General Terms of Sale

of the Telesonic Sales GmbH, Cathostraße 5a, 45356 Essen

§ 1 General – Scope of application

- (1) Our terms of sale apply exclusively; We do not recognize conflicting or deviating conditions of the customer unless we have expressly agreed to their validity in writing. Our terms of sale also apply if we carry out the delivery to the customer without reservation in the knowledge that the customer's terms and conditions conflict with or deviate from our terms of sale.
- (2) All agreements made between us and the customer for the purpose of executing this contract are set out in writing in this contract.
- (3) Our terms of sale only apply to entrepreneurs within the meaning of § 310 (1) German Civil Code.
- (4) Our terms of sale also apply to all future transactions with the customer.

§ 2 Orders – Order documents

- (1) If the order qualifies as an offer according to § 145 German Civil Code, we can accept it within two weeks.
- (2) We reserve our property rights and copyrights to illustrations, drawings, calculations and other documents. This also applies to such written documents that are marked as "confidential". Before passing them on to third parties, the customer requires our express written consent.

§ 3 Prices - terms of payment

- (1) Unless otherwise stated in the order confirmation, our prices apply "ex works" (Incoterms EXW), excluding packaging; this will be invoiced separately.
- (2) Statutory value added tax is not included in our prices; it is shown separately on the invoice at the statutory rate on the day of invoicing. If the legal requirements are met, billing is based on the reverse charge procedure.
- (3) Deduction of discount requires special written agreement.
- (4) Unless otherwise stated in the order confirmation, the net purchase price (without deductions) is due for payment within 30 days of the invoice date. The statutory rules regarding the consequences of default in payment apply.
- (5) The customer is only entitled to offsetting rights if his counterclaims have been legally established, are undisputed or have been recognized by us. In addition, he is authorized to exercise a right of retention insofar as his counterclaim is based on the same contractual relationship.

§ 4 Delivery Time

- (1) The start of the delivery time specified by us presupposes that all technical questions have been clarified.
- (2) Compliance with our delivery obligation also presupposes the timely and proper fulfillment of the customer's obligation. The plea of non-performance of the contract remains reserved.
- (3) If the customer is in default of acceptance or culpably violates other obligations to cooperate, we are entitled to demand compensation for the damage we have incurred, including any additional expenses. Further claims or rights remain reserved.
- (4) If the requirements of paragraph (3) are met, the risk of accidental loss or accidental deterioration of the purchased item passes to the customer at the point in time at which he defaults in acceptance or as a debtor.

- (5) We are liable according to the statutory provisions insofar as the underlying purchase contract is a fixed transaction within the meaning of § 286 (2) No. 4 German Civil Code or § 376 German Commercial Code. We are also liable under the statutory provisions if, as a result of a delay in delivery for which we are responsible, the customer is entitled to assert that his interest in further fulfillment of the contract has ceased to exist.
- (6) We are also liable according to the statutory provisions if the delay in delivery is due to an intentional or grossly negligent breach of contract for which we are responsible; fault on the part of our representatives or vicarious agents is to be attributed to us. If the delay in delivery is due to a grossly negligent breach of contract for which we are responsible, our liability for damages is limited to the foreseeable, typically occurring damage.
- (7) We are also liable in accordance with the statutory provisions if the delay in delivery for which we are responsible is based on the culpable violation of an essential contractual obligation; in this case, however, the liability for damages is limited to the foreseeable, typically occurring damage.
- (8) Further legal claims and rights of the customer remain reserved.

§ 5 Passing of risk – packaging costs

- (1) Unless otherwise stated in the order confirmation, delivery "ex works" (Incoterms EXW) is agreed.
- (2) Separate agreements apply to the return of packaging.
- (3) Upon customer request we will cover the delivery with transport insurance; the customer shall bear the costs incurred in this respect.

§ 6 Liability for defects

- (1) Claims for defects by the customer presuppose that they have properly fulfilled their inspection and notification obligations under § 377 German Commercial Code.
- (2) If there is a defect in the purchased item, the customer is entitled to choose between supplementary performance in the form of remedying the defect or delivery of a new item free of defects. In the event that the defect is remedied or a replacement delivery is made, we are obliged to bear all expenses necessary for the purpose of supplementary performance, in particular transport, travel, labor and material costs, insofar as these do not increase due to the fact that the purchased item was brought to a place other than the place of performance.
- (3) If the supplementary performance fails, the customer is entitled to choose whether to withdraw from the contract or demand a price reduction.
- (4) We are liable in accordance with the statutory provisions if the customer asserts claims for damages based on intent or gross negligence, including intent or gross negligence on the part of our representatives or vicarious agents. Insofar as we are not accused of intentional breach of contract, liability for damages is limited to the foreseeable, typically occurring damage.
- (5) We are liable in accordance with the statutory provisions if we culpably breach an essential contractual obligation; in this case, however, the liability for damages is limited to the foreseeable, typically occurring damage.
- (6) If the customer is otherwise entitled to compensation for damage instead of performance due to a negligent breach of duty, our liability is limited to compensation for foreseeable, typically occurring damage.
- (7) Liability for culpable injury to life, limb or health remains unaffected; this also applies to mandatory liability under the German Product Liability Act.
- (8) Unless otherwise regulated above, liability is excluded.
- (9) The limitation period for claims for defects is 24 months, calculated from the transfer of risk. This does not apply if the purchased item is usually used for a building and has caused the defect.
- (10) The limitation period in the case of a delivery recourse according to §§ 478, 479 German Civil Code remains unaffected; it is five years, calculated from delivery of the defective item.

- (1) Any further liability for damages than that provided for in § 6 is excluded regardless of the legal nature of the asserted claim. This applies in particular to claims for damages resulting from culpa in contrahendo, other breaches of duty or tortious claims for compensation for property damage in accordance with § 823 German Civil Code.
- (2) The limitation according to paragraph (1) also applies if the customer demands compensation for useless expenses instead of a claim for compensation for the damage.
- (3) Insofar as liability for damages towards us is excluded or limited, this also applies with regard to the personal liability for damages of our employees, representatives and vicarious agents.

§ 8 Security of title retention

- (1) We reserve ownership of the purchased item until receipt of all payments from the delivery contract. If the customer behaves in breach of contract, in particular in the event of default in payment, we are entitled to take back the purchased item. If we take back the purchased item, this constitutes a withdrawal from the contract. After taking back the purchased item, we are authorized to sell it; the proceeds of sale are to be offset against the customer's liabilities less reasonable costs of sale.
- (2) The customer is obliged to treat the purchased item with care; in particular, he is obliged to insure them adequately at his own expense against fire, water and theft damage at replacement value. If maintenance and inspection work is required, the customer must carry this out in good time at his own expense.
- (3) In the event of attachments or other interventions by third parties, the customer must inform us immediately in writing so that we can file a suit in accordance with § 771 German Civil Process Order. If the third party is not in a position to reimburse us for the court and out-of-court costs of a lawsuit in accordance with § 771 German Civil Process Order, the customer is liable for the loss we have incurred.
- The customer is entitled to resell the purchased item in the ordinary course of business; however, he already now assigns to us all claims in the amount of the final invoice amount (including VAT) of our claim that accrue to him from the resale against his customers or third parties, regardless of whether the purchased item has been processed or not has been resold. The customer remains authorized to collect this claim even after the assignment. Our authority to collect the claim itself remains unaffected. However, we undertake not to collect the claim as long as the customer meets his payment obligations from the proceeds received, does not default on payment and, in particular, no application for the opening of composition or insolvency proceedings has been filed or payments have been suspended. If this is the case, however, we can demand that the customer informs us of the assigned claims and their debtors, provides all the information required for collection, hands over the relevant documents and informs the debtors (third parties) of the assignment.
- (5) The processing or transformation of the purchased item by the customer is always carried out for us. If the purchased item is processed with other items that do not belong to us, we acquire co-ownership of the new item in relation to the value of the purchased item (final invoice amount, including VAT) to the other processed items at the time of processing. For the rest, the same applies to the item created by processing as to the purchased item delivered subject to reservation.
- (6) If the purchased item is inseparably mixed with other items that do not belong to us, we acquire co-ownership of the new item in proportion to the value of the purchased item (final invoice amount, including VAT) to the other mixed items at the time of mixing. If the mixing takes place in such a way that the customer's item is to be regarded as the main item, it is agreed that the customer transfers proportionate co-ownership to us. The customer keeps the resulting sole ownership or co-ownership for us.
- (7) The customer also assigns to us the claims to secure our claims against him, which arise against a third party through the connection of the purchased item with real estate.
- (8) We undertake to release the securities to which we are entitled at the customer's request insofar as the realizable value of our securities exceeds the claims to be secured by more than 10%; we are responsible for selecting the securities to be released.

- (1) If the customer is a trader, our place of business is the place of jurisdiction; however, we are entitled to sue the customer at his place of residence.
- (2) The law of the Federal Republic of Germany shall apply.
- (3) Unless otherwise stated in the order confirmation, our place of business is the place of performance.