



GENERAL TERMS AND CONDITIONS OF SERVICE

For Products and Services of the Business Unit MPS RECONDITIONING in Germany
Version 2018.1 vom 31.10.2018

§1 Scope of Application, General Provisions

1. These General Terms and Conditions of Service (referred to below as 'conditions of service') apply to all deliveries and services, in particular sales support, cleaning, recollect and repair services, (also referred to below collectively as: 'service(s)') of NCG Buchtenkirchen GmbH, NCG Europe GmbH and NCG/WEISS IBC Servicecenter GmbH & Co. KG (each referred to below as 'NCG'), unless these companies expressly state that different General Business Terms are to apply. NCG does not accept terms of the contracting party which are inconsistent with or supplementary to these conditions of service, unless NCG expressly agrees to the application of such terms in writing. These conditions of service shall also apply where NCG provides the service to the contracting party unconditionally in the knowledge of terms of the contracting party which are inconsistent with or supplementary to them.

2. These conditions of service apply only vis-à-vis companies within the meaning of Section 14 German Civil Code (BGB), legal persons under public law and special funds under public law.

3. These conditions of service shall also apply, in the context of an existing business relationship, for all future business with the contracting party without the need for them to be referred to specifically in each individual case.

4. NCG reserves the right to amend the conditions of service which have become an integral part of the contract before the end of the contractual relationship. Any amendment to the conditions of service will become an integral part of the contract concluded between NCG and the contracting party, if a) NCG notifies the contracting party of the amendment and typographically highlights in the notice of amendment the aspects of the amendment, insofar as they are disadvantageous to the contracting party; and b) the contracting party does not object in writing to an amendment within six weeks of receipt of the notice of amendment, provided NCG points out the legal consequences of a failed objection in the notice of amendment.

5. Where reference is made in these conditions of service to a written form requirement, text form within the meaning of Section 126b (permanent data carrier, e.g. letter, fax, email) shall be sufficient to satisfy the written form requirement, unless expressly agreed otherwise.

§2 Offer, Order, Conclusion of Contract

1. Offers from NCG, in the absence of a statement to the contrary, shall be subject to confirmation and without obligation.

2. All statements in offers, order confirmations and other documents relating to dimensions, volume and weights shall be interpreted with the customary tolerances, even if this is not specifically referred to elsewhere. With regard to material strengths and quality, the terms of the German Standards Institute (DIN) shall apply.

3. Any trade terms shall be interpreted in accordance with the version of the INCOTERMS in force at the time of conclusion of the contract.

4. A contract with NCG will be brought about by an order or other mandate by the contracting party and a written declaration of acceptance by NCG or by execution of the order/mandate by NCG.

5. All agreements reached between NCG and the contracting party in connection with the conclusion of a contract must be recorded in writing. Oral agreements made before or on conclusion of the contract shall not be binding.

6. The weights and quantities determined by NCG at the time of dispatch will be critical for the completeness of a dispatch.

§ 3 Performance Deadlines

1. Performance deadlines and dates (e.g. delivery dates, collection dates etc.) will be binding upon written confirmation of the date or deadline in the declaration of acceptance by NCG.

2. Performance deadlines shall commence on the date of the declaration of acceptance by NCG, but not before clarification of all details of the order (e.g. quantity, type, specification, place of delivery etc.). Performance deadlines and dates shall be subject to timely cooperation and fulfilment of the contractual obligations by the contracting party. They will be extended automatically by the time during which the cooperation or other performance is not rendered, or not rendered in accordance with the contract, by the contracting party.

3. In the case of products sold, the date of notification of readiness for dispatch by NCG shall be critical for

the observance of agreed performance deadlines and dates.

4. Force majeure events which affect NCG or a supplier or sub-contractor of NCG, e.g. natural disasters, civil unrest, war, strike, accidents, official decrees, third-party interventions etc., will defer the performance deadlines and dates by the duration of the impediment plus a reasonable start-up period and shall not entitle the contracting party to claim compensation from NCG as a result. Unforeseeable events which render performance significantly more difficult or impossible for NCG and which NCG could not avoid, taking reasonable care appropriate to the circumstances of the case, e.g. defects in raw or operating materials, mechanical breakdown, lack of power, obstruction of transport routes, and which are not merely for a short period of time in each case (including where these affect a supplier or sub-contractor of NCG) shall also be considered force majeure events. NCG will inform the contracting party of the occurrence of the impediment. If the impediment lasts for longer than 3 months, NCG will have the right to rescind the contract, as will the contracting party. The contracting party shall have no claim for damages as a consequence of rescission in accordance with this Section 3 (4) declared by NCG or the contracting party.

5. In the event of delay, liability on the part of NCG shall be governed by the statutory provisions, subject to the following terms: claims for damages by the contracting party on account of delay shall be limited to 0.5% of the net order value of the delayed performance for each full week of delay and not more than 5% of such net order value in total. This limit will not apply in the event of willful delay or gross negligence. The contracting party is only entitled to rescind the contract on account of delayed performance by NCG, if NCG is at fault for the non-observance of its respective obligation

§4 Pricing, Payment Terms

1. Unless agreed otherwise, NCG's prices will apply FCA (Incoterms 2010). Transport, insurance, warehousing or costs of inspection by a third party are not included in the agreed prices.

2. In the case of deliveries abroad, all taxes, duties and other charges payable by NCG must be reimbursed by the contracting party.

3. In the event of a continuing obligation in respect of cleaning services by NCG concluded between NCG and the contracting party, unless agreed otherwise,

the individual cleaning orders will be performed at the NCG list prices applicable at the time the individual cleaning order is agreed.

4. All of NCG's prices are net, plus value added tax where this applies.

5. Amounts invoiced by NCG shall be due for payment without deduction within 14 calendar days of the date of the invoice. Unless agreed otherwise, payments shall be made by bank transfer.

6. The deduction of any discount shall only be permitted on the basis of an express written agreement.

7. Timeliness of payments shall depend on the date of receipt of payment.

8. If the contracting party falls into arrears with payment of amounts due, NCG has the right to claim interest from the date of the delay at the standard rates charged by banks for overdraft facilities, but at least at the statutory rate. Further rights are specifically reserved to NCG.

9. In the event of delay in paying receivables under a contract concluded with the contracting party, without prejudice to other rights, NCG is entitled to demand immediate payment of all receivables under this contract, to demand reasonable securities and to make the performance of any outstanding services conditional upon the provision of reasonable security.

10. If, following conclusion of the contract, a significant deterioration in the financial circumstances of the contracting party becomes apparent, as a result of which a claim by NCG is jeopardized, particularly in the case of suspension of payments or an application to institute insolvency proceedings in respect of the assets of the contracting party, NCG shall be entitled to require the contracting party to provide security. If the contracting party fails to provide any security with a reasonable period of time granted to it, NCG (without prejudice to other rights of rescission) will be entitled to rescind or to terminate the contract.

§5 Transfer of Risk

1. Unless expressly agreed otherwise and without prejudice to Section 5(4), the risk of accidental loss and accidental deterioration of the products to be delivered by NCG will be transferred to the contracting party upon notification of readiness to dispatch the products but not later than when the products leave NCG's factory.

2. Should NCG assume the settlement of transport damages against the carrier or the insurance company, the contracting party is obliged to send to NCG without delay a declaration of assignment and the consignment notes together with an assessment of damages and/or statement of facts.

3. If the parties agreed on performance free at destination, the transfer of risk in accordance with Section 5(1) shall be unaffected. In this case, NCG will pay only the freight charges for the contracting party. In the event of an INCOTERM other than FCA being agreed, the transfer of risk under Section 5(1) will also be unaffected.

4. NCG will not be liable for accidental loss and accidental deterioration of substances and materials provided by the contracting party, including products provided by the contracting party for cleaning purposes or released for collection.

§ 6 Collection, Part deliveries, Acceptance, Default in Acceptance

1. Where NCG agrees to collect products to be cleaned (cf. Section 8) or products to be returned (cf. Section 9), NCG fulfils its duty to collect at the time the products are handed over to the carrier.

2. NCG is entitled to make part deliveries of purchased products to the extent this is reasonable for the contracting party. NCG may invoice such part deliveries separately; where it is agreed that the contracting party is to pay the freight charges, the freight charges for all part deliveries may not exceed the agreed freight charges. The right of the contracting party to rescind the entire contract in the event of culpable failure, in breach of duty, to make the remaining deliveries in a timely manner shall be unaffected, if it has no interest in the part delivery which has already been made.

3. Acceptance by the contracting party is only necessary if this is required by law or has been contractually agreed.

4. The contracting party cannot refuse to accept products on account of minor defects, without prejudice to any rights it may have in respect of defects.

5. Acceptance of cleaning services must take place on delivery. Cleaning services shall be deemed accepted, if the contracting party fails to declare acceptance or assert any defects within 24 hours of delivery.

6. Services shall be deemed to have been accepted not later than on commissioning of the subject of the services by the contracting party.

7. Where the contracting party delays acceptance or breaches other duties of cooperation, NCG can demand compensation for the loss incurred, including any additional expenditure, unless the contracting party is not responsible for it.

§ 7 Special provisions for the sale of products

1. In each order for the purchase of products, the desired condition of the products must be specified in sufficient detail by the contracting party. NCG will not be liable for defects, delays in delivery and damage which arise as a result of incomplete and imprecise specifications (e.g. 'as supplied before') in the order.

2. It is the responsibility of the contracting party to assess the suitability of products for the filling materials and quantities used by the contracting party. This applies particularly in the case of hazardous goods. The contracting party is advised to instruct a certified testing laboratory to carry out a suitability assessment.

3. The contracting party should note that reconditioned products, i.e. recycled products, are not equivalent to new products in terms of quality. In fact, reconditioned products are used recycled products which may also contain other used packaging components (e.g. label plates, cross bars and protective corners). The contracting party must therefore pre-check the suitability of the products delivered by NCG and their packaging components for its intended subsequent use.

4. Unless expressly agreed otherwise, NCG shall not be liable for manufacture of the products or manufacture at a particular location.

5. NCG is entitled to supply a structurally modified version of the products ordered, without having to separately inform the contracting party about it, provided the modification does not compromise the normal utility value.

6. NCG's delivery is subject to its own timely and complete self-supply. NCG's duty to deliver shall also be subject to availability.

7. In the context of framework contracts, NCG is only obliged to provide the service on conclusion of an individual contract, and there is no obligation on NCG to conclude an individual contract, e.g. to accept orders. Agreed call-off orders by the contracting party require acceptance by NCG, but NCG is not obliged to accept such orders.

8. Where a number of items are delivered, tolerances will not apply to individual items or to part quantities. NCG is entitled to make surplus or short deliveries to the extent customary in the trade.

§8 Special provisions for cleaning services for products

1. Unless agreed otherwise, cleaning services by NCG shall include collection of the products to be cleaned from the contracting party's premises, cleaning the products of all visible and tangibly perceptible filling material residues and delivery back to the contracting party. NCG will not perform cleaning of product residues which are not visible or tangibly perceptible. Repair works will also only be performed where there is an express agreement and for a separate payment. All references by NCG to any need for repairs to the products to be cleaned are made out of courtesy and without obligation to make further references in the future. This applies equally if, as a result of externally visible damage to the products, NCG informs the contracting party that the products cannot be reused and/or should be replaced. It is the responsibility of the contracting party to assess whether in view of this the products must be repaired or cannot be re-used.

2. The contracting party must notify NCG of special cleaning requirements in writing in good time. NCG is entitled to refuse to implement special cleaning requirements and/or to implement them for payment of additional costs, where they are not covered by the contract.

3. Information provided by the contracting party, particularly in respect of the last filling material contained in the products, will not be checked by NCG for accuracy and possible incompatibilities, for example in relation to the cleaning agents or materials provided by the contracting party.

4. It is the responsibility of the contracting party to test products for their suitability for the filling materials and quantities used by the contracting party. This applies in particular to hazardous goods. The contracting party is advised to instruct a certified testing laboratory to carry out the suitability test.

5. Where there is a framework cleaning agreement or a contract cleaning agreement with the contracting party, the contracting party will inform NCG in writing before collection of the products, if the products have been filled by the contracting party with other filling materials than usually. In this event, NCG will not be obliged to carry out the cleaning.

6. The contracting party must complete the collection order with all requested information (e.g. with regard to the filling material) truthfully and correctly and ensure that the information in the transport document is complete and accurate. The contracting party will comply with any duties resulting from the transport document. NCG shall not be liable for damage caused as a result of missing, untruthful or false information from the contracting party in the collection order or transport document.

7. The contracting party must make the products to be cleaned available on the collection date or, where self-delivery is agreed by the contracting party, hand them over to NCG in the following state:

- a) empty of residue in accordance with state-of-the-art technology;
- b) all openings must be sealed completely tight with original lid, original drainage tap and original sealing caps;
- c) containers shall be free of external contamination;
- d) in a reusable condition, i.e. free of damage to cage and pallets (e.g. deformation and oxidation) which would compromise reuse or transport;
- e) the last filling good is clearly marked; the marking complies with the applicable traffic regulations; label plate, filling good labels, dangerous goods warning labels are clearly

identifiable; the UN markings are embossed or printed; with valid design type approval in case of dangerous goods;

- f) neutralized and free of product/odorless, if the filling good so requires (e.g. toxic, easily flammable, mutagenic, carcinogenic and / or strong-smelling filling materials) and labelled as “neutralized”;
- g) the goods were not filled with any filling material other than that stated.

8. Where the product does not meet the requirements of Section 8(7), without prejudice to other claims and rights NCG shall be entitled,

- a) to refuse acceptance;
- b) to return to the contracting party, at that party's expense and risk, reusable products which it has already accepted; the contracting party is obliged to accept the products returned by NCG subject to the aforementioned conditions;
- c) to empty and/or clean at the contracting party's expense products which have not been properly emptied or cleaned;
- d) at the contracting party's expense, to dispose of products which cannot be reused and/or products for disposal;
- e) to charge the contracting party costs incurred by NCG in respect of the original collection of the products by NCG (where applicable on a pro rata basis).

9. Section 8(8)(d) shall apply mutatis mutandis, if the product breaches a requirement of Section 8(7)(a) to (d), (f) to (g) but can be reused and does not have to be disposed of, provided NCG has allowed the contracting party a reasonable period of time in which to take back the said product from NCG's premises and that period has elapsed without success.

10. NCG is entitled to pass freight costs on a pro rata basis if the actual quantity of goods is not equal to the quantity notified.

11. The contracting party must ensure that NCG is able to agree terms of collection, delivery or return of the products, notably a deadline, at any time within normal business hours with the contracting party. For this purpose, in the event of holiday absences of the

contracting party's staff member responsible for dealing with NCG, the contracting party must appoint a representative, providing contact details, or guarantee that emails will be passed on automatically to a responsible representative.

12. If a fine is imposed on NCG by a public authority because of a breach of statutory provisions relating to hazardous goods (e.g. ADR, GGVSEB) in connection with the loading or transport of products, the contracting party must indemnify NCG against the fine actually imposed, if the cause of that breach is within the sphere of control and organization of the contracting party (e.g. if the product, hazardous materials and dangerous goods labels used by the contracting party do not meet current statutory requirements), unless the contracting party is not responsible for the cause of the breach. Furthermore, the contracting party must indemnify NCG against all third-party claims, including claims from authorities, which are made against NCG and can be traced back to a breach by the contracting party of its public law obligations (e.g. obligations under legislation relating to waste disposal or dangerous goods) or to a breach by the contracting party of Section 8(7), unless the contracting party is not responsible for the cause of the breach.

13. On request, the contracting party must provide the safety data sheets for the last filling material contained in the products. It is required to keep the safety data sheets for this purpose.

14. Where the contracting party provides cleaning agents or materials, it must ensure that these are made available in good time and in sufficient quantity.

15. NCG accepts no liability for damage or expenses arising because of a cleaning agent or cleaning material provided by the contracting party, incorrect technical information from the contracting party or inadequate residual discharge.

16. The contracting party is advised that cleaned products are not of equivalent quality to a new product. Despite the removal of all visible and perceptible filling material residues, traces of the precursor may still be contained in the cleaned product, which may have adverse effects on a new filling material. It is the responsibility of the contracting party to test the product cleaned by NCG for suitability for the filling materials and quantities used by the contracting party, particularly in the case of hazardous goods. The contracting party is advised to instruct a certified testing laboratory to carry out the suitability testing.

§9 Special provisions for taking back products

1. This Section 9 does not apply to services by NCG which are provided under a cleaning contract.

2. An agreement by NCG to take back the contracting party's (used) product will be concluded as a result of an instruction from the contracting party and written declaration of acceptance by NCG or as a result of NCG actually taking back the product. NCG takes back the products for the purpose of their reconditioning. The contracting party does not pay any remuneration to NCG. NCG pays a remuneration to the contracting party only on the basis of a separate agreement with the contracting party. Unless agreed otherwise, the subject of the order to take back the product will be collection of the product by NCG from the agreed collection point. The contracting party's product must be made available in accordance with the conditions set out in paragraph 8 below.

3. Ownership of the product will pass to NCG on receipt of the product by NCG and on condition that it satisfies the requirements of paragraph 8.

4. The contracting party must ensure that NCG is able to agree terms of collection, delivery or return of the products, notably a deadline, at any time within normal business hours with the contracting party. For this purpose, in the event of holiday absences of the contracting party's staff member responsible for dealing with NCG, the contracting party must appoint a representative, providing contact details, or guarantee that emails will be passed on automatically to a responsible representative.

5. Where, despite having been collected within the period specified in the order confirmation at the contracting party's normal collection times, the product cannot be loaded within two hours and the delay is not attributable to NCG, NCG will be reimbursed by the contracting party for downtimes in excess of 2 hours by payment of a demurrage fee quantified by NCG in the order confirmation. If the contracting party fails to make the product available for collection in good time for the notified collection date, it will bear the costs of the wasted journey, including demurrage fee.

6. If the actual number of items of products to be collected differs from the number of items declared to NCG by the contracting party, NCG will be entitled to demand from the contracting party a flat-rate freight charge for each product declared but not made

available for collection in accordance with NCG's current pricing table, unless the contracting party is not responsible for the discrepancy. The contracting party will have the right to prove to NCG that the discrepancy in the number of items has not caused any loss to NCG at all or has caused it loss which is significantly smaller than the flat-rate charge. NCG reserves the right to enforce any further claims and rights. However, the flat-rate charge incurred will be set off against any further claims for damages.

7. NCG is entitled to employ sub-contractors and other agents for execution of the order to take back products.

8. On the collection date, the contracting party must make the products available or, where self-delivery by the contracting party is agreed, hand them over to NCG in the following state:

- a) empty of residue in accordance with state-of-the-art technology;
- b) all openings must be sealed completely tight with original lid, original drainage tap and original sealing caps;
- c) containers shall be free of external contamination;
- d) in a reusable condition, i.e. free of damage to cage and pallets (e.g. deformation and oxidation) which would compromise reuse or transport;
- e) the last filling good is clearly marked; the marking complies with the applicable traffic regulations; label plate, filling good labels, dangerous goods warning labels are clearly identifiable; the UN markings are embossed or printed; with valid design type approval in case of dangerous goods;
- f) neutralized and free of product/odorless, if the filling good so requires (e.g. toxic, easily flammable, mutagenic, carcinogenic and / or strong-smelling filling materials) and labelled as "neutralized";
- g) the goods were not filled with any filling material other than that stated.

9. On request, the contracting party must provide the safety data sheets for the last filling material contained in the product. It is required to keep the safety data sheets for this purpose.

10. Acceptance of the product by NCG at the time of collection does not imply acceptance of the product as being in accordance with the contract. NCG points out that, for lack of technical expertise and equipment of transport personnel, a conclusive inspection of the products cannot be executed when they are collected by NCG.

11. Where self-delivery by the contracting party of the products to be taken back is agreed, self delivery must take place during the delivery times in operation at NCG's factory. The contracting party is required to agree the delivery time with NCG in advance.

12. Where the product fails to meet the requirements of Section 9(8), without prejudice to other claims and rights NCG will be entitled:

- a) to refuse acceptance;
- b) to return to the contracting party, at that party's expense and risk, reusable products which it has already accepted; the contracting party is obliged to accept the products returned by NCG subject to the aforementioned conditions;
- c) to empty and/or clean at the contracting party's expense products which have not been properly emptied or cleaned;
- d) at the contracting party's expense, to dispose of products which cannot be reused and/or products for disposal;
- e) to charge the contracting party freight costs incurred by NCG in respect of the original collection of the products by NCG (where applicable on a pro rata basis).

13. NCG is entitled to pass freight costs on a pro rata basis if the actual quantity of goods is not equal to the quantity notified.

14. If a fine is imposed on NCG by a public authority because of a breach of statutory provisions relating to hazardous goods (e.g. ADR, GGVSEB) in connection with the loading or transport of products, the contracting party must indemnify NCG against the fine actually imposed, if the cause of that breach is within the sphere of control and organization of the contracting party (e.g. if the product, hazardous materials and dangerous goods labels used by the contracting party do not meet current statutory requirements), unless the contracting party is not

responsible for the cause of the breach. Furthermore, the contracting party must indemnify NCG against all third-party claims, including claims from authorities, which are made against NCG and can be traced back to a breach by the contracting party of its public law obligations (e.g. obligations under legislation relating to waste disposal or dangerous goods) or to a breach by the contracting party of Section 9(8), unless the contracting party is

§ 10 Defects

1. If performance is defective at the time risk is transferred, NCG is, at its own choice, entitled to remedy the defect or to substitute performance (referred to below as: 'supplementary performance'), at its own discretion. If supplementary performance fails, the contracting party will be entitled to a price reduction or to rescind the contract. The contracting party will only have a claim for damages or reimbursement of expenses in accordance with Section 11. Any further rights of the contracting party shall be excluded.

2. By way of derogation from Section 10(1), subject to the provisions of Section 11 on liability for damages, the contracting party will not have any rights relating to defects in respect of second-hand products sold. Furthermore, the contracting party will have no claims for defects where products are taken back.

3. The contracting party will only have rights in relation to material defects, if the contracting party notifies NCG of the material defect in writing immediately following delivery. Material defects which cannot be detected even in the course of a proper incoming goods inspection must be notified to NCG in writing immediately after they are detected. Otherwise, the service shall be deemed approved with respect to the material defect in question. This Section 10(3) applies to purchase agreements/contracts for work and materials as well as service contracts, but not in the case of fraudulent concealment of a defect.

4. In the case of a purchase agreement/contract for work and materials, the place of delivery of supplementary performance shall be NCG's factory from which the delivery originates; with any other service, it will be NCG's factory in which the original service was carried out.

5. Products will not be considered defective, a) if changes have been made to the performance by the

contracting party or by third parties appointed by it following transfer of risk, unless the defect is not related to the changes; b) maintenance or repair works have not been properly carried out by the contracting party or third parties, unless the defect is not related to the maintenance or repair works which have not been properly carried out; or c) on account of slight variations in colour tone and other minor external damage, such as rust film, in the case of sold products.

6. Any information about the product life duration by NCG shall not be interpreted as a warranted characteristic or guarantee or as an extension of the limitation period for defects.

7. Unless agreed otherwise, NCG shall only be obliged to render performance which is free of industrial property rights and copyright held by third parties (referred to below as 'property rights') in the country of the place of delivery. Rights of the contracting party for infringement of property rights are excluded where the contracting party is responsible for the property right infringement or where the property right infringement has occurred as a result of special instructions by the contracting party. For infringements of property rights and other legal deficiencies, paragraphs 1, 2, 4 and 5 of this Section 10 apply mutatis mutandis.

§11 Liability for damages and reimbursement of expenses

The following provisions apply, without prejudice to Section 11(4), to liability on the part of NCG for damages or reimbursement of expenses, irrespective of the legal basis (breach of duties under the law of obligations, contract, tort etc.):

1. NCG shall be liable in case of intent or gross negligence, in case of loss of life, personal injury or harm to health and under product liability law in accordance with the statutory provisions.

2. In the event of breach of essential contractual obligations, i.e. obligations whose breach jeopardizes the purpose of the contract and on the observation of which the contracting party generally relies and can reasonably expect to be able to rely on, NCG's liability will be limited to the net order value, unless there is intent or gross negligence, loss of life, personal injury or harm to health or liability under product liability law. Other than that, NCG shall not be liable in cases of simple negligence.

3. By way of derogation from the first sentence of Section 11(2), NCG shall not be liable in any event for and in connection with the collection of products in cases of simple negligence, unless there is loss of life, personal injury or harm to health or liability under product liability law.

4. Section 3(5) (liability because of delay) shall prevail over this Section 11.

5. Insofar as liability on the part of NCG is excluded or limited, this also applies to the personal liability of the bodies, representatives, employees and agents of NCG.

§12 Reservation of Title

1. This Section 12 applies only to purchase agreements, including contracts for work and materials.

2. NCG reserves title to the products delivered by NCG (also referred to below as 'reserved products') until all claims which NCG makes now or in the future against the contracting party on any legal ground are satisfied unconditionally and in full.

3. In the event of breach of contract by the contracting party, particularly in the event of payment delay, NCG will be entitled to repossess the reserved products. Repossession of the reserved products by NCG does not constitute rescission of the contract, unless NCG expressly declares to rescind the contract in writing. On repossessing the reserved products, NCG shall be entitled to dispose of them; the earnings from the disposal (minus reasonable disposal costs) shall be set off against outstanding claims of the contracting party against NCG.

4. Processing or transformation of the reserved products by the contracting party will always be carried out for NCG as manufacturer for the purposes of Section 950 German Civil Code (BGB), without obligation on NCG's part. If the reserved products are processed together with other items not owned by NCG, then NCG will acquire co-ownership of the new object in proportion to the invoice value of the reserved products relative to the other processed items at the time of processing. Co-ownership rights of NCG under this provision shall be regarded as 'reserved products'.

5. If the reserved products are inseparably combined or mixed with other items which are not property of NCG, then NCG will acquire co-ownership of the new

item in proportion to the invoice value of the reserved products relative to the other combined or mixed items at the time they are combined or mixed. If the combination or mixing takes place in such a way that one of the items not owned by NCG is considered to be the principal object, then the contracting party hereby transfers to NCG co-ownership of the new object in proportion to the invoice value of the reserved products relative to the other combined or mixed items at the time they are combined or mixed. The contracting party will hold the resulting joint property in custody on NCG's behalf. Co-ownership rights of NCG under this provision shall be deemed as 'reserved products'.

6. In the event of seizure of property or any other third-party intervention affecting the reserved products, the contracting party shall inform NCG in writing immediately.

7. The contracting party is entitled to resell the reserved products in the ordinary course of business; however, it hereby assigns to NCG any claims against its purchasers arising out of the resale. If the reserved products are sold together with other items which are not property of NCG, assignment of the claims from the resale shall only amount to the invoice value of the reserved products. In the event of a resale of reserved products in which NCG has co-ownership rights, assignment of the claims shall be limited to the value of the co-ownership shares.

8. The contracting party is authorized to collect the claims resulting from resale of the reserved products.

9. NCG shall be entitled to revoke the authorization to resell and to collect claims from the resale if the contracting party is in delay in payment or if, following the formation of the contract, a significant deterioration in the financial circumstances of the contracting party becomes apparent which jeopardizes a claim of NCG, in particular in the event of suspension of payments or a petition to open insolvency proceedings against the assets of the contracting party. In these events, NCG may demand that the contracting party immediately disclose to it the assigned claims and their debtors, provide all information required for collection, hand over the corresponding documents and inform its debtors of the assignment.

10. NCG is obliged, at the request of the contracting party, to release the securities to which it is entitled to the extent that the realizable value of the securities exceeds the receivables to be secured by more than 10%.

§13 Limitation

1. The limitation period for claims of the contracting party in respect of defects is six months from the start of the statutory limitation period.

2. By way of derogation from Section 13(1), the statutory limitation period shall apply in the case of a) Section 438(1) No. 1 German Civil Code (BGB) (third-party rights in rem); b) recourse claims under Section 479(1) German Civil Code (BGB); c) fraudulent intent; d) claims for compensation based on intent or gross negligence, culpably caused death, personal injury or harm to health or liability under the German Product Liability Act.

3. As a principle, any rectification or new provision of the performance carried out by NCG is a gesture of goodwill and is made without acknowledging any legal obligation. There shall only be acknowledgment resulting in recommencement of the limitation period, if NCG expressly states to the contracting party that this is the case.

4. For other claims of the contracting party against NCG, the limitation period is reduced to two years from the start of the statutory limitation period. This does not apply to claims for compensation in accordance with Section 13(2)(d), for which the statutory limitation period applies.

§14 Retention, Set-off, Group accounting Clause

1. The contracting party is not entitled to claim a right of retention or right to refuse performance or to set off a claim against a claim of NCG, unless the counterclaim of the contracting party is uncontested or finally determined by a court of law or relates to the same contractual relationship as NCG's counterclaim.

2. The contracting party agrees that each Mauser Group company residing in the Federal Republic of Germany may set off against claims of the contracting party any claims which either the respective company itself or another Mauser Group company residing in the Federal Republic of Germany can assert against the contracting party. Upon request, NCG shall inform the contracting party of the aforementioned companies which are entitled to set-off. Otherwise, set-off shall be subject to the statutory requirements.

3. The contracting party agrees that each Mauser Group company residing in the Federal Republic of Germany can also set off claims which it has against a company which is (directly or indirectly) controlled by the contracting party, which controls the said contracting party or is jointly controlled with the contracting party, against claims of the contracting party. The contracting party will impose a corresponding obligation on companies which are directly or indirectly controlled by the contracting party, control the contracting party or are jointly controlled with the contracting party. Otherwise, set-off shall be governed by the statutory requirements.

4. 'Mauser Group companies' for the purposes of this Section 14 are those companies which are (directly or indirectly) controlled by Mauser Corporate GmbH, control the said Mauser Corporate GmbH or are jointly controlled with Mauser Corporate GmbH.

United Nations Convention on the International Sale of Goods (UN Sales Convention/CISG).

4. The language of the contract and the working language shall be German.

5. Should one or more provisions of these conditions of service or of the contract be or become null and void or invalid, this shall not affect the validity of the rest of the contract.

§15 Data Protection

NCG points out that personal data (e.g. name, job title, industry sector or business designation, telephone number and email address) of the contracting party and/or its employees will be stored for the purposes of establishing, performing or terminating any contractual or similar relations with the customer.

§16 Jurisdiction, Place of performance, Applicable law, Language, Severability clause

1. The place of jurisdiction for all disputes arising out of and/or in connection with the contract shall be Cologne. This also applies in the case of disputes relating to summary proceedings based entirely on documentary evidence and special proceedings to decide claims arising out of a bill of exchange. However, NCG is also entitled to avail itself of legal remedies against the contracting party in the contracting party's general court of jurisdiction or another competent court.

2. The place of performance of a delivery shall be the factory of NCG from which the delivery originates, and for any other performance the factory of NCG in which the performance is to be rendered.

3. All legal relations between NCG and the contracting party shall be governed by the law of the Federal Republic of Germany to the exclusion of the