
KARL MAYER Textilmaschinen AG

GENERAL TERMS AND CONDITIONS

As of 01.04.2019

1. General scope of application

- 1.1. The following General Terms and Conditions (hereinafter referred to as "GTCs") apply exclusively to all sales, deliveries and services provided by KARL MAYER Textilmaschinen AG (hereinafter referred to as "Services" of KARL MAYER Textilmaschinen AG and the Group companies that are affiliated with the headquarters in Germany [hereinafter referred to as "KARL MAYER"]), which are arranged through the online shop of KARL MAYER Textilmaschinen AG (hereinafter referred to as "Online Shop") with a customer (hereinafter referred to as "Customer").
- 1.2. Consumers and/or private individuals are expressly excluded from using the Online Shop; no contracts are concluded with them. A consumer and/or private individual is any natural person who enters into a legal transaction for purposes primarily attributed neither to their commercial nor to their independent professional activity. An entrepreneur is any natural or legal person or a legal partnership who/that, on conclusion of a legal transaction, does so in their commercial or professional capacity.
- 1.3. Any general terms and conditions of a Customer that differ from these GTCs or the legal provisions will be rejected. Said GTCs do not become part of any contract even in cases where KARL MAYER accepts or processes orders in full knowledge of these contradictory or differing terms and conditions of a Customer.
- 1.4. By submitting an order, the Customer accepts the GTCs for the Online Shop as legally binding.

2. Offers, conclusion of a contract, subject and scope of performance

- 2.1. The presentation of products in our Online Shop does not constitute a legally binding offer; it is a non-binding online catalogue of products only. The Customer can place these products in the shopping cart without being under any obligation to buy and he can also correct his entries at any time prior to sending the final binding order by utilising the tools provided, for which an explanation for their use is also provided. By clicking on the order button, the Customer is placing a legally binding order for the goods contained in the shopping cart. Confirmation of receipt of the order follows immediately after placing the order by email and does not constitute acceptance of the contract.
- 2.2. KARL MAYER can accept the order by sending an order confirmation in a separate e-mail or by dispatching the goods within two working days.
KARL MAYER is in principle not obligated to check the accuracy of the Customer's information or instructions used by KARL MAYER to issue offers or order confirmations or to check whether performance of the order infringes upon any third-party property rights. Any risks detected by KARL MAYER are reported to the Customer.
- 2.3. Information and data contained in data sheets, brochures or other advertising and information material supplied by KARL MAYER merely serve as guidelines and will only become binding content for the contract if expressly agreed by KARL MAYER. The documents belonging to the online shop offers, such as illustrations, drawings and measurements, are also without obligation and non-binding, unless they are expressly designated as binding.
- 2.4. Structure and durability details do not represent a guarantee unless expressly stated as such. The same applies to the assumption of procurement risk.
- 2.5. Unless otherwise agreed in writing, KARL MAYER delivers within the tolerances admissible in accordance with the relevant Swiss or

European industrial standards, in particular as per DIN, VDE, EN ISO, etc.

- 2.6. Technical changes caused by manufacturing processes or legislative changes, or changes resulting from normal product maintenance are admissible provided they are deemed acceptable to the Customer.
- 2.7. The languages available for the conclusion of the contract are German and English.
- 2.8. KARL MAYER will store the contract information and send the Customer the order data and these GTCs by email. The GTCs can be viewed at any time – also on these websites. Previous orders can be viewed in our customer login area under the Customer's account.

3. Scope of delivery

- 3.1. The nature and extent of the Services are determined by the acceptance declaration of KARL MAYER.
- 3.2. If none, or not all, of the selected products are available at the time the Customer places a binding order, then KARL MAYER will inform the Customer of this immediately by email. Payments already made will be refunded. If the product as a whole or in the selected number is not available, KARL MAYER can dispense with an acceptance declaration or alternatively is entitled to make partial deliveries.

4. Period of delivery

- 4.1. The delivery date stated in the acceptance confirmation applies.
- 4.2. Events such as force majeure, industrial action, unrest, regulatory action and similar circumstances beyond the control of KARL MAYER exempt KARL MAYER for the duration of the disturbances and the extent of their effect from the obligation of contractual fulfilment. This also applies when these circumstances arise at subcontractors of KARL MAYER or when these events occur at a point in time at which KARL MAYER is already in default. KARL MAYER will inform the Customer about the commencement and end of such impediments to performance without delay.
- 4.3. Claims for compensation by the Customer due to non-fulfilment or delayed fulfilment on the part of KARL MAYER are in any case excluded, with the exception of the restrictions dealt with in clause 6.5. In each instance KARL MAYER will be granted a waiting period of two weeks in the case of exceeding the delivery date agreed.
- 4.4. Price risk, that is, the risk of accidental destruction or accidental degradation will be transferred on provision of goods at KARL MAYER's shipping department to the Customer even if KARL MAYER has taken on Services such as loading or transportation.
- 4.5. In cases where the Service is delayed for reasons that are the responsibility of the Customer, the risk will be transferred to him at the point of receiving the note of readiness for operation. KARL MAYER is in such cases entitled to charge the Customer for the goods as if delivery had taken place, and store them at the Customer's expense and risk. Upon the Customer's request, KARL MAYER insures the goods against theft, breakage, transport and fire and water damage at the Customer's expense.

5. Prices, payment and delivery conditions

- 5.1. The prices are in Swiss francs or euros ex works, excluding packaging, freight, transport insurance, installation and any other incidental expenses – plus statutory applicable value added tax for delivery within Switzerland, and plus any additional taxes, duties and charges for delivery outside Switzerland. Details of the amount of incidental costs can be found in the offers in the Online Shop.
- 5.2. The payment method for orders in the Online Shop is payment in advance.
- 5.3. The Customer may only offset counterclaims that have been found to be uncontested or legally valid in writing.
- 5.4. KARL MAYER only provides shipping by dispatch and not to packing stations. KARL MAYER generally delivers worldwide, with the exception of countries to which delivery is prohibited by national and international embargo regulations. Furthermore, no delivery is made to countries where KARL MAYER has no strategic customer support network. The Customer must inform himself whether delivery to the desired country is possible prior to placing an order with KARL MAYER.
- 5.5. The Customer has the option of collection from KARL MAYER Textilmaschinen AG, Sandackerstrasse 26, 9245 Oberbüren, Switzerland during the following business hours: Monday to Friday 8.00 a.m. to 4.00 p.m. except holidays. The Customer must inform KARL MAYER Textilmaschinen AG at least two working days prior to collection, so that the goods can be prepared.
- 5.6. In connection with the sale of batteries or with the delivery of equipment containing batteries, KARL MAYER is obliged to inform the Customer about the following: Disposal is the responsibility of the Customer. The Customer bears the costs of disposal as the defined buyer in line with statutory provisions. Packaging is charged at cost price and not taken back.
- 5.7. The Customer, as an entrepreneur, is not granted right of rescission or return. In case of return, therefore, the Customer has to bear the costs.
- 5.8. If a Service that is ready for collection, is not punctually collected or not collected in its entirety, despite a reasonable period of notice and this is not the fault of KARL MAYER, then KARL MAYER will store the goods at the expense and risk of the Customer. KARL MAYER will charge a flat-rate storage fee of 0.5% of the invoice amount per week of delay in collection, but altogether not more than 5%. Alternatively, KARL MAYER reserves the right to charge for storage on a per-day and per-tonne basis.

6. Warranty, Customer's duties for claims for defects, liability and claims for compensation

- 6.1. The term of warranty for parts delivered by KARL MAYER is 12 months, from the date of delivery ex works. This warranty does not apply to parts subject to natural wear and tear. All defects and flaws detected during the above stated period of time where the cause is demonstrably traceable to faulty material or improper execution will be remedied by KARL MAYER. The supply of replacement parts is determined ex works from 9245 Oberbüren, Switzerland. Any other costs associated with the supply of replacement parts are borne by the Customer. Replaced parts pass into the ownership of KARL MAYER.
- 6.2. In cases where faulty parts are sent for repair to the delivering factory, the cost of transport both ways is borne by the Customer. Cost of transport is borne by KARL MAYER merely in cases where defects have to be remedied that are definitely the responsibility of KARL MAYER. Damages arising from excessive strain, the use of unsuitable materials, faulty operating conditions, insufficient

maintenance, faulty operation, chemical, electromechanical or electric impacts or any other use than the intended is not covered by warranty. KARL MAYER explicitly declines any liability for other indirect and direct damages.

- 6.3. Faulty assembly or commissioning by the Customer or third parties or, modifications or inappropriate repairs carried out by the Customer or third parties will result in loss of warranties and/or granted guarantees. The warranty obligation of KARL MAYER applies only to the Customer. It will expire when the goods are sold by the Customer to third parties.
- 6.4. Minor variations from the agreed or standard condition do not constitute a defective product or Service. The general operating instructions or examples of utilisation contained in the KARL MAYER product brochures or other advertising media do not release the Customer from his duty to examine whether the products are suitable for the exact purpose intended. Specific utilization wishes by the Customer are only binding if KARL MAYER has confirmed to the Customer in writing that the products delivered will be suitable for the use intended by the Customer.
- 6.5. The Customer is only entitled to a cost reduction or withdrawal if KARL MAYER fails to carry out supplementary performance within a reasonable period of time or, in doing so, fails to remedy the defect despite three attempts.
KARL MAYER is liable for culpable injury to life, body or health, for claims resulting from product liability law as well as other deliberate or grossly negligent violations of duty. Any other warranty claims are excluded. This applies above all to claims for damages including those resulting from lost profits or other financial losses suffered by the Customer.
In the case of violation of essential contractual duties by KARL MAYER without the fulfilment of which due performance of the contract would be impossible and the due fulfilment of which the Customer may rely upon to a specific degree, KARL MAYER's liability is limited to the damages typical for the contract and foreseeable on completion of contract. In the event of default, KARL MAYER is liable for 0.5% of the value of delayed Service for each full week, limited, however, to a maximum of 5% of this value. Any liability in excess of the liability for damages is excluded irrespective of the legal nature of the claim being asserted.
- 6.6. The reasons and amounts for the aforementioned liability limits will also apply to the benefit of institutions, employees and other proxies and/or vicarious agents of KARL MAYER.

7. Retention of title

- 7.1. KARL MAYER remains the owner of all delivered products until settlement in full of all claims arising from the business relationship with the Customer. This also applies if payments are received for specially marked accounts payable. This also includes claims from cheques and bills of exchange as well as claims from open bills or current account.
- 7.2. The Customer must not attach or assign as security any products that are subject to such retention of title.
- 7.3. Potential machining or processing or mixing by the Customer takes place on behalf of KARL MAYER. Insofar as the property of KARL MAYER may be destroyed in the process, the Customer herewith assigns his rights of ownership in the new product to KARL MAYER. The product henceforth will be deemed on loan to the Customer. In the case of resale of delivered products subject to retention of title and after having informed KARL MAYER in writing, the Customer herewith assigns to KARL MAYER all receivables and other claims against the purchaser, including all ancillary rights resulting from this resale as security to the full amount, that is, also with respect to a surplus, until the settlement of all claims of KARL MAYER against the Customer. KARL MAYER hereby accepts the assignment. The Customer stores the property originating from processing or remodelling of goods subject to retention of title free of charge for KARL MAYER.
- 7.4. The Customer ensures that the goods subject to retention of title are insured appropriately against all usual risks, in particular against fire, burglary and water damage risks at his own expense and that they are handled with care and properly stored.
- 7.5. Any attachments or seizures by third parties of goods subject to retention of title that were delivered by KARL MAYER must be reported to KARL MAYER without delay. Any costs of intervention that may arise in any case are borne by the Customer.
- 7.6. In the case of a transfer of his business to a third party, the Customer is obliged to inform the third party about the property of KARL MAYER subject to retention of title and the extended and expanded retention of title and has to transfer the liabilities arising therefrom to the third party.
- 7.7. In cases where the total value of the securities existing for KARL MAYER exceeds the claims of KARL MAYER by more than 10% and upon the Customer's request, KARL MAYER releases those securities at its own choice.
- 7.8. In cases where the Customer is in default of payment, KARL MAYER is entitled to take back goods subject to retention of title after the successful expiration of a period of grace set by KARL MAYER, even if KARL MAYER has not rescinded the contract.

8. Transfer of risk

- 8.1. Shipping is always at the Customer's risk ex works in accordance with the latest version of INCOTERMS even in cases where free delivery has been agreed. The Customer is fully responsible for proper storage of goods arriving at the destination. The arrangement of insurance against fire, theft, etc. is the responsibility of the Customer.
- 8.2. In cases where shipping or delivery is delayed by the Customer, the risk will, in both cases, be transferred to the Customer on the day of readiness for shipment; however, upon request by and at the expense of the Customer, KARL MAYER is obliged to take out insurance as instructed by the Customer.

9. Liability

As far as legally permissible, claims not expressly conceded in these conditions are ruled out. Other than that, they are restricted to compensation for damage to the delivery item and in total to the damages that typically arise in business of the type in question based on the value of the delivered item, unless caused by deliberate or by grossly negligent violation of contract by KARL MAYER. All claims made against KARL MAYER arising from the aforesaid legal grounds come under the statute of limitation after no more than 12 months from the date of the transfer of risk to the Customer.

10. Place of jurisdiction

- 10.1. The place of jurisdiction for all disputes arising from the contractual relationship is solely the local courts at KARL MAYER's place of business. Apart from that, the place of jurisdiction complies with the law.
- 10.2. This contract is governed solely by Swiss substantive law to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 (CISG).

11. Final remarks

- 11.1. KARL MAYER reserves all intellectual property and copyrights to its quotes, drawings and other documentation relating to its offers. They may not be made accessible to third parties or made available in any other way. The reproduction of such items is only permitted within the scope of operational requirements and copyright regulations. The same applies to products manufactured with the help of these means of production. Upon request, or when no order is placed, all offer documentation must be returned without delay to KARL MAYER.
- 11.2. Amendments and additions to this contract have to be made in writing. The requirement stipulating written form cannot be waived verbally.
- 11.3. If individual provisions of these GTCs for delivery and payment or further agreements should be or become ineffective, this does not affect the validity of the remaining provisions of the contract. The contracting parties shall strive to replace such an ineffective provision by a provision the economic result of which comes as close as possible to that of the ineffective provision. The same applies to any contractual loopholes.
- 11.4. Upon issue/upload of these GTCs for the Online Shop any previous provisions expressed in other words cease to be valid.