samples, a purchase on trial is deemed to exist.
2. The Contractor shall notify us of any changes it intends to make to approved samples after the order has been placed, enclosing new samples. These require our written consent and approval. The same applies to deviations from release protocols.

V. Delivery, delivery

1. In case of agreed delivery "ex works" (Incoterm EXW) the contractor is obliged to notify the readiness for dispatch in writing and to determine the forwarding agent to be commissioned in coordination with the dispatch department of Mailhammer- Högl. In case of non-compliance with this regulation, the contractor shall be liable for the additional costs incurred.
2. Partial deliveries - unless expressly agreed - are not permitted.
3. If the packaging or shipping instructions specified by us as well as the statutory take-back obligations in the packaging area are not observed, we shall be entitled to refuse acceptance of the goods.
4. If the price has not been agreed to include packaging, this may only be charged at cost price. Reusable, invoiced packaging shall be sent carriage paid to

returned to the contractor and shall be credited at the full invoice value. Other packaging material such as wooden shaft, paper, etc. may not be charged.

5. All shipments shall be accompanied by delivery bills showing all individual parts of the shipments as well as the dimensions, weights and our order data.

6. In the case of wagonloads, the weights determined by the railroad authorities at the receiving plant are decisive for the calculation of the goods.

7. Please note that we are a waiver customer under paragraph 29.1.2 ADSP.

VI. Payment, set-off, assignment

1. Invoices are to be understood with our order, article as well as the delivery note numbers and the supplier number of the contractor.

2. Payment shall be made at our discretion at the end of the month in which the goods are accepted and the invoice is duly received on the 30th day of the month. All payments shall be made subject to factual and arithmetical verification as well as our rights arising from defective delivery, even if this is not expressly noted in our payment. Insofar as notices of defects are already known at the time of maturity, we shall be entitled to withhold payments.

3. The Contractor shall only be entitled to set off claims against our claims or to assert a right of retention if and to the extent that its claim is undisputed or its counterclaim is legally binding. We shall also be entitled to set off claims of the Contractor against claims of an affiliated company.
i. within the meaning of Section 15 et seq. of the German Stock Corporation Act (AktG).

4. The assignment of claims against us is only possible with our consent. In the event of extended retention of title, such consent shall be deemed to have been granted. Contractors who intend to collect receivables from us in the factoring procedure must already indicate this in their offer.

VII. Warranty , Liability

1. The Contractor warrants that the delivered goods have the agreed quality and are not defective in any way that would nullify or reduce their value or suitability for the intended use and that they are free from third party rights.

2. Upon acceptance of the order, the customer undertakes to indemnify us in this respect against all claims of third parties upon first demand. This includes, in particular, litigation costs, compensation for damages as well as costs for any conversion or reconstruction work incurred.

3. Confirmation of receipt of goods does not exclude quality or quantity-related complaints that are discovered after receipt of goods.

The determination of acceptance conditions and their fulfillment shall not affect the warranty liability. We shall notify the Contractor without delay of any defects in the delivery as soon as they are discovered in the ordinary course of business.

4. The warranty period is 36 months after the transfer of risk.

5. In the event of justified notices of defects, we shall be entitled to choose,

- to demand rectification of the defective goods;

- to return the defective goods at the Supplier's expense and to demand a replacement in perfect condition; the same warranty provisions shall apply to the replacement delivery as to the original delivery;

- to remedy the defect itself or have it remedied at the Contractor's expense after notifying the Contractor if the Contractor is in default with the remedy of the defect;

- demand a reasonable reduction of the price or

- to withdraw from the relevant order in whole or in part if the Contractor fails to remedy the defect within a reasonable period set or if the remedy of the defect has failed or is unreasonable.

This shall also apply with regard to any outstanding partial delivery, without the Contractor incurring any claims for compensation as a result thereof.

If a piece-by-piece or complete inspection of the goods received becomes necessary due to defective deliveries, the Contractor shall bear the costs incurred thereby.

In all other respects, the Contractor shall be liable, irrespective of the legal grounds, for all damages arising directly or indirectly as a result of the defective goods. The liability for damages shall only exist if the contractor is at fault. If we are held liable on the basis of strict liability, which is not legally waivable vis-à-vis third parties,

the Contractor shall indemnify us to the extent that he would also be directly liable himself.

6. Insofar as not regulated above, the statutory regulations shall apply to the warranty and liability of the Contractor.

VIII. Documents, production equipment

1. Documents or means of production of all kinds, such as samples, drawings, models, tools, regulations of a computational nature, etc., which we make available to the contractor or which we have paid to the contractor, shall remain our property. In the event of damage, destruction or loss, we must be informed of this fact in writing without delay. These documents and means of production may not be passed on to third parties or used for the contractor's own purposes, nor may the goods manufactured therewith or therewith be passed on to third parties. They must be kept secret and returned to us in perfect condition immediately upon our request, without retaining copies, individual items, etc., at the latest, however, as soon as the order has been processed or it has been determined that no order will be placed.

2. The contractor undertakes not to deliver to third parties the semi-finished and finished products made according to our specifications, drawings, models, etc., even if they are defective parts rejected by us.

The special equipment required for the manufacture of such parts may not be provided to third parties without modification.

3. For each case of breach of the obligations set forth in paragraphs 1 and 2 above, the Contractor shall pay us a contractual penalty in the amount of 5% of the gross value of the order in question.

or the goods produced with the relevant equipment. If a contractual penalty is demanded, any compensation payments to be made by the Contractor shall be offset against this. If several orders have been placed, the calculation of the contractual penalty shall be based on the total delivery quantity. The assertion of a contractual penalty shall be set off against the further damage.

IX. Secrecy, advertising

1. The Contractor undertakes to keep secret all commercial and technical information obtained from us in the course of the execution of the order as well as all work results. This shall not apply insofar as the information concerned is or becomes generally known.

2. The obligation to maintain secrecy shall also extend to all employees and agents of the Contractor, irrespective of the type and legal form of the cooperation. The Contractor undertakes to impose corresponding confidentiality obligations on this group of persons. Furthermore, he shall take all reasonable precautions to prevent third parties from gaining access to the work results or the information obtained from us.

3. The supplier is not entitled to advertise the business relationship with us without our consent; this applies in particular to the inclusion in reference lists.

X. Property rights and rights of use

All rights of use under copyright law, industrial property rights to the contractual services and to all work results created within the framework of the execution of the order shall be transferred to us without additional remuneration. We are entitled to them spatially, temporally and without limitation and exclusively.

The place of performance for all services and for payments is Landshut.

XI. Place of jurisdiction, applicable law

1. The place of jurisdiction for all claims arising from the business relationship is Landshut. However, we shall also be entitled to bring an action against the contractor before the court of a place of business or jurisdiction.
domicile.

2. German law shall apply to any contractual relationship. The application of the Hague Uniform Laws on the International Sale of Goods and the UN Convention on Contracts for the International Sale of Goods are excluded.

XII. Shipping address

Company

Mailhammer-Högl

Sawmill export packaging pallets eK Dammstraße 1 a

84079 Bruckberg

XIII. Receipt of goods

Any receipt of goods is possible only from Monday to Thursday from 07.00 to 11.30 and 12.30 to 16.00 h and Fridays from 07.00 to 11.45 h possible. A possibly extended time window of the goods acceptance is to be taken from the respective order.

Any costs arising from non-compliance with this provision shall be borne by the Contractor.

General Conditions of Purchase

Applies to:

I. Scope

1 The contractor acknowledges acceptance of the order with the following conditions of purchase. Our silence against otherwise conditions of the contractor shall in no case constitute consent. In particular, the acceptance of the delivery / performance of the Contractor shall not constitute an implied acceptance of the terms and conditions

2 These conditions also apply to all future business with the **contractor**.

II order, order

1 Only written or confirmed in writing by us orders are binding on us. Amendments, supplements, etc. require written confirmation by our shopping, with which the entire correspondence is to lead, giving all complete order data.

2 Components and basics of the individual supply contracts are the details of the order placed by us, together with all relevant documents, such as drawings, technical delivery, construction, material requirements, etc., the relevant environmental protection, hazardous substance, hazardous and accident prevention regulations, as well as performance and other information on technical, physical, chemical, mechanical, or other features and DIN, VDE or other standards mentioned above operational ...

3 If our order is not confirmed within 5 working days from the order date, we are entitled to cancel the order.

4 Delivery schedule under an existing supply contract are binding, unless the contractor objects in writing within 48 hours of receipt of the amount due to unreasonableness or dates indicating the earliest possible delivery.

5 A transfer of contracts to third parties, or the involvement of Contractors is allowed only with our written consent. Even when granting consent of a third party is involved by the contractor as its vicarious agent.

III Delivery, force majeure

1 Delivery dates are binding. All services must be provided by the prescribed date to the agreed destination. In case of default of the contractor we are entitled to statutory claims. Instead of the opportunity to demonstrate any damages concretely, we can also liquidated damages in the amount of 1% of the order value per week or part thereof up to a maximum of 5% of the order value.

2 Foregoing provisions shall also apply in the event that the contractor or sub-total benefits does indeed timely, but not capable of acceptance.

3 Acts of God, strikes, unrest and other unforeseen obstacles on the part of the contractor does this tell us immediately. If such unforeseen obstacles affect us or our customers and lead to disruptions of our manufacturing or our customers, we are released for the duration and extent of the effect of a loss or liability for damages.

4 The Contractor shall notify each appointment hazard concerning him in writing immediately.

IV enable the production

1 With production deliveries may be initiated only when we have accepted in writing the patterns. In this and in other cases where the order is placed, delivery, etc. depends on the approval of patterns before a purchase is on trial.

2 He must notify us with the addition of new patterns each intended by the contractor after the order is placed over approved patterns change. This requires our written consent and approval. The same applies to deviations of release protocols.

V. Delivery, Delivery

1 If we agree to supply "factory" (Incoterm EXW), the contractor is obliged to notify in writing the goods are ready and in coordination with sending mail Hammer Högl, the set to be commissioned carrier. Failure to comply with this provision, the Contractor shall be liable for the additional costs incurred.

2 Partial deliveries are - if not expressly agreed - not allowed.

3 If we specify packaging or shipping regulations and statutory redemption obligations in packaging is not observed, we are entitled to refuse to accept the goods.

4 As far as the price has been agreed, including packaging, they may only be charged at cost price. Reusable, calculated packing is returned to the Contractor and shall be credited at full invoice value. Other shaft packing material such as wood, paper, etc. can not be calculated.

5 All shipments must be accompanied by delivery notes, which give rise to all parts of the program as well as the dimensions, weights and our order data.

6 In carloads at the receiving plant railway authorities determined weights for the calculation goods shall prevail.

7 Please note that we waiver in accordance with customer. Section 29.1.2 ADSP are.

VI Payment, compensation, assignment

1 Invoices are with our order, -to-understand articles and the delivery note number and the vendor number of the contractor.

2 Payment will be made at our option at the end of the receipt of goods and the proper invoice on the 30th of the month. All payments will be subject to the facts and accounts in check and our rights defective delivery, although this is not expressly stated in our payment. As far as complaints are already known when due, we reserve the right to withhold payments.

3 The Contractor shall only be entitled to set off claims against us or to assert a right of retention if and to the extent his claim or the counterclaim is undisputed is final. We are entitled to set off against claims of the contractor also claims that an affiliated company within the meaning of § 15 ff of the German Stock Corporation Act is entitled to.

4 The assignment of claims against us is possible only with our consent. In the presence of the extended reservation of the approval shall be deemed granted. Contractors who intend to collect claims against us in the factoring process have to indicate this when they already offer.

VII warranty, liability

The **first** contractor warrants that the delivered goods are in the agreed condition and is not subject to defects that unlock value or suitability for use or reduce the assumed value and that it is free of third party rights.

2 With the acceptance of the order agrees to indemnify us against all third party claims on first requests. This particularly includes legal costs, damages, and costs incurred for rebuilding or reconstruction work.

3 By confirming the goods receipt quality or quantity even complaints that are determined after receipt of goods, not excluded. The definition of acceptance criteria and their fulfillment makes the warranty liability unaffected. Defects in delivery we will, as soon as they are detected within the ordinary course of business, notify the contractor immediately, the Contractor waives the defense of delayed notification of defects.

4 The warranty period is 36 months after the transfer of risk.

5 In case of justified complaints, we are entitled at our option,

to require rectification of the defective goods;

- Return the defective goods at the supplier's expense and trouble-free to require the replacement, the replacement being about ensuring the same as for the original delivery;

- To have it removed or eliminate the defects upon notice to the Contractor at his expense even if the Contractor is in default of the removal of the defect;

- To require an appropriate reduction of the price or

- Of the order in question entirely or partially, if the Contractor removes the defect within a reasonable time set, or fails to remedy the defect or failure is unreasonable. This also applies to any out-standing part delivery, the Contractor therefrom without any compensation to be claimed.

Owing to inadequate supplies or inspections of the Goods required, the Contractor shall bear the costs incurred.

In addition, the contractor, for whatever legal reason, shall be liable for any indirect result of defective goods or damage arising directly. The liability for damages exists only if the contractor is at fault. If we are due to strict liability, the third party is not legally dispensable in claim, the Contractor shall indemnify us free as he would also be liable himself immediately.

6 If not previously regulated, apply to the warranty and liability of the contractor, the statutory regulations.

VIII documents, means of production

1 Documents or means of production of all kinds, such as samples, drawings, models, tools, rules computational kind, etc., which we make available to the contractor or that we have paid to the contractor shall remain our property. In case of damage, destruction or loss of, we must be informed of this fact in writing immediately. These documents and production materials may be used just as after the goods so manufactured or passed on to third parties or used for their own purposes by the contractor. They must be kept secret and immediately upon our request, without embargoed copies, individual pieces, etc., to be returned in perfect condition, but no later than when the order is processed and it is clear that it does not come to a contract award.

2 The Contractor agrees not to deliver according to our specifications, drawings, models, etc.-made semi-finished and finished products to third parties, even if it is rejected by us defective parts.

The necessary special equipment for the production of such parts must not be left unchanged third party.

3 For each case of infringement in paragraph 1 and 2 regulated obligations, the contractor shall pay us a penalty in the amount of 5% of the gross value of the relevant order or the goods manufactured by such institutions. If a penalty is demanded, shall be attributed to those to be provided by the contractor damages. Were several orders issued, the calculation of the penalty is to be based on the entire delivery quantity. The assertion of the penalty to offset the additional damage.

IX. Confidentiality, advertising

1 The Contractor agrees to maintain all in the execution of the order we have obtained commercial and technical information, as well as all work results secret. This does not apply if the information is or becomes generally known.

2 The obligation of confidentiality extends to all employees and agents of the Contractor, without regard to the nature and legal form of cooperation. The Contractor agrees to these entities impose confidentiality agreement. He will also take all reasonable steps to prevent third parties access to the work product or the information obtained by us.

3 The supplier is not entitled without our consent to advertise the business relationship with us, which is especially true for inclusion in reference lists.

X. Protection and rights of use

All resulting in the execution of the order copyrights, intellectual property rights in the contractual services and all work product created under the contract go without additional compensation over on us. They are to us in space, time and fully and exclusively.

Performance for all services and payments for Landshut.

XI. Jurisdiction, Applicable Law

1 Jurisdiction for all claims arising from the business relationship is Landshut. However, we are entitled to sue the contractor at the court of a business or residence.

2 For each contract is governed by German law. The application of the Hague Uniform Sales Convention and the UN purchasing law is excluded.

XII. Shipping Address

Company

Mailhammer-Högl

Sawmill Export Packaging Pallets eK

Dammstraße 1 a

84079 Bruckberg

XIII Receiving

Any incoming goods is possible only on Mondays to Thursdays from 07.00 to 11.30 clock to 16.00 clock and 12:30 and on Fridays from 07.00 to 11.45 clock. A possible extended time window of the receipt of goods can be found in the respective order.

Any failure to observe this provision costs incurred shall be borne by the contractor.