

General Terms and Conditions of Business

MEGA Clean Professional GmbH, Nordhorn

as of 13 April 2018

Paragraph 1 - Area of Validity, Form

- (1) These General Terms and Conditions apply to all our business relationships with our customers ("Buyers"). The terms and conditions apply only if the buyer is an entrepreneur (Paragraph 14 Civil Code), a legal entity or special assets under public law.
- (2) The terms and conditions particularly apply to contracts for the sale and/or delivery of movable objects ("goods"), regardless of whether we manufacture the goods ourselves or purchase them from suppliers (Paragraphs 433, 651 Civil Code). Unless otherwise agreed, the terms and conditions in the version valid at the time of the order placed by the buyer applies, or at least in the version conveyed to him in writing as a general agreement for similar future contracts without us having to refer to them again in each individual case.
- (3) Our terms and conditions apply exclusively. Deviant, conflicting or additional terms and conditions of the buyer shall only become part of the contract if, and in this respect, we have expressly consented to their validity. With the knowledge of the buyer's terms and conditions, this approval requirement applies in any case, for example, also when we make deliveries to him without reservation.
- (4) Agreements made with the buyer in individual cases (including collateral agreements, additions and changes) have priority over these terms and conditions. For the content of such agreements, subject to the evidence in rebuttal, a written contract or our written confirmation is authoritative.
- (5) Legally relevant statements and complaints of the buyer regarding the contract (eg setting of a deadline, notice of defect, rescission or reduction) are to be submitted in writing or in text form (e.g. letter, e-mail, fax). Statutory formal requirements and further verifications, particularly in case of doubt about the legitimation of the affirmant remain unaffected.
- (6) Indications of the validity of statutory provisions are only of clarifying significance. Even without such clarification, the statutory provisions are valid, unless they are directly amended or expressly excluded in these terms and conditions.

Paragraph 2 - Conclusion of a Contract and Minimum Order Value

- (1) Our offers are non-binding. This shall also apply if we have provided the purchaser with catalogues, technical documentation, other product descriptions or documents - also in electronic form - as well as samples in which we reserve the rights of ownership and copyrights.
- (2) The placement of order for the goods by the buyer is regarded as a binding tentative offer. Unless otherwise stated in the order, we are authorised to accept this tentative offer within 3 working days after receipt.
- (3) The receipt of delivery may be declared either in writing (for example: by confirmation of order or by invoice) or by delivering the goods to the buyer.

Paragraph 3 - Period of Delivery and Delay in Delivery

- (1) The delivery period is individually agreed or specified by us on receipt of order. Should this not be the case, the delivery period is approx. 3 working days from the conclusion of the contract.
- (2) Should we be unable to comply with binding delivery times for reasons beyond our control (unavailability of the service), we will inform the buyer immediately and notify him about the estimated new due date at the same time. Should the service not be available within the new delivery period either, we are entitled to a complete or part withdrawal from the contract. Any consideration already provided by the buyer will be reimbursed immediately. In the case of unavailability of the service to this effect, particularly the untimely self-supply by our provider comes into effect if we have a matching cover transaction or if neither we or our suppliers are to blame, or we are not committed to procure in individual cases.
- (3) An occurrence of our delay in delivery is determined by the statutory provisions. A demand notice from the buyer is required in any case. However, the claim of the purchaser for compensation does not exceed 5% of the net price of the delayed goods.
- (4) The rights of the buyer, according to paragraph 8 of these terms and conditions, and our statutory rights remain unaffected, in particular in the case of an exclusion of the duty to

perform (for example: due to impossibility or unacceptability of the service and/or subsequent performance).

Paragraph 4- Delivery, Transfer of Risk, Receipt of Delivery, Delay in Acceptance

- (1) Delivery is made ex warehouse, which is also the place of performance for the delivery and any possible subsequent performance. At the request and expense of the buyer, the goods will be shipped to another destination (destination purchase). Unless otherwise agreed, we are entitled to determine the mode of transportation (particularly transport company, shipping route, packaging).
- (2) The risk of accidental loss and accidental deterioration of the goods passes over to the buyer upon handover at the latest. However, in the case of destination purchase, the risk of accidental loss and accidental deterioration of the goods, as well as the risk of delay, shall pass over on delivery to the forwarding agent, the carrier or the person or institution otherwise responsible for carrying out the shipment. Insofar as an acceptance has been agreed, this is decisive for the transfer of risk. Incidentally, the statutory provisions, as described in the contract for work and services law, apply for an agreed acceptance. The transfer or acceptance is equal if the buyer is in default of acceptance.
- (3) Should the buyer be in delay of acceptance, fail to cooperate or our delivery is delayed for other reasons which the buyer is responsible for, we are entitled to claim compensation for the resulting damage, including additional expenses (for example storage costs).
- (4) The minimum order value is EUR 100,00 net.

Paragraph 5 - Prices and Terms of Payment

- (1) Unless otherwise agreed in individual cases, our current prices at the time of the conclusion of the contract shall apply, ex warehouse, plus the statutory value added tax.
- (2) In the case of a destination purchase (Paragraph 4 clause 1), the buyer shall bear the transport costs ex warehouse, and also the costs of any transport insurance desired by the purchaser. The buyer bears any arising customs duties, fees, taxes and other public charges.

- (3) The purchase price is to be paid within 30 days of invoicing and delivery or acceptance of the goods. However, we are also entitled to request payment in advance for complete or part deliveries at any time, even in an ongoing business relationship. A relevant reservation will be declared with the confirmation of order at the latest.
- (4) Upon expiry of the above-mentioned payment period, the buyer is in arrears. The purchase price is subject to interest at the valid statutory default interest rate during the delay. We reserve the right to enforcement for continuing damages caused by delay. Regarding traders, our claim of the commercial maturity interest (Paragraph 353 Commercial Code) remains unaffected.
- (5) We grant a 2% discount on payments made within 10 days after invoice date.
- (6) The Buyer is only entitled to set-off or retention rights insofar as his claim has been legally established or is undisputed. In accordance with paragraph 7 clause 6 of these terms and conditions, the counterclaims of the buyer remain unaffected in the case of deficiencies in delivery.
- (7) Should it become evident after conclusion of the contract (for example through an application for opening insolvency proceedings) that our claim on the purchase price is jeopardized by lack of efficiency on the buyer's behalf, we have the right to refuse performance in accordance with the statutory provisions and if necessary, after setting a deadline, to withdraw from the contract (Paragraph 321 Civil Code). Regarding contracts about the production of non-fungible items (custom-made), we can declare the withdrawal immediately. The statutory provisions on the dispensability of the deadline remain unaffected.

Paragraph 6 - Retention of Property

- (1) We reserve the right to retain ownership of the goods sold until full payment has been made for all our present and future claims from the purchase contract and continuous business relationship (secured claims).
- (2) The goods subject to retention of title may not be pledged to third parties or transferred precautionary before full payment of the secured demand has been made. Should an application for the opening of insolvency proceedings be made or if access to our goods by third parties (for example distraint) is occurring, the buyer must notify us immediately in writing.

- (3) In the event of breach of contract by the buyer, particularly in the case of non-payment of the due purchase price, we are entitled to withdraw from the contract in accordance with the statutory provisions and/or to reclaim the goods based on the retention of title. The demand for restitution does not include the explanation for the resignation at the same time. In fact, we are entitled to reclaim the goods only, and to reserve the right of withdrawal. Should the buyer not pay the due purchase price, we may only assert these rights if we have unsuccessfully set the buyer an adequate deadline for payment or if such a deadline is dispensable in accordance with the statutory provisions.
- (4) In accordance with point (c) below, the buyer is entitled to re-sell the goods subject to retention of title until revocation, or to process them in the regular course of business. In this case, the following additional provisions apply.
- (a) The retention of title extends to the full value of our products resulting from processing, mixing or combining of our goods, whereas we are considered to be the manufacturer. If the property rights remain when processing, mixing or combining goods belonging to third parties, we acquire co-ownership in proportion of the invoice values of the processed, mixed or combined goods. In addition, the same applies for the resulting product and the goods delivered under the reservation of title.
- (b) In accordance with the preceding paragraph, claims resulting from the re-sale of the goods or product against third parties will be assigned to us by the buyer in total at this stage, or the amount of our estimated share of joint title for the purpose of security. We accept the assignment. Regarding the assigned claims, the obligations of the buyer mentioned in clause 2 also apply.
- (c) Beside us, the buyer also remains authorised for the forfeiture of the claim. We commit ourselves not to collect the claim as long as the buyer complies with his payment obligations and as long as he is not lacking efficiency, and we do not violate the reservation of title by exercising a right stated in clause 3. Should this, however, be the case, we can demand that the buyer notifies us about the assigned claims and their debtors, provides all information required for collection, hands over the related documents and notifies the debtors (third parties) of the assignment. Furthermore, in this case we are entitled to revoke the buyer's authority to resell and process the goods subject to retention of title.
- (d) Should the realisable value of the securities exceed our claims by more than 10%, we will, at the request of the buyer, release securities of our choice.

Paragraph 7 - The Buyer's Right under Warranty

- (1) For the rights of the buyer in case of material defects and legal deficiencies (including incorrect and incomplete delivery, as well as improper installation or incorrect assembly instructions), the statutory provisions apply, unless stated otherwise below. In all cases, the statutory special provisions remain unaffected regarding the final delivery of goods to a consumer (supplier recourse in accordance with paragraphs 478, 479 Civil Code).
- (2) The basis of our liability for defects is above all the agreement made regarding the condition of the goods. The condition of the goods and all product descriptions which are the subject of the individual contract or have been made public by us (in particular in catalogues or on our Internet homepage) prevail as an agreement. Measurements stated (weight and size) are approximate indications. Colour variations may occur and do not justify a deficiency.
- (3) Insofar as the condition has not been agreed upon, an assessment is to be made to determine whether or not a deficiency is evident, according to the legal regulation (paragraph 434 (1) Sections 2 and 3 Civil Code). However, we do not accept any liability for public statements made by the manufacturer or other third parties (for example, advertising messages).
- (4) The warranty claims of the buyer presuppose that he has complied with his obligation to inspect and duty to object (paragraphs 377, 381 Commercial Code). Should a defect at the time of delivery, inspection or at any time later become evident, written notification must be issued to us immediately. In any case, obvious defects must be reported in writing within 5 working days from the date of delivery. The same applies, from the date of discovery, for any defects that can not be identified during the investigation. Should the buyer fail to carry out proper examination and/or report a defect, our liability for either the unreported defect or a late or improper notification is excluded in accordance with the statutory provisions.
- (5) Should the delivered goods be faulty, we can choose first of all whether we provide subsequent performance by remedy of the defect (rectification) or by delivering a faultless product (replacement). Our right to refuse subsequent performance under statutory conditions remains unaffected.

- (6) We are entitled to make the subsequent performance owed dependent on the buyer paying the due purchase price. However, the buyer is entitled to retain a proportion of the purchase price which is adequate in relation to the defect. The buyer must give us the time and opportunity required for the owed subsequent performance, in particular to hand over the rejected goods for examination purposes. In case of replacement, the buyer has to return the defective item according to the legal regulations.
- (7) Should a defect actually be evident, we bear the expenses arising for the purpose of testing and subsequent performance, particularly transport, travel, labour and material costs. Otherwise, we may demand compensation from the purchaser for costs incurred due to the unjustified rectification of the defect (in particular inspection and transport costs), unless the defectiveness was not identifiable to the purchaser.
- (8) In urgent cases, e.g. in case of endangerment of operational safety or to avoid disproportionate damage, the buyer has the right to remediate the defect himself and to demand compensation from us for the objectively necessary expenditure. We are to be informed about such actions on one's own initiative immediately, if possible beforehand. The right to take action on one's own initiative does not exist if we were entitled to refuse a corresponding subsequent performance according to the statutory provisions.
- (9) If the supplementary performance has failed or a suitable time period which is to be set by the buyer for the subsequent performance has expired without success, or if it is dispensable in accordance with the statutory provisions, the buyer may withdraw from the sales contract or reduce the purchase price. In case of a minor defect, however, there is no right of termination.
- (10) Claims for damages or compensation for futile expenses by the buyer also exist in case of defects, only in accordance with paragraph 8, and are otherwise excluded.

Paragraph 8 - Miscellaneous Liability

- (1) Unless otherwise stated in these terms and conditions, including the following provisions, we shall be liable in the event of a breach of contractual and non-contractual obligations in accordance with the statutory provisions.
- (2) Irrespective of the legal reason and in cases of intent and gross negligence, we shall be liable for damages within the scope of fault liability. In the case of ordinary negligence,

we are, according to legal regulations, liable subject to a more lenient liability standard (for example: for the care in your own affairs) only

- a) for damage resulting from injury to life, body or health,
 - b) for damages resulting from serious breach of a contractual duty (the fulfilment of an obligation which makes the proper execution of the contract possible at all, and the compliance which the contractual partner regularly trusts and can rely on); however, in this case, our liability is limited to compensation for foreseeable, typically occurring damage.
- (3) The limitation of liability resulting from clause 2 also applies to breach of duty by persons or for their benefit, whose negligence we act on behalf of according to statutory provisions. They do not apply if we fraudulently concealed a defect or assumed guarantee for the quality of the goods and for claims of the buyer under the Product Liability Act.
- (4) Due to a breach of duty that does not exist in a defect, the buyer can only withdraw or terminate if we are responsible for the breach of duty. A free right of termination for the buyer (particularly in accordance with paragraphs 651, 649 Civil Code) is excluded. Incidentally, the statutory conditions and legal consequences apply.

Paragraph 9 - Statute of Limitation

- (1) Diverging from paragraph 438 clause 1 no. 3 Civil Code, the general statute of limitation for claims arising from material and legal deficiency is one year from delivery. Insofar as an acceptance has been agreed, the statute of limitations begins with the acceptance. Statutory special regulations on the statute of limitations remain unaffected (notably paragraph 438 clause 1 no. 1, clause 3, paragraphs 444, 479 Civil Code).
- (2) The above-mentioned limitation periods of the Sales Act also apply for contractual and non-contractual claims for damages of the buyer, based on a defect of the goods, unless the application of the regular statutory limitation (paragraphs 195, 199 Civil Code) would lead to a shorter statute of limitations in individual cases. However, claims for damages of the buyer according to paragraph 8 clause 2 sentence 1 and sentence 2 (a) and to the product liability law expire exclusively in accordance with the statutory limitation periods.

Paragraph 10 - Commercial Proprietary Rights and Copyright

- (1) We reserve our rights of ownership, copyright and other proprietary rights on all brands, signs, illustrations, calculations, drawings, photographs and other documents. The buyer may only pass these on to third parties with our written consent, irrespective of whether we have marked these as confidential. We are entitled to revoke any right of use granted by the purchaser (particularly for brands, signs, illustrations and photographs) at any time without the purchaser being able to derive any rights from us.
- (2) If we have to deliver according to drawings, models, or samples of the buyer, the purchaser shall ensure that this does not violate the proprietary rights of third parties. The buyer exempts us from claims of third parties and has to reimburse us with a compensation for the damage incurred. Should one of the contractual parties be prohibited production or delivery by a third party on the basis of a proprietary right belonging to them, we are entitled to stop the work until the legal situation has been clarified by the buyer and the third party, without checking the legal situation. Should the continuation of the order no longer be reasonable for us due to the delay, we are entitled to declare withdrawal from the contract.
- (3) All rights of ownership, copyright and other proprietary rights on models, forms, tools, devices, designs and drawings configured by us or by third parties remain with us, unless otherwise agreed in writing. This also applies if the buyer reimburses shares of expenses accordingly.

Paragraph 11 - Choice of Law and Jurisdiction

- (1) For these terms and conditions and the contractual relationship between us and the buyer, the law of the Federal Republic of Germany applies to the exclusion of International uniform law, particularly the UN Sales Act.
- (2) If the buyer is a merchant in terms of the German Commercial Code, legal entity under public law or a special asset of public law, our headquarters in Nordhorn are the exclusive – and also International jurisdiction - for all disputes arising directly or indirectly from the contractual relationship. The same applies if the buyer is an entrepreneur in terms of paragraph 14 Civil Code. However, we are also entitled to either issue proceedings at the place of performance of the delivery commitment in accordance with these terms and conditions, a paramount individual agreement or at the general jurisdiction of the buyer in all cases. Priority statutory provisions, especially to sole jurisdictions, remain unaffected.

Nordhorn April 13th 2018