General Terms of Sale of fuchs Oral Care GmbH



Translation of German General Terms of Sale

Conclusion of Contract, Subject Matter of Contract and Scope

- The following terms shall apply to customers, corporate bodies under public law or public separate es tates only.
- 2. Our deliveries, services and offers shall be made exclusively on the basis of these General Terms of Sale. The application of a customer's terms of business deviating from the same shall be excluded, even if we do not explicitly contradict them. In case the present General Terms of Sale are already known to the customer, they shall apply also to future transactions without their having to be reiterated.
- The costomer, they shall apply also to future transactions without their having to be retierated.

 3. Our offers of contract shall at all times remain subject to change and without engagement. A contractual relationship shall come into being through the customer's order and our written, teletyped or electronic (e-mailed) declaration of acceptance. The same shall hold true for amendments, changes or sub-agreements. We shall reserve ourselves the right to change at any time our data sheets and descriptive literature already in circulation.

Prices

- Unless any other express agreement is reached, the price for the appropriate quantities and qualities shall be authoritative for the price calculation on the day of delivery plus the statutory sales tax applicable on the day of delivery. The prices shall in case of doubt be valid ex works exclusive of transportation charges, customs duties, incidental import charges and packaging plus value added tax/commodity
- sales tax at the rate applicable at the time.

 2. If subsequent to the conclusion of contract order-relevant costs do change considerably, then the con-
- tracting parties shall be obliged to agree on an adjustment of prices. In case the dependency of the price on the weight per part is stipulated, the final price shall be calculated on the basis of the weight of the outturn sample.
- The price for moulds or tools, respectively, shall also include the sampling costs, yet not the costs for testing and machining appliances as well as changes ordered by the customer.

- Obligation to Deliver and to Take Delivery

 1. Terms of delivery shall begin to run upon the receipt of all documents required for the execution of the order and - as the case may be - upon the provision of materials in time and the receipt of the customer's down payments as agreed. With the notification of readiness for dispatch the term of delivery shall be regarded as having been complied with in case shipping the goods is not possible without our
- 2. If an agreed term of delivery is not complied with due to our own fault, then the customer shall be entitled with the exclusion of further claims upon the expiration of a reasonable period of grace to claim a reasonable indemnification or to withdraw from the contract in case he pointed out when extending the time limit that he might refuse to take delivery.
- 3. Our term of delivery shall be complied with subject to the correct, complete and timely supply to ourselves. Reasonable partial deliveries as well as deviations from quantities ordered up to ± 10
- Acts of God affecting our company or the companies of our sub-suppliers may extend the term of deliv-ery. The same shall also apply to interventions by public authorities, difficulties of supply with energy and raw materials, strikes, lock-outs and unforeseeable problems with suppliers if we are not answerable for them. We shall make sure that adverse effects on the customer shall be kept as low as possible, if necessary by allowing the use of moulds, tools and appliances for the duration of the impediment.

 5. In case of call orders without the stipulation of contract periods, production batches and dates of delivery
- we shall be free to demand a binding delivery schedule at the latest 3 months from our order confirma-tion. If the customer fails to comply with this demand within 3 weeks, then we shall be authorized to set an additional 2-week period of time and withdraw from the contract after its expiry or refuse to take delivery and claim damages.

- Passing of Risk, Packaging and Dispatch

 1. The risk shall pass to the customer even in the event of a carriage-free delivery upon leaving our
- In case of delays of dispatch which the customer is answerable for the risk shall pass already with the notification of readiness for dispatch.
- 10 unitidation or redunities no dispatch.
 3. Unless agreed upon otherwise we shall be authorized to choose the packaging and mode of dispatch at our discretion. Upon the customer's written request the goods will be insured at his expense against breakage, transport and fire damages.

Provision of Materials

- Provision of Materials

 If materials are being provided by the customer, then the same are to be delivered with a reasonable surplus quantity, yet at least 5 %, in due time and in accordance with the specification agreed upon.

 In case of a non-compliance or belated compliance with the customer's obligations to provide the materials, the term of delivery will extend accordingly. Except in cases of acts of God the customer shall bear the extra costs incurred also for the manufacturing interruptions caused thereby

- Moulds, Tools and Appliances

 1. If we are the owner of the moulds, tools and appliances, then the same shall be used only for the execution of the customer's orders as long as the latter complies with his obligation to pay and accept the goods in question. Our obligation of safe-keeping the moulds, tools and appliances shall expire after 2 years from the last delivery of parts and previous written notification to the customer.
- If the customer is the owner of the moulds, tools and appliances we shall identify the same as third party property and store the moulds, tools and appliances with the same diligence with which we keep our own tools. We have the right to retain the moulds, tools and appliances until the customer has complied with all his obligations arising out of this agreement, in particular his obligation to pay. Our safe-keeping obligations shall expire if and when the customer fails to collect the moulds, tools and appliances after execution of the order and a corresponding written request. In such case we shall be authorized to return the moulds, tools and appliances to the customer at the latter's expense.
- Irrespective of the customer's statutory right to claim restoration and regardless of the service life of the moulds, tools and appliances we shall be entitled until the acceptance of a minimum number of pieces to be agreed upon and/or the expiration of an agreed period of time - to the exclusive possession of the moulds, tools and appliances.
- In case of the handover of moulds, tools and appliances and the transfer of know-how associated therewith we shall be entitled to a reasonable compensation.
- 5. The costs incurred for maintenance and insurance of moulds, tools and appliances shall in any case be borne by the customer

- Retention of Title

 1. The goods as delivered shall remain our property until settlement in full of all our claims arising out of the business relation. The goods delivered to the customer shall be regarded as goods delivered subject to retention of title. We shall be entitled to take back the goods subject to retention of title if the customer acts in violation of the contract.
- 2. When the goods subject to retention of title are used for production we shall be regarded as manufacturer and acquire a title to the newly made products. If the goods subject to retention of title are processed, combined or mixed with goods which are owned by a third party, then we acquire a co-ownership of the products resulting therefrom at the ratio of the value invoiced for the goods subject to retention of title to the value invoiced for the other materials. If the goods subject to retention of title are processed, combined or mixed with a main object owned by the buyer, then the buyer assigns to us his ownership
- rights to the new object already here and now.

 3. The buyer shall already here and now assign to us as security all claims arising out of the sale of goods subject to retention of title to the extent of our ownership share, that is to say in the amount of the still

- unsettled amount invoiced (including value added tax). An assignment for other reasons, even within the framework of a factoring transaction, shall be inadmissible.
- 4. The buyer is obliged to keep the goods subject to retention of title at his expense in safe custody with the diligence of a prudent businessman and insure them against the usual storage risks (in particular
- theft, fire, water). He assigns to us already here and now his claims arising out of insurance contracts. As long as the buyer duly discharges his obligations towards us he is authorized to dispose of the goods subject to retention of title in the ordinary course of business and to collect the claims from the resale of the goods subject to retention. The buyer shall, however, not be authorized to pledge the goods subject to retention of title or the assigned claim to a third party or to assign it as security. The authorization to resell is void if and when the buyer agrees with his customer to exclude the assignability of the claim from the resale. The buyer shall have to notify us in writing of any third party access to the goods
- subject to retention of title or the assigned claim immediately upon such action becoming known to him.

 In case of default of payment on the part of the buyer or in the event that against the assets of the buyer. insolvency proceedings are instituted, opened or refused due to lack of sufficient assets we shall be authorized to claim the surrender of the goods subject to retention of title without having to fix an additional time limit and without withdrawal from the contract. In addition the buyer shall have to hand over to us on first demand all necessary information and documentation about the existence of the goods subject to retention of title and the assigned claim. In such cases we shall be entitled to disclose the assignment to the customers of the buyer.

 7. If the value of the securities exceeds the sum of our claims by more than 20 %, then we shall release on
- the buyer's request the surplus securities at our choice.

VIII. Liability/Defects

- 1. We shall be liable for compensatory damages or the reimbursement of costs only to the extent to which we, our executive employees or vicarious agents are blamed for intentional or gross negligence or injury to life, limb or health. The no-fault liability according to the Product Liability Act shall remain unaffected. The liability for culpable violation of essential contractual obligations (cardinal obligations) shall also remain unaffected. The liability for the violation of cardinal obligations is, however, restricted – except in cases pursuant to sentence 1 – to the foreseeable damage typical for this type of contract. The liability refers only to the product delivered, yet not to its further processing.

 2. The customer alone shall be responsible for the design and the proper functioning of the goods, even if
- he was advised by us during the design process unless we have given a corresponding written assur-
- 3. Notifications of defects are to be asserted by the customer in writing without delay, yet at the latest 2 weeks after receipt of the consignment. In case of hidden defects this time limit is extended to 1 week after discovery, yet at the latest to 6 months after receipt of goods.
- 4. In case of a justified claim we are obliged to rectify the defect or replace the goods free of charge. If we fail to comply with these obligations within a reasonable period of time, then the customer shall be authorized to claim a reduction in price or to declare his withdrawal from the contract. Further claims shall be excluded. Defective parts which were replaced are to be returned to us by the buyer at our request
- and expense.

 5. Any arbitrary reworking or improper treatment of the goods by the buyer shall entail the forfeiture of all damage claims. Only for the prevention of unreasonably high losses the customer shall be authorized to rework himself the goods after previously having notified us and to claim reimbursement of the costs in-

Terms of Payment

- All payments have to be made to us exclusively in Euros.
 Unless otherwise agreed upon the purchase price is to be paid as follows:
 a) for moulds 50 % at order confirmation as well as 50 % within 30 days after presentation of the outturn sample as contractually agreed upon – each time without discount. In case of modification orders passed by the customer prior to the completion of the moulds and confirmation by us all costs in-curred until that moment shall have to be reimbursed;
 - b) for finished parts or other services within 30 days from date of invoice without deduction
- If due to the customer's fault a delivery contract does not materialize, then we shall have the right to claim a reasonable indemnification for the preliminary work done by us.
- In case of late payment default interest in the amount of 8 percentage points above the base rate shall have to be paid. The assertion of a further damage remains unaffected. In addition the default in payment brings about the immediate falling due of all our other claims against the buyer arising out of
- 4. If justified doubts as to the solvency of the buyer crop up, all our receivables shall fall due immediately. We shall furthermore be authorized to withdraw from the contract after a reasonable period of grace or to claim damages for non-performance. Moreover we shall be entitled to demand damages for nonerformance as well as to forbid the customer to resell the goods and to collect the goods not yet paid for at the customer's expense.

Protection Rights

- The customer is responsible for making sure that the supplies and services ordered do not infringe upon third party protection rights and holds us harmless against all corresponding claims by third parties assuming liability for any damage caused.

 2. Our design documents, design models etc. shall remain our property and may be used or passed on
- with our permission only
- When making use of any goods protected by us the buyer shall take into account all existing industrial
 protection rights (in particular patents). The brands protected by us or made available to us for use may be used only with our particular written consent in connection with the products manufactured by the
- 4. We reserve ourselves all industrial protection rights to all information which we disclose to the buyer within the scope of any technical application and/or other guidance. Prior to the disclosure of such information to third parties (including associated companies of the buyer) our written consent is to be ob-
- 5. Indications on the part of the buyer of the business relations existing with us for advertising purposes

Place of Performance, Court of Jurisdiction and Transferability of Rights 1. The present version is a translation of the German text of the General Terms of Sale. The same may

- contain translation and interpretation errors which do not agree with the German legal concept. In case of doubt exclusively the German version shall apply.

 2. To the present General Terms of Sale as well as the contracts to be executed on their basis exclusively
- the laws of the Federal Republic of Germany shall be applicable. The application of the UN Convention on the International Sale of Goods, in particular the Convention of the United Nations of 11.04.1980 on Contracts for the National Sale of Goods (Federal Gazette 1969, page 586) for the Federal Republic of Germany is excluded.
- 3. If a provision of the contract or the present General Terms of Sale are in part or in full ineffective, then the effectiveness of the remaining provisions shall remain unaffected thereby.
- The place of performance for all liabilities resulting from the contract is our registered place of business. The court of jurisdiction is at our choice either our registered office or the buyer's place of business also for summary procedures based on documentary evidence, cheques and bills of exchange.

 5. The rights of the customer arising out of this contract are transferable to third parties or assignable to
- them with our previous written consent only