

General Terms and Conditions of ROECKL Handschuhe & Accessoires GmbH & Co. KG

1. Application, Conclusion of Contract, Form

- (1) These General Terms and Conditions of Business („Terms“) apply to all sales and work supply contracts (“the Contract“) between Roeckl Handschuhe & Accessoires GmbH & Co. KG (“the Seller or “We“) and our customer (“the Purchaser“) who is not a consumer according to § 13 German Civil Code (“BGB“). These Terms apply exclusively; we do not accept general terms and conditions of the Purchaser even if the Purchaser has expressly referred to them in its order.
- (2) The Terms apply as a framework including for future Contracts with the same Purchaser (on-going business relationship) without our having to refer to them again in each case. Unless otherwise agreed, the Terms as amended at the time of the Purchaser’s order or in any event in the version most recently communicated to the Purchaser in writing (text form) apply.
- (3) Our offers are, unless otherwise stated, free and non-binding. The order of the goods by the Purchaser is deemed to be a binding offer, which, unless otherwise provided, remains valid for at least one week. That also applies to orders through our dealer platform in which case we initially confirm only receipt of the order by automatic e-mail.
- (4) On written order confirmation or delivery of the goods by us, a binding Contract comes into force. This also applies if the order confirmation contains minor deviations or deviations usual in the trade from the order (e.g. with regard to design, colours etc.). Such deviations are deemed to be approved if and to the extent that the Purchaser does not object to them without undue delay (usually within 5 days). Insofar as the order and the order confirmation correspond, the Purchaser has no right to object.
- (5) Individual agreements including trade terms apply in priority to these Terms. For the content of such agreements a written contract or our written confirmation is decisive subject to proof to the contrary. International trade terms are in case of doubt to be interpreted in accordance with the Incoterms® issued by the International Chamber of Commerce in Paris (ICC) as most recently amended at the time of the conclusion of the Contract (at present Incoterms® 2010).
- (6) Legally significant declarations and notices given by the Purchaser in relation to the Contract (e.g. reminders, objections, notices of defects, rescission) require written form (i.e. text form) for their validity (e.g. e-mail, fax, letter). Statutory form requirements and other evidence in particular in case of doubt about the authorisation of the declarant remain unaffected.

2. Delivery, Place of Performance, Passing of Risk

- (1) Unless otherwise agreed, the delivery is ex our principal place of business in Munich which is also the place of performance for the delivery and any subsequent performance. The delivery will be made by the delivery method agreed or determined by us to the Purchaser’s principal place of business, or to the delivery address indicated by the Purchaser in the order.
- (2) The dispatch of the goods is at the costs and risk (destruction, deterioration and delay) of the Purchaser. If the dispatch is delayed on grounds for which we are not responsible the risk passes to the Purchaser at the time notice of readiness for dispatch is issued. The statutory passing of risk due to default of acceptance and other rights following for us from the default of acceptance (e.g. for reimbursement of storage costs or other additional expenditure) remain unaffected.
- (3) Within the delivery periods and if reasonable for the Purchaser, we are entitled to make partial deliveries.

3. Delivery Period, Non-Availability of the Goods, Delay in Delivery

- (1) The delivery period will be agreed individually or stated by us in the order confirmation.
- (2) If we cannot comply with a binding delivery period on grounds for which we are not responsible (non-availability of performance), we inform the Purchaser thereof without undue delay stating the reason for the delay and stating a new anticipated delivery period as the case may be. If performance is no longer at all possible or not possible within the new delivery period, we are entitled to rescind the contract. In that case, we will return without undue delay to the Purchaser consideration already provided. Non-availability of performance arises in particular if we have not

received supplies in time from our suppliers and as well as in cases of force majeure. The rights of the Purchaser in the event of de-lay in delivery remain unaffected.

- (3) The conditions of delay in delivery are determined according to the statutory provisions. In particular, we are not in delay as long as the Purchaser is itself mainly responsible for the delay (e.g. due to failure to provide information) or performance is outstanding due to circumstances for which we are not responsible. In all cases, a written warning by the Purchaser is required.
- (4) If we fall into delay in delivery, the Purchaser can demand fixed compensation for the damage due to the delay. The fixed compensation shall be for each completed calendar week of delay 0.5% of the net price (by its delivery value) of the goods delivered with delay, in total, however, at most 5% of the delivery value of the Contract. We remain entitled to prove that the Purchaser has suffered no loss due to the delay or only a considerably lesser loss than the abovementioned fixed figures. In addition, the Purchaser has, in the case of our delay in delivery, the rights according to the statutory provisions, i.e. to rescind the contract usually at the earliest after the expiry without success of a period of at least 14 days set by it. Claims of the Purchaser for compensation in place of performance according to Clause 11 and our statutory rights in particular on the exclusion of the obligation to perform (e.g. because of impossibility) remain unaffected.

4. Purchase price, Ancillary expenses, Due date

- (1) Unless otherwise provided in our order confirmation or individual agreements, our prices current at the time of the conclusion of the Contract apply, in each case plus statutory VAT, other public charges (e.g. customs duties, fees) and other ancillary costs. For packaging and shipping, we impose an all-in charge varying on the basis of the weight and country of delivery. On request, we will provide an overview thereof. In any event we are entitled to charge the actual costs incurred in the individual case. All ancillary costs will as far as possible be quantified in the order confirmation, at the latest, however, in the invoice.
- (2) The purchase price together with ancillary costs shall be due and payable within 21 days from dispatch of the goods (the date of invoice) without deductions. We grant the following discounts: 4% on payment by direct debit (SEPA direct debit) and 3% on payment within 7 days. We are also entitled, even in the course of a continuing business connection, at any time to make a delivery, in whole or in part, only against advance payment. We will invoke such reservation on the order confirmation, at the latest.
- (3) We are, subject to the objection of the Purchaser, entitled to invoice electronically. All payments shall be made by bank transfer in Euro to our bank account indicated in the invoice or by SEPA direct debit.

5. Delay in payment, Counterclaims, Objection of lack of security

- (1) On expiry of the payment period according to Clause 4(2) above, the Purchaser will be in delay. Interest for delay is 9 percentage points per annum above the basic rate in each case. Reserving any further claims, we also have the right to payment of a fixed amount of 40.00 Euros. Our claim to commercial default interest pursuant to § 353 German Commercial Code (“HGB“) remains unaffected.
- (2) The Purchaser is entitled to set-off and withholding rights only to the extent that its claim has been adjudicated with legal effect or is undisputed. That does not apply if the counterclaim concerns our main performance obligation from the same contract.
- (3) If, after the conclusion of the Contract it is evident (e.g. by an application for the opening of insolvency proceedings) that our contractual payment claims are at risk because of the Purchaser’s inability to pay, we are entitled, according to the statutory provisions, to refuse performance and – after setting a deadline as the case may be – to rescind the contract (§ 321 BGB). In the case of contracts for manufacturing non-fungible good (individualised products), we can declare rescission immediately. The statutory provisions on dispensing with a deadline and other claims remain unaffected in all cases.

6. Retention of title

- (1) We retain title to the goods until full payment of all claims under the Contract and

an on-going business relationship ("Secured Goods").

- (2) The Secured Goods must be treated with due care and stored separately from other goods. They must be insured at replacement value to the usual extent against material damage (in particular damage by fire, flood, or theft).
- (3) The Secured Goods may neither be pledged to third parties nor transferred as security prior to full payment of the secured claims. The Purchaser must inform us without undue delay in writing if an application for the opening of insolvency proceedings is made or if third parties seize the Secured Goods (execution).
- (4) In case of conduct in breach of contract by the Purchaser, especially non-payment of the purchase price due, we are entitled in accordance with the statutory regulations to rescind the contract and/or demand surrender of the Secured Goods based on the retention of title. The demand for surrender does not contain a declaration of rescission at the same time. We are, in fact, entitled to demand the surrender of the Secured Goods only and to reserve the right of rescission. If the Purchaser does not pay the purchase price due, we can exercise these rights only if we have previously set the Purchaser a reasonable period for payment without result or the setting of such a period may be dispensed with in accordance with the statutory provisions.
- (5) Until cancellation in accordance with subsection (c) below, the Purchaser is entitled to process or sell the Secured Goods in the normal course of business ("Prolonged Retention of Title"). In that event, the following provisions apply in addition:
 - a) Processing (including mixing and combining) takes place for us as manufacturer of the new product. We directly acquire ownership of the product at full value or – if the processing takes place with substances of a number of owners – co-ownership of the product in the proportion borne by the Secured Goods to the value of the product. In addition, the same applies for the resulting product as for the Secured Goods.
 - b) The claims against third parties arising from the resale of the Secured Goods or products are hereby assigned in full by the Purchaser to us as security – proportionately in the case of our co-ownership. We accept this assignment. The same applies to other claims which replace the Secured Goods or which otherwise arise in regard to the Secured Goods (e.g. insurance claims or tort claims in the event of loss or destruction) The obligations of the Purchaser under Clause 6(2) and 6(3) also apply with regard to the assigned claims.
 - c) The Purchaser remains, with us, entitled to collect the assigned claims. We undertake not to collect the claims as long as the Purchaser meets its payment obligations to us and as long as we do not assert the Retention of Title by exercising a right under Clause 6(4). If that is, however, the case, we can demand that the Purchaser informs us of the assigned claims and of the debtors thereof, provides all data necessary for the collection of same, hands over the associated documents and notifies the debtors (third parties) of the assignment. Furthermore, we are entitled in that case to revoke the Purchaser's entitlement to sell and/or process the Secured Goods.
 - d) If the realisable value of the security exceeds our claims by more than 10%, we will, on request of the Purchaser in writing, release security at our choice.

7. Examination, Notice of Defects, Acceptance

- (1) The Purchaser is obligated to examine the goods without undue delay as to defects (including wrong and short delivery) in accordance with the statutory regulations (§§ 377, 381 HGB) to the extent this is feasible in the ordinary course of the business and to pursue any suspicion of a defect with reasonable effort.
- (2) If a defect is established in the examination or before/after (including due to complaints of a customer of the Purchaser), we shall be notified thereof immediately. Such notification will be deemed to be given immediately if made within 5 days from discovery of the defect or, in the case of patent defects, from delivery. Transport damage is also, if possible, to be complained of directly to the transport company and noted on the acknowledgement of receipt. The Notice of Defects must be in writing in all cases.
- (3) If the Purchaser fails to properly examine the goods and/or give notice of defects, the goods will be deemed accepted in accordance with the statutory provisions with respect to the defect notice of which was not given or was not given in time or not given properly.

8. Liability for Defects, Limitation, the Seller's obligations

- (1) The statutory provisions apply regarding the Purchaser's rights in case of defects in quality and in title (including incorrect or short delivery) unless otherwise provided below. The statutory special regulations in case of final delivery of the goods to a consumer remain unaffected in all cases (recourse to supplier, pursuant to §§ 478, 479 BGB). Even in the case of recourse to the supplier, the provisions in Clause 11 apply to claims for compensation.
- (2) The basis for the liability for defects is above all the agreement on the quality of the

goods. All product specifications which are subject matter of the individual Contract or published by us (in particular in catalogues or on the Internet on our dealer platform) are deemed to be agreements on the quality of the goods. We are not, however, liable for public statements of third parties (e.g. advertising statements).

- (3) In addition, the question of defectiveness is to be assessed according to the statutory provisions. If in this connection compliance with public law requirements (including product or market-related obligations) is decisive, only the provisions relevant to marketability of the goods in the Federal Republic of Germany are the criteria. Different foreign requirements which are disadvantageous to us, in particular of the country of destination of the product, are relied on only if this is expressly agreed in an individual case.
- (4) The Purchaser's claims for defects shall be conditional on the Purchaser having satisfied its obligations to examine the goods and notify any defects in accordance with Clause 7 above. Minor deviations in the delivery from the goods ordered, viewed or shown or described in catalogues or on our dealer platform or such deviations as are usual in the trade (e.g. colours, designs, etc.) do not constitute defects.
- (5) If the goods delivered are defective, we can choose whether to provide subsequent performance by rectifying the defect (rectification) or by supplying goods without defects (replacement). The right to refuse subsequent performance on the statutory conditions remains unaffected. We can make subsequent performance dependent on the Purchaser paying the purchase price due. The Purchaser is entitled to temporarily withhold part of the purchase price reasonable in relation to the defect.
- (6) The Purchaser is obliged to give us the necessary time and opportunity for subsequent performance in particular to provide us with the goods complained of for examination purposes. In the event of replacement, the Purchaser is obliged to return the defective goods in accordance with the statutory provisions.
- (7) The expenses required for the purpose of the examination and subsequent performance, especially labour and material costs (not travel and transport costs), shall be borne by us if a defect actually exists. Otherwise, we can demand reimbursement from the Purchaser of the costs incurred (in particular examination and transport costs) unless the absence of defects was not perceptible by the Purchaser.
- (8) If the subsequent performance has failed or if a reasonable period set by the Purchaser for the subsequent performance expires fruitlessly or is unnecessary according to the statutory provisions, the Purchaser may rescind the contract or reduce the purchase price. No right of rescission shall arise however from insignificant defects. Claims of the Purchaser for compensation or reimbursement of futile expenditure also arise in the case of defects only in accordance with the provisions of Clause 11.
- (9) In deviation from § 438 (1) No. 3 BGB, the general limitation period for claims arising from defects in quality or in title (warranty period) shall be one (1) year from delivery. After the expiry of the warranty period, defects claims are excluded. Special statutory regulations on limitation (in particular, §§ 438 (1) Nos. 1 and 2, (3), 444, 479 BGB) remain unaffected. Compensation claims under Clause 11 (2) and (3) become statute-barred exclusively in accordance with the statutory provisions.
- (10) We are not usually obliged vis-à-vis the Purchaser to investigate components and substances used by us in the course of manufacture. If, however, such an obligation arises because of the special circumstances of the individual case, it shall not constitute a fundamental contractual obligation. We accept no liability for the manufacturing process of our suppliers. Even apart from liability for defects, only the provisions applicable for the marketability of the goods within the Federal Republic of Germany (e.g. information obligations) are binding on us unless otherwise expressly agreed.

9. Intellectual Property

- (1) With the sale of the goods, no licenses, rights of use or the entitlement to intellectual property in particular copyright, design, trademark and branding rights of the Seller are granted or assigned. That applies in particular for the use of the brand "Roeckl". The exhaustion under intangible rights law and the entitlements of the Purchaser according to § 23 Trademark Act or similar mandatory legal institutions remain unaffected thereby.
- (2) The Purchaser will inform us without delay in writing, provide us with all information required for legal defence and perform other acts of cooperation if it becomes aware or has a suspicion that a breach of intellectual property rights in the above sense is threatened or has already been committed by a third part in particular by employees or business partners of the Purchaser.
- (3) If a third party claims against the Purchaser in respect of intellectual property rights over sold goods to which the third party is entitled, the above information and cooperation obligations for the purpose of examination and defence of the alleged claims apply accordingly. In addition, the Purchase will, on our request, leave the independent conduct of court and out-of-court proceedings with the third party

including settlement negotiations and conclusion by settlement and acknowledgment, to us. In that case, the Purchaser is obliged to reasonably support us in return for reimbursement of costs thereby incurred.

- (4) If it is established that the goods are subject to third party intellectual property rights, which conflict with or adversely affect the intended use of the goods by the Purchaser, a defect of title is deemed to apply in the meaning of Clause 8. In the context of subsequent performance according to Clause 8(5), we are in particular entitled to remedy the defect by acquiring the rights to use in favour of the Purchaser by altering the goods or replacing them with goods free of defects of title.

10. Sale, Product description, Dealers

- (1) Unless otherwise agreed (e.g. with importers), the Purchaser may actively sell the goods only in the ordinary course of its business (retailing) i.e. only to end customers since we have reserved to ourselves sales to dealers.
- (2) The Purchase may for advertising and presentation of the goods in particular in catalogues and on the Internet only use picture and text material which satisfies the high standards of quality of the goods and correctly and in the statutorily prescribed manner describes their properties. In case of doubt, the Purchaser must consult us and, in the case of the use of its own materials, obtain our advance written approval.
- (3) The externally evident involvement of permanent dealers in the sales (e.g. commercial agents or Internet platforms) requires our prior written consent in each individual case.
- (4) If the Purchaser breaches the above obligations we reserve claims for compensation and injunctions.

11. Damages, Rescission

- (1) We shall be liable for damages in accordance with the statutory provisions unless otherwise provided below.
- (2) In the case of breach of duty – no matter on what legal ground – we are, in the context of fault liability, liable in case of intent or gross negligence.
- (3) In case of simple negligence and less onerous liability standards (e.g. care in one's own affairs), we shall be liable only
- (4) a) for damage due to injury to life, body or health, and
- (5) b) for damage due to not insignificant violation of a material contractual obligation (an obligation whose satisfaction enables the proper performance of the contract in the first place and on whose satisfaction the contracting party regularly relies and may rely); in this case, however, the liability shall be limited to compensation for foreseeable damage typically incurred.

- (6) The above limitations on liability also apply vis-à-vis third parties and in the case of breaches of duty by or in favour of persons for whose fault we are responsible. For claims under the Product Liability Act, the statutory provisions apply exclusively.
- (7) The Purchaser may rescind or terminate the Contract on the ground of a breach of a contractual obligation other than a defect only if we are responsible for such breach. The Purchaser's right of rescission in the case of delay in delivery according to Clause 3(3) remains unaffected, including the statutory provision on the burden of proof. Otherwise, the statutory preconditions and legal consequences apply to the right of rescission and termination.
- (8) If the Purchaser has no right of rescission, rescission ("cancellation") of the Contract requires our written consent. We reserve the right to grant such consent in particular only subject to the condition of payment in advance of reasonable compensation (usually at least 20% of the net purchase price).

12. Choice of law, Place of jurisdiction

- (1) These Terms and the contractual relationships between us and the Purchaser shall be governed by the laws of the Federal Republic of Germany with the international uniform law, in particular, the United Nations Convention on Contracts for the International Sale of Goods being excluded. The choice of law also applies to non-contractual obligations which are closely connected with the Contract. In all other respects, the scope and extent of the choice of law is governed by the statutory provisions.
- (2) If the Purchaser is a merchant, a legal person of public law or a public-law special fund, the exclusive – including international – place of jurisdiction for all disputes arising from the contractual relations shall be our principal place of business in Munich, Germany (the local or district court) The same applies if the Purchaser is an entrepreneur in the meaning of § 14 BGB. We shall also be entitled in all cases, however, to file a lawsuit at the place of performance of the delivery obligation according to Clause 2(1) or any individual agreement with priority or at the Purchaser's place of general jurisdiction. Statutory provisions with priority in particularly on exclusive jurisdiction remain unaffected.

Applicable from: 1 January 2017