

**SALES, DELIVERY AND ASSEMBLY CONDITIONS OF KIDDE-DEUGRA BRANDSCHUTZSYSTEME GMBH**
**1. GENERAL**

- 1.1. These General Terms and Conditions of Sales, Delivery and Assembly ("GTC") of Kidde-Deugra Brandschutzsysteme GmbH apply exclusively to the business relationships between the customer and ourselves.
- 1.2. These GTC together with the respective order confirmation constitute the entire agreement between us and the customer pertaining to the ordering of deliveries and services by the customer and shall supersede all previous agreements and arrangements, either oral or written.
- 1.3. Any deviating terms and conditions, in particular general terms and conditions of purchase of the customer, shall not apply, even if we, knowing of such terms and conditions of purchase, do not object to them expressly or deliver goods to the customer without reservation.
- 1.4. These GTC shall also apply to all future transactions between the parties, even if no explicit reference has been made to their applicability in the individual case.
- 1.5. We shall have the right to amend the then current GTC subject to prior written notification, including information on the right to object, of the customer and the envisaged amendments shall become effective unless the customer objects within two (2) weeks after receipt of such notice.

**2. OFFER AND ACCEPTANCE**

- 2.1. If not agreed otherwise, our offers are without engagement and only constitute an invitation to the customer to submit a binding offer. A contract between us and the customer is only concluded if we accept the customer's offer by sending a written order confirmation.
- 2.2. The customer is bound by his order for four weeks.

**3. PRICES AND PAYMENTS TERMS**

- 3.1. Invoicing will be in Euro plus the statutory VAT. Our prices are ex Ratingen. Packaging, freight, customs duties and inspection certificates or materials certificates requested by the customer are charged separately.
- 3.2. Our invoices are due for payment immediately after receipt. If the customer is in default with one of our due accounts, all our accounts from the business connection with the customer will become due immediately, unless the default is neither serious regarding the due amount nor regarding the duration of the default.
- 3.3. We reserve the right to deliver only against payment or provision of securities. We further reserve the right to request payment in advance in case that our payment claim could be put in danger due to lack of solvency of the customer.
- 3.4. Customer may only make a set-off if customer's counterclaim is undisputed or non appealable or ready for decision. Customer may only assert a right of retention if customer's counterclaim is undisputed, non appealable or ready for decision.

**4. DELIVERY TERMS**

- 4.1. Delivery periods and dates are always non-binding unless they have been expressly confirmed by us in writing. Delivery periods and dates are subject to the fulfilment of any contractual duties on the part of the customer (in particular duties of cooperation), and, if necessary, timely provision of approvals or releases.
- 4.2. Deliveries – even (by way of exception) carriage free deliveries – are made at the customer's risk.
- 4.3. We are entitled to make part delivery and part performance insofar as such part delivery and part performance can be used by the customer in a reasonable economic manner.
- 4.4. We shall not be responsible and held liable for any delay or default in the performance of our contractual obligations to the extent this default is caused by an event beyond our control ("force majeure"). An event of force majeure shall, without limitation, in particular include: (a) fire, (b) natural disasters, (c) business disruption (whether relating to our business or to businesses of our suppliers), (d) strikes, lockouts or labor disputes of any kind (whether relating to its own employees or others). For the duration of force majeure, the performance period shall be extended by the delay caused by the occurrence of force majeure plus an adequate restarting period. Each party shall have the right to cancel the contract if the performance thereof is prevented for more than three months due to the occurrence of force majeure.
- 4.5. Our contractual obligation to deliver the product is subject to us receiving correct and timely delivery ourselves from our suppliers. This condition shall only apply in case we are not responsible for non-delivery, in particular if we have timely placed a corresponding order with our suppliers. If delivery is not made to us by our supplier, (i) we shall notify the customer immediately, and (ii) we are entitled to withdraw from the contract, with any payments of the customer to be refunded immediately.
- 4.6. Deliveries will be made by us as long as our stocks last.

**5. ASSEMBLY AND MAINTENANCE SERVICES AND CHARGING THEREOF**

- 5.1. A work report will be compiled on the time taken for the assembly and maintenance work carried out and the additional material used (that is charged at a daily rate) which must be signed by the customer or his authorised representative as being acknowledged.
- 5.2. We charge customer for our assembly and maintenance services on a time and material basis.
- 5.3. Special conditions apply to assembly services abroad and other services.

**6. ACCEPTANCE, TRANSFER OF RISK, CALL**

- 6.1. In case of work performance, a formal acceptance shall take place.
- 6.2. For call purchases the customer must retrieve the goods no later than three months after being informed that they were ready for dispatch.
- 6.3. Should the customer fall in default with the acceptance or the call, we are entitled to rescind the contract after having set a reasonable period and to demand 25% of the agreed price as lump-sum compensation. The customer has the right to prove that no damage was caused or that it was significantly lower than the lump sum. Our right to claim the actual damages remains unaffected.

**7. RETENTION OF TITLE**

- 7.1. Products delivered by us shall remain our property until the agreed purchase price has been fully paid and all claims arising from the mutual business relationship have been settled by the customer (extended retention of title). Until the passage of title, the customer is obligated to treat the delivered goods with due care, to maintain them at its own cost and to procure adequate insurance against damage, destruction and loss of the good.
- 7.2. Any disposal by the customer of products with a retention of title is only permitted in the ordinary course of business of the customer and subject to the following conditions:
  - a. Under no circumstances may the product be pledged or assigned to third parties as security in the ordinary course of business.
  - b. Where the product is sold in the ordinary course of business, the purchase price paid to the customer takes the place of the product. The customer hereby assigns to us all claims against its buyers or third parties resulting from any such sale. The customer is entitled to collect the claim provided it complies with its payment obligations vis-à-vis us. With view to the extended retention of title (assignment of respective future purchase price claims), any pledge/assignment to a third party, in particular a credit institution, is not permitted. We shall at any time be entitled to request the handing over of the customer's sales documents, to examine such documents, and to inform the customer's buyers of the

preexisting retention of title.

- c. If the customer's receivables from a resale have been included in a current account, the customer hereby assigns its claims vis-à-vis its customer in connection with such current account to us. Such assignment shall cover the amount charged to the customer by us for the resale of the product subject to retention of title.
- 7.3. Any processing or modification of products by the customer prior to the transfer of title shall be deemed effected on behalf of us (it being understood that this does not give rise to any claims of the customer vis-à-vis us). If the products are processed together with other objects not belonging to us, we acquire a co-ownership in the resulting new objects in the proportion of the value of its products (final invoice total, including VAT) to the value of the other processed objects at the time of processing. In all other respects, the resulting new items shall be treated like the products delivered subject to retention of title.
- 7.4. If the products are inseparably mixed with other objects not belonging to us, we shall acquire co-ownership in the new objects in the proportion of the value of its product (final invoice total, including VAT) to the value of the other, intermixed objects at the time of mixing. If the products are mixed in such a way that the resulting customer's object is to be regarded as the main object, it shall be understood that the customer transfers to us co-ownership in such object on a pro-rata basis. Purchaser undertakes to safekeep the owned or co-owned objects on our behalf.
- 7.5. In the event the value of the securities according to the above clauses is going to exceed the amount of the receivables secured thereby by more than 10% in the foreseeable term, the customer shall be entitled to request that we release such securities whose value exceeds the above percentage.
- 7.6. The assertion of our rights under the retention of title shall not release the customer from its contractual obligations. The value of the product at the time of repossession shall merely be set off against our receivables vis-à-vis the customer.
- 7.7. We are entitled to withdraw from the contract, if a product subject to retention of title on the part of us is sold other than in the ordinary course of business of the customer, in particular if the product in question is pledged or assigned as security, unless we have expressly agreed to such sale in writing.

**8. WARRANTY CLAIMS**

- 8.1. Unless otherwise agreed in this clause 8, warranty claims shall be governed by the statutory provisions.
- 8.2. We do not assume any liability in terms of guarantees for quality, durability or any other guarantees, unless we expressly declared such a guarantee in writing.
- 8.3. We do not assume any warranty for a specific use or a fitness for a particular purpose of the delivered products, unless expressly agreed in writing.
- 8.4. The customer has, to the extent performable in the ordinary course of business, to duly inspect the goods immediately upon delivery and to notify any apparent defects. The notification shall not be deemed immediately when it is not given within 3 working days of delivery. Defects which cannot be discovered within this period even upon careful inspection (hidden defects) have to be notified to us immediately upon detection, at latest within 3 working days after the date and time of detection. If notification is not given as set out in this clause 8.4, the goods shall be deemed to be approved by the customer.
- 8.5. We are not liable for defects in the event of failure to use the products in accordance with any instructions, specifications, use statements or conditions of use made available by us to the customer or if another party has carried out work on the equipment which was the subject of our work, or on our goods respectively, provided that the customer cannot prove that the defect is due to our contractual performance.
- 8.6. The warranty period is 12 months from delivery of the goods or in case of work performance from acceptance of the work. This does not apply in case we are liable without restriction according to clause 9.
- 8.7. In case of warranty, we shall provide subsequent performance at our choice by remedying the defect or delivering a product without defects. Subsequent performance shall be deemed unsuccessful after the second unsuccessful attempt, unless otherwise apparent given the type of problem or defect or other circumstances.
- 8.8. Only in the event (i) we seriously and finally refuse subsequent performance, (ii) subsequent performance is unsuccessful, or (iii) a reasonable deadline for subsequent performance set by the customer has not been met, shall the customer be entitled (a) to withdraw from the contract or (b) to reduce the purchase price accordingly. Subject to the limitations of clause 9, the customer may furthermore demand compensation.

**9. DAMAGES AND LIABILITY**

- 9.1. We assume liability without restrictions for any such damages to a person's life, limb and health if the breach of duty attributable to us is based on intent or negligence. Furthermore, we assume liability without restrictions for other damages based on intent or gross negligence.
- 9.2. In the case of a slightly negligent breach of duties that are essential for the reasonable and proper performance of the contract and that the other party duly has relied and may duly rely upon ("Kardinalpflichten"), our liability shall be limited to the foreseeable damage typical of this type of contract.
- 9.3. Notwithstanding section 9.4, any other claim for damages is excluded.
- 9.4. Limitations and exclusion of liability laid down in this section 9 and section 8.6 leave unimpaired our liability resulting from the mandatory provisions of the German Product Liability Act (Produkthaftungsgesetz), from fraudulent concealment of a defect or from any declaration of guarantee for the condition of the goods.
- 9.5. This section 9 governs any claims brought forward by the customer against us, irrespective of their legal foundation, including, without limitation, liability arising out of contract and tort.
- 9.6. Insofar as our liability is limited or excluded under this section 9, these limitations and exclusions apply to the same extent to the personal liability of our employees, legal representatives and vicarious agents.

**10. FINAL PROVISIONS**

- 10.1. The customer may not assign or transfer its claims against us without our prior written consent. Section 354a German Commercial Code remains unaffected.
- 10.2. Unless otherwise provided for in the order confirmation, the place of performance for both parties shall be Ratingen. Exclusive place of jurisdiction for all disputes arising between the parties, even for action on a bill or on a check, shall be Ratingen or, at our choice, the seat of the customer.
- 10.3. The legal relationship between the customer and us is governed by the law of the Federal Republic of Germany excluding the UN Convention for the International Sale of Goods.
- 10.4. Should any of the provisions stated above be or become ineffective in whole or in part, the validity of the remaining provisions shall not be affected. The parties shall, to the extent legally permissible, immediately replace such provision with a provision that comes closest to the content of the invalid provision and corresponds as closely as possible to the underlying business interests of the parties.