

**General Terms and Conditions of Delivery of
Glasmanufaktur Pfaehler GmbH & Co. KG
for business dealings with entrepreneurs within the meaning of section 14 of the
German Civil Code (BGB)**

I. Scope

- (1) Our Terms and Conditions of Sale apply exclusively; they also apply to future transactions with the customer. We do not acknowledge the customer's purchasing terms and conditions, even where the contract is performed without reservation.
- (2) Verbal understandings require written confirmation in order to be effective.

II. Conclusion of contract

- (1) Our offers are non-binding. Also non-binding are technical descriptions and other details in offers, brochures, and other information.
- (2) If the order qualifies as an offer pursuant to section 145 BGB, we may accept it within 12 business days.
- (3) Details within the meaning of subsection (1), as well as public statements by us, the producer, or its assistants (section 434 (1) sentence 3 BGB), become a component of the performance specification only if express reference is made thereto in this contract.

III. Prices and payment terms

- (1) Our prices are ex works and exclude packaging and value-added tax, which is listed separately on the invoice in the amount in effect on the date of invoicing.
- (2) Payment must be made in cash or by bank transfer without any deduction within 30 business days of receipt of the goods and the invoice. In the case of default, we are entitled to charge at least 10% default interest.
- (3) The customer is entitled to a right of set-off or retention only for claims that are uncontested or have been reduced to an enforceable judgment.

IV. Delivery and duties to cooperate

- (1) The scope of our duty to delivery is based exclusively on this contract. Changes in design, form, and colour that are based on an improvement in technology or legal requirements remain reserved, unless the changes are significant or the customer cannot reasonably be expected to accept them.
- (2) Partial deliveries are permissible and may be invoiced separately.
- (3) With respect to the delivery amount, a deviation of +/- 10% from the ordered amount is deemed agreed upon.
- (4) The indication of delivery deadlines is non-binding in all cases and is as a rule provided subject to contractual cooperation by the customer.
- (5) If an agreed deadline cannot be met by us or our suppliers due to circumstances beyond our control, it is extended appropriately. We will promptly notify the customer of such a case. If the impeding circumstances still persist one month after expiry of the agreed deadline, either party may terminate the contract. More extensive claims are precluded. The same applies where we ourselves fail to be supplied despite having placed covering orders with reliable suppliers.

V. Place of performance and transfer of risk

Our registered office is the place of performance. Unless specified otherwise in the order confirmation, delivery ~~is~~ works+is agreed upon.

With all deliveries, risk . including the risk of breakage . passes to the customer when the goods are handed over to the transport person.

VI. Material defects

- (1) With respect to material defects, the customer is first subject to the statutory duty to inspect and object pursuant to section 377 of the German Commercial Code (HGB).
- (2) The customer may not derive any further rights from legal defects that do not, or only immaterially, interfere with the value of the goods and their suitability for the use discernible to us.
- (3) If the goods have a material defect at the time of transfer of risk, we are entitled to cure the defect. In this regard, we may choose to repair the defect or provide a replacement delivery. If the costs of the cure exceed more than 50% of the value of the delivery, we are entitled to refuse to cure.
- (4) If the cure fails, is not provided by a reasonable deadline set by the customer, or is refused, the customer is entitled at its choice to terminate the contract, to demand a reduction of the purchase price corresponding to the loss in value attributable to the defect, or to demand, within the limits of the following subsections, compensation of damages in lieu of performance.
- (5) If a material defect results in damage, we are liable in accordance with statutory provisions if the damage involves a personal injury, falls within the purview of the German Product Liability Act (Produkthaftungsgesetz), or is based on wilful misconduct or gross negligence.
- (6) If the damage is based on a culpable breach of a material contractual duty or a ~~cardinal duty~~, we are liable only for damage that is typical of the contract.
- (7) More extensive contractual or tort claims by the customer are precluded. We therefore are not liable for damages that are not suffered to the delivered item itself, for lost profit, or for the customer's pecuniary losses.
- (8) Section 478 BGB remains unaffected by subsections (2) to (7), above.

VII. Other liability for compensation of damages

- (1) The provisions in Section VI (5) to (7) also apply to claims for compensation of damages due to other breaches of duty.
- (2) In the case of a breach of a pre-contractual duty or an impediment to performance that already existed at the time of contract conclusion, our duty to pay compensation is limited to the restoring the condition that existed prior to contract conclusion.
- (3) The provisions in Section VI (5) to (7) apply mutatis mutandis to our tort liability.
- (4) If our liability is excluded or limited, this also applies with respect to the personal liability of our employees, workers, representatives, and persons we use to perform an obligation (*Erfüllungsgehilfen*).

VIII. Prescription

- (1) Subject to sections 438 No. 2 and 479 BGB, the customer's claim to a cure is prescribed two years after delivery of the goods.
- (2) Subject to sections 438 No. 2 and 479 BGB, claims for compensation of damages are prescribed after one year.
- (3) The statutory prescription period applies to claims under the German Product Liability Act and in cases of wilful misconduct and gross negligence.

IX. Retention of title

- (1) We retain title to the delivered goods until payment of all of our receivables due from the customer under the business relationship, including receivables that arise in the future under contracts that are concluded at the same time or at a later date. That also applies where receivables are incorporated into a current invoice and the balance has been calculated and acknowledged.
- (2) The customer is entitled to sell or process the goods in the ordinary course of business. It performs any processing on our behalf, without our incurring an obligation as a result. Where goods subject to retention of title are processed, combined, or intermixed with other goods, we acquire a share of co-title to the new item, namely, in the case of processing, in the ratio that the value of the goods subject to retention of title (= gross invoice value, including ancillary costs and taxes) bears to the value of the new item and, in the case of combination or intermixture, in the ratio that the value of the goods subject to retention of title bears to the value of the other goods.
- (3) The customer hereby assigns to us all claims against third parties that result from resale. The customer remains entitled to collect these claims after the assignment. The foregoing does not affect our power to collect the claim ourselves. However, we will refrain from making use of this right as long as the customer is properly meeting its payment and other obligations. Upon request, the customer must notify us about the assigned claims and the parties owing them, provide all information necessary to collect them, turn over the related documentation, and inform the parties owing the claims about the assignment.
- (4) If the customer is in breach of contract, particularly in the case of default in payment, we are entitled to terminate the contract and take back the goods. For the purposes of taking back the goods, the customer hereby irrevocably permits us to enter its business and storage premises without being impeded and to take the goods with us.
- (5) If and for as long as retention of title exists, the customer may not without our consent assign the goods, or items produced from them, for the purposes of security or pledge them. Our prior written consent is required for the conclusion of financing contracts (e.g. leasing) that include the assignment of our goods subject to retention of title, unless the contract obligates the financing institution to pay directly to us the portion of the purchase price to which we are entitled.
- (6) The customer must promptly notify us in writing of liens or other attachments by third parties. It is prohibited from reaching understandings with its customers that might interfere with our rights.
- (7) We undertake at the customer's request to release the securities of our choice to which we are entitled to the extent that the realisable value of the securities exceeds the claims secured by more than 20% or their nominal value by more than 50%.

X. General matters

- (1) The customer may not assign its rights under this contract.
- (2) The ineffectiveness of individual provisions does not affect the effectiveness of the remaining provisions.
- (3) If the customer is a merchant, our registered office is the place of jurisdiction for all disputes with it. This place of jurisdiction is not exclusive.
- (4) German law is exclusively applicable, under exclusion of the United Nations Convention on Contracts for the International Sale of Goods.

Glasmanufaktur Pfaehler GmbH & Co. KG ~ 77723 Gengenbach