General Terms and Conditions of Contract of Schnorr GmbH for corporate customers



§1 Scope of Application

These General Terms and Conditions of Contract apply to all offers and Orders, in particular to all deliveries and services (hereinafter referred to as: "Orders") by Schnorr GmbH (hereinafter referred to as: "Schnorr") to its Customers, unless the Customer is a consumer within the meaning of Sec. 13 German Civil Code (BGB). The Terms and Conditions of Contract shall also apply to all future transactions between the contracting parties without any reference hereto again being required. Terms and conditions opposing or deviating from these Terms and Conditions of Contract shall only apply insofar as Schnorr explicitly consents to such terms and conditions in writing; if only individual terms are agreed upon in deviation herefrom, then these Terms and Conditions of Contract shall apply subordinately and in addition. These Terms and Conditions of Contract shall also apply if Schnorr executes the Order without reservation in knowledge of terms and conditions of the Customer opposing or deviating from these Terms and Conditions.

§ 2 Conclusion of the contract; Changes to and cancellations of an Order; Deviations in quantities; Continual Orders

- Unless otherwise agreed, our offers and list prices are non-binding. A bind-1. ing Order only comes into effect when we give an Order confirmation in writing. Written form is complied with by remote data transmission (e.g. E-Mail) and telefax.
- The applicable minimum net Order value and/or the minimum net item value 2 shall be specified in our offers and Order confirmations. The same applies to the minimum net value of goods and/or to the minimum net item values of single products.
- The Customer may only change binding Orders placed with us, if we give 3 our consent thereto; in such case the Customer shall reimburse us for all additional costs incurred by us due to the change in the Order.
- Deviations in quantity of up to 5 % above the quantity agreed shall be deemed approved; in this case the Customer shall owe payment for the quantities actually delivered. The same applies to deviations in quantity of up to 5 % less than the quantities agreed. We have the right to make and 4 charge for part deliveries and part performance insofar as the Customer can be expected to accept them.
- 5. Continual Orders placed for an indefinite period of time may only be terminated by either party by giving notice of no less than six months to the end of a calendar month.
- Amendments to the contract, including amendments to these Terms and Conditions of Contract shall be made in text-form only. On behalf of Schnorr 6 only Managing Directors and Officers with statutory authority (Procurists) are entitled to oral amendments hereto.

§ 3 Rights to documentation; Third party rights

- We retain all rights of ownership and copyrights in and to all documentation and other items (drawings, drafts, samples, diagrams, spring designs and calculations, manufacturer's instructions, offers et cetera) which we provide to the Customer for use in the course of negotiations or executing the contract; such documentation may only be disclosed to third parties with our prior consent. If no contract is entered into, such documentation must be returned to us without delay and without requiring any specific request to do SO
- The Customer shall be responsible for ensuring that no third party rights, in particular no ownership rights or copyrights, are infringed through the execution of the contract. If there should nonetheless be an infringement of third party rights, the Customer has to indemnify us from and against any claims for compensation, unless the Customer is not responsible for the breach of duty

Time limits and deadlines; Default

- Time limits and deadlines are only binding on us if they have been confirmed by us in writing. Time limits start to run at the earliest at the time when we gain knowledge that a binding Order has been placed but not before we have received the documentation and other items, in particular drawings and samples in full, which are necessary to execute the Order and which have to be supplied by the Customer.
- Unless otherwise stated in the order confirmation, deliveries shall be effect-2 ed FCA Schnorr GmbH, Stuttgarter Str. 37, 71069 Sindelfingen, Germany, Incoterms 2020. The time of delivery and the date of delivery refer to the lading of the goods at the premises of Schnorr according the regulation of the Incoterms 2020 for FCA.
- We are not liable for the impossibility of delivery or for delays in delivery, insofar as these are caused by force majeure or other events that were not foreseeable at the time the contract was concluded (e.g. catastrophes, war, riot, pandemics or risks of infection, legal strikes and lockouts in our own plants, strikes and lockouts in delivery facilities, with subcontractors or in the area of means of transport) for which we are not responsible. In the case of temporary obstacles, the delivery or service deadlines are extended or the delivery or service dates are postponed by the period of the hindrance plus a reasonable start-up period. If the Customer cannot be expected to accept the delivery or service as a result of the delay, he can withdraw from the contract by giving us an immediate written declaration without delay.
- An impossibility within the meaning of the previous paragraph with the same consequences for the Customer is also the lack of, the incorrect or the late delivery by a sub-supplier of Schnorr (reservation of self-delivery), if Schnorr is not responsible for the failure in delivery and if Schnorr at the time of conclusion of the contract with the Customers has concluded a congruent hedging transaction. The reservation of self-supply does not apply if it is clear from the contractual agreement that Schnorr has assumed a procurement risk. Schnorr will inform the Customer about such events immediately and at the same time notify the expected new delivery period. If such events make the delivery or service significantly more difficult or impossible for Schnorr and the hindrance is not only of a temporary nature, Schnorr is entitled to withdraw from the contract.

- If dispatch or delivery is delayed at the request of the Customer or if the Cus-5. tomer's default in acceptance leads to a delay in delivery, the Customer shall reimburse us for the storage costs that are common for us or for storage with third parties for the duration of the delay. The contracting parties are free to provide evidence of higher or lower storage costs.
- 6 At our request the Customer is obliged to declare within a reasonable period of time whether the Customer is rescinding the contract based on the statutory preconditions with regard to a delay in delivery or whether the Customer insists on delivery.
- In the case of intra-community deliveries to an EU member state other than 7. Germany, we do not charge VAT, provided that we have the Customer's valid VAT identification number. In the case of deliveries as well as collections to an EU member state, the Customer is also obliged to sign a confirmation of the arrival of the item of an intra-community delivery to another EU member state (confirmation of arrival). If we do not have a valid VAT identification number or if the confirmation of arrival is missing, we are entitled to subsequently invoice VAT at the applicable rate.

Inspection before delivery; Place of performance and transfer of risk; §5 packaging and shipping The Customer is entitled to inspect the goods or have the goods inspected at

- the place of performance at his own expense, with appropriate notice in advance, prior to collection or dispatch. If the Customer does not exercise this right or does not exercise it in good time despite his assertion to do so, we are entitled to dispatch the goods without prior inspection or to store them at the Customer's expense.
- Schnorr's registered office is the place of performance for all obligations arising 2. from the contractual relationship. In accordance with Section 4 (2) of these General Terms and Conditions of Contract in connection with the provisions of FCA Incoterms 2020, and unless other shipping provisions are specified in the order confirmation, the risk is transferred to the Customer at the latest when the delivery item is loaded by the forwarding agent, carrier or any other any third party designated to carry out the dispatch at our plant. Schnorr has no obligation to conclude an insurance contract for the transport. If dispatch or handover is delayed as a result of circumstances caused by the Customer, the risk is transferred to the Customer when the delivery item is ready for dispatch and we have notified the Customer accordingly. The Customer may not refuse to accept deliveries due to minor defects.
- 3.
- The packaging of the goods is carried out by us at our discretion and at the 4. Customer's expense, unless the Customer has issued any special instructions. If the Customer requests shipment of the goods without specifying a means of transport, the choice of means of transport and transport route is made by Schnorr for the account of the Customer while safeguarding the interests of the Customer.

86 Payment Terms

- The agreed prices are fixed prices and are "ex works" and "excluding packaging" plus the applicable sales tax. They apply from the place of performance and, based on the invoice date, are payable either within fourteen calendar days with a 2% discount or within thirty calendar days without deduction. Unless oth-erwise agreed, we charge additional services that become necessary during the execution of the order based on the expenditure. The Customer also bears the costs for packaging, freight, postage and transport insurance, as well as the costs for the production of drawings, drafts, samples and similar additional work plus the statutory VAT.
- In the event of default in payment, the Customer owes default interest in the amount of 9 percentage points above the base rate. We reserve the right to provide evidence of higher damages caused by default. The Customer is in default 2. of payment at the latest if he does not pay within 30 days of the due date and receipt of an invoice or equivalent payment schedule.
- 3 The Customer may only offset counterclaims that have been established in a legally binding judgment, which are recognized by us or which are undisputed. In addition, the Customer is only authorized to exercise a right of retention if his counterclaim is based on the same contractual relationship.
- We are entitled to only carry out outstanding deliveries or services against advance payment or security if we become aware of circumstances after the conclusion of the contract which are likely to significantly reduce the Customer's creditworthiness and through which the payment of outstanding claims of Schnorr from the respective contractual relationship by the Customer are en-dangered (including other individual orders to which the same framework agreement applies).

§7 Retention of Title

- The goods delivered by us to the Customer remain our property until the price for the respective good has bas paid in full (such goods are hereinafter referred to as "reserved goods"). The Customer is entitled to process and sell the reserved goods in the ordinary course of business.
- If the goods subject to retention of title are processed by the Customer, it is agreed that the processing is carried out in the name and for the account of Schnorr as the manufacturer and that Schnorr takes ownership directly or - if the processing is made from materials from several owners or the value of the pro-cessed purchased item is higher than the value of the reserved goods - the coownership (fractional ownership) of the newly created item in the ratio of the value of the reserved goods to the value of the newly created item. In the event that Schnorr does not acquire such ownership, the Customer already now transfers his future ownership or - in the above-mentioned ratio - co-ownership of the newly created item to Schnorr as security. If the reserved goods are combined with other items to form a single item, or are inseparably mixed and one of the other items is to be regarded as the main item, Schnorr shall, insofar as this main item belongs to him, transfer to the Customer proportional co-ownership of the unitary item in the above ratio.
- 3 In the event of the resale of the goods subject to retention of title, also in the processed state, the Customer hereby assigns the resulting claim against the Customer as a precaution - in the case of joint ownership of the goods subject to

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retention of title, proportionally, to Schnorr. Schnorr in turn authorizes the Customer to collect the claims assigned to Schnorr in his own name. Schnorr may only revoke this direct debit authorization if Schnorr has withdrawn from the contract.

4. Schnorr will release the goods subject to retention of title as well as the items or claims taking their place insofar as their realizable value exceeds the value of the secured claims against the Customer by more than 10%. The choice of the items to be released afterwards remains with Schnorr.

§ 8 Warranty for Defects; Deviations in Quality; Liability

- The statutory warranty law applies. The fact that the goods are in compliance with the regulations applicable outside the EU for the purpose assumed by the Customer is not a subject of the nature of the goods. The Customer shall check this on his own responsibility.
- 2. The warranty period is 12 months from delivery. This reduction in the limitation period does not apply to claims due to willful intent or claims for damages due to gross negligence or claims to damages due to culpable injury to life, body or health, not to claims due to fraudulent concealment of a defect, within the framework of a guarantee promise or acceptance of a Procurement risk and not for recourse claims in the case of resale within the meaning of §§ 445a, 445b German Civil Code.
- 3. At our discretion, all those parts or services are to be repaired free of charge, to be delivered again or to be rendered anew that show a material defect within the limitation period, provided that the cause of the defect already existed at the time of the transfer of risk in accordance with § 5.
- If subsequent performance should be unsuccessful, the Customer may without prejudice to any claims for damages pursuant to § 9 – rescind the contract or appropriately reduce the compensation.
- 5. We are entitled to deliveries with customary deviations in quality. Wear and tear or damages arising after the date of passing of risk due to deficient or negligent handling, the use of unsuitable operating equipment, defective construction work, excess voltage, lightening and similar external influences or due to modifications or repair work unprofessionally carried out or to maintenance work not properly conducted, do not constitute a defect.
- 6. In the event of complaints due to defects, the Customer may only retain payments to the extent that this is in reasonable proportion to the defects arising. This limitation of the Customer's right of retention does not apply as to receivables which have been established in a legally binding judgment, which are recognized by us or which are undisputed. If the complaint as to defects is unjustified, we may claim from the Customer reimbursement of the expenses incurred by us.
- 11. Unless otherwise agreed, we are obliged to perform delivery free of third party industrial property rights and copyrights (hereinafter referred to as: Protective Rights) only in the country of the place of delivery. Insofar as a third party asserts claims against the Customer on account of an infringement of Protective Rights by deliveries performed by us and used in accordance with the contract, we shall only be liable with respect to the Customer insofar as the Customer is not itself responsible for the infringement of the Protective Right. Prior to any acknowledgment by the Customer, we must be given the right to comment and to be heard. Upon request, we must be given the right to conduct settlement negotiations on our own account and at our own responsibility. In case of an infringement, we shall, at our election and expense, either obtain a right of use for the respective deliveries, amend them so that the Protective Right is not infringed, or exchange them, as long as the new delivery is still suitable for Schnorr, the Customer shall be entitled to the statutory rights to rescind the contract or reduce the amount of payment.

§ 9 Claims for Damages

- Claims for damages and reimbursement of expenses by the Customer, regardless of the legal reason, in particular due to breach of obligations from the contractual relationship and from tort, are excluded. This also applies to claims arising from negligence when concluding the contract.
- 2. This does not apply to claims under the German Product Liability Act, claims due to willful intent or claims for damages due to gross negligence or claims to damages due to culpable injury to life, body or health, not to claims due to fraudulent concealment of a defect, within the framework of a guarantee promise or acceptance of a Procurement risk and not for recourse claims in the case of resale within the meaning of §§ 445a, 445b German Civil Code. The compensation for the breach of essential contractual obligations is limited to the contract-typical, foreseeable damage, unless there is intent or gross negligence or liability is due to injury to life, body or health. Essential contractual obligations are obligations, the fulfillment of which enables the proper execution of the contract in the first place and which the contractual partner can regularly rely on to be observed.
- Exclusions or limitations of liability also apply to the personal liability of our employees, employees, representatives and vicarious agents.
- 4. The statute of limitations for claims for damages to which the Customer is entitled according to this § 9 is based on the limitation period of § 8, no. 2. In the case of claims for damages under the Product Liability Act, the statutory statute of limitations shall apply. A change in the burden of proof to the detriment of the Customer is not associated with the above regulations.

§10 Export Control

The deliveries and services (fulfillment of the contract) are subject to the condition that there are no obstacles to fulfillment due to national or international regulations, in particular export control regulations, embargoes or other restrictions. The contractual partners undertake to provide all information and documents that are required for export / transfer / import. Delays due to export inspections or approval procedures override deadlines and delivery times. If the necessary approvals are not granted, the contract is deemed not to have been concluded with regard to the affected parts; Claims for damages and claims based on the aforementioned deadlines being exceeded are excluded to this extent.

§11 Place of performance; Applicable law; Jurisdiction; Partial invalidity

- The place of performance for all orders placed with us is Schnorr's seat in 71069 Sindelfingen.
- The legal relationships between the Customer and us shall be governed and construed solely by the laws of the Federal Republic of Germany. The applicability of the UN Convention on Contracts for the International Sale of Goods (CISG) is excluded.
- 3. For all disputes from and in connection with the business relationship between Schnorr and the Customer, regardless of the legal reason, the place of jurisdiction is Stuttgart or the seat of the Customer, as Schnorr chooses. In these cases, however, Stuttgart is the exclusive place of jurisdiction for lawsuits against Schnorr. Mandatory statutory provisions on exclusive places of jurisdiction remain unaffected in this regulation.
- 4. Any ineffectiveness of individual provisions of these General Terms and Conditions does not affect the validity of the remaining provisions. Insofar as the contract or these general terms and conditions of contract contain gaps in the provisions, those legally effective provisions shall be deemed to have been agreed to fill these gaps, which the contractual partners would have agreed upon in accordance with the economic objectives of the contract and the purpose of these general terms and conditions if they had closed the gap would have known.