

General Terms and Conditions of Sale

I. Scope of Application

1. Our sales, deliveries and services (hereinafter uniformly: "Deliveries") shall be rendered only in acc. with the terms and conditions below. By accepting them without contradiction, the Purchaser shall agree to their exclusive applicability to the respective Delivery and to all subsequent transactions.
2. We do not accept any terms and conditions of the Purchaser that conflict with or deviate from our terms and conditions, unless we have expressly agreed in writing to their applicability. Our terms and conditions shall also apply if we are aware of any conflicting terms and conditions of the Purchaser that conflict with or deviate from our terms and conditions and still perform Delivery to the Purchaser without reservation.

II. Offer, Samples, Guarantees, Conclusion of Contract

1. The contract shall not be binding for us until we have issued the order confirmation in writing. Verbal arrangements shall require our written confirmation.
2. Our offers shall be no-binding in terms of price, delivery period and delivery options. Offers may be accepted only within 30 days.
3. Operating instructions, manuals shall be delivered in German language, unless agreed otherwise. We reserve the right to make any technical modifications to the delivery object before Delivery that constitute a better or at least equivalent solution.
4. The information and data contained in data sheets, brochures and other advertising and information material shall only serve as a guide and shall become a binding part of the contract only if we have expressly agreed to this in writing.
5. Properties of samples and specimens shall be binding only if this has been expressly agreed.
6. We reserve our property rights and copyrights to quotations, drawings and other documents.
7. Quality and durability specifications shall be considered as qualities only if they are explicitly referred to as such.

III. Prices, Minimum Quantity Surcharge, Payment, Default

1. The prices shall be quoted exclusive of the statutory VAT, external packaging and shipping costs (ex works). If we assume any technical work, project development or the production of plans and sketches, we reserve the right to charge this extra work separately.
2. For a net goods value of less than € 250 per order, we charge a minimum quantity surcharge of € 40. Min order value for export: € 1.000,
3. All prices shall be based on the cost factors at the time the order is confirmed. If any substantial increases in the costs for raw materials, energy, freights and packaging materials occur thereafter on our part or on the part of our suppliers, leading to a substantial increase in our purchase prices or prime costs, we shall be entitled to immediately demand negotiations with the Purchaser on a price adjustment, unless the price has been expressly confirmed as a fixed price. If no agreement can be achieved within a reasonable time limit, we shall be released from our delivery obligation regarding still outstanding Deliveries.
4. Invoices shall be paid acc. to the individually agreed payment term.
5. Receipt of the payment on our bank accounts shall be authoritative for compliance with payment periods. Cheque shall be accepted only by way of payment. Any incurring expenses shall be borne by the Purchaser.
6. In case of default in payment, interest in the amount of 8 percentage points above the respective basic rate of interest (Section 247 BGB) shall become due. The right to prove existence of any further damage caused by default shall remain reserved.
7. We shall not be obliged to fulfil the contract as long as the Purchaser fails to meet its obligations also from other contracts with us as agreed, especially if they are not paid due invoices.
8. The Purchaser may only set off with or withhold payment of such claims that are undisputed in writing or have been legally established.
9. We shall be entitled to effect outstanding Deliveries only against prepayment or to make them dependent on the provision of a collateral if the Purchaser is in default even after expiry of a reasonable grace period or if any circumstances exist which, if usual banking standards are applied, give rise to doubts regarding the Purchaser's ability to pay.

IV. Delivery and Delivery Times, Packaging, Passing of Risk, Insurance and Stockpiling

1. Our written order confirmation shall be authoritative for the nature and scope of the Delivery. We shall be entitled to perform partial deliveries to the extent that they are reasonable for the Purchaser.
2. Delivery periods shall only be approximate, unless they have been expressly confirmed as binding. The delivery period shall start upon dispatch of our order confirmation, but not before all issues in connection with the actions to be taken by the Purchaser which are essential for the implementation of the contract have been clarified. In particular, the delivery period shall not start before we have obtained from the Purchaser or its representative all information required for the Delivery resp. before the

Purchaser demonstrates that, where necessary, he has opened a L/C or made a payment in advance resp. provided a confirmation.

3. The delivery time shall be deemed to have been respected if the performance subject has left our factory or our readiness for delivery has been communicated until its expiry.
4. All cases of force majeure, strike, lockouts, insufficient material, raw material or energy supply, lack of transport facilities and other similar events or causes beyond our control shall release us from our obligations to fulfil the contract for the duration and extent of such impediments. This shall also apply if such circumstances occur on the premises of our external suppliers. We shall not be deemed to be responsible for the aforementioned circumstances either if they occur during any already existing default. We shall notify the Purchaser of the start and end of such impediments as soon as possible.
5. We shall define the packaging type and shipping method.
6. The risk shall pass to the Purchaser upon dispatch of the delivery object at the latest, even if we have assumed any additional services, such as loading, transport or unloading. If Delivery is delayed as a result of any circumstances attributable to the Purchaser, or if Delivery is postponed at its request, the price risk shall pass to it on the day on which readiness for delivery is notified.
7. If the Purchaser suffers any damage due to any delay attributable to us, he may claim 0.5% for each full week of delay, but not more than a total of 5% of the invoice price for such part of the performance that cannot be used in due time or acc. to contract as a result of such delay.
8. The Purchaser shall be obliged to appropriately insure the risk of any damage caused by default exceeding € 200,000.
9. To minimise the risk of damage, the Purchaser shall be obliged to keep a sufficient number of filters in stock.
10. The Purchaser shall also be responsible for ensuring proper storage of the Delivery at the destination, even if we execute the assembly work.
11. At the Purchaser's request, we shall insure the respective consignment against theft, damage by breakage, transport, fire and water at its expense.
12. If dispatch is delayed at the Purchaser's request, he shall bear the costs for storage of the goods after notification of the readiness for delivery. If we store the performance object at our plant, we charge at least 0.5% of the invoice amount on a monthly basis, at least € 20 per month.
13. Any complaints due to delays in transportation, misreporting or transport damage shall be asserted by the Purchaser vis-à-vis the carrier and freight forwarder immediately, on the third day after receipt at the latest, and immediately notify us thereof.
14. We shall not be obliged to deliver to third parties at the Purchaser's instruction.

V. Warranty, Purchaser's Obligations Upon Defects Notified by Its Customers, Reimbursement of Expenses, Liability, Insurance

1. Any warranty claims of the Purchaser shall imply that it has properly met its statutory duties of inspection and notification. In case of any obvious defectiveness or incompleteness of the goods, the complaints shall be notified to us in writing within 3 days after arrival of the Delivery at the destination, stating the exact fault with photos enclosed and the order resp. invoice number. Upon our request, the documents and samples related to the Delivery and/or the faulty goods shall be returned to us. Any claims of the Purchaser due to defectiveness or incompleteness of the Delivery shall be excluded if it fails to meet this obligation.
2. If the goods show any defects, we may, at our option, remedy the defects as cure or provide compensation free from defects. The Purchaser shall be entitled to withdraw or to reduce the price in acc. with the legal regulations only after this has failed repeatedly or is unreasonable or if the defect is not only insignificant. Section 478 BGB shall remain unaffected.
The Purchaser shall be entitled to claims for compensation for damages in acc. with clause V. 7. Irrespective of clause III. 6., the Purchaser may withhold payments due to any defect only to the extent to which this is commensurate in relation to the defects identified. Regarding any replacement deliveries and review work, a warranty period of 3 months from Delivery resp. execution shall apply which, however, shall at least run until expiry of the warranty period for our original performance (cf. clause V. 11.).
3. Claims for defects shall not exist in case of any merely inconsiderable deviation from the agreed quality and/or any only minor impairment of usability.
4. If the delivery object violates any third-party property rights and such violation is attributable to us, we may, at our option, either (i) acquire and transfer to the Purchaser, at our expense, such right of use that is sufficient for the contractually agreed or expected use or (ii) modify the delivery object in such a manner that the property right is not violated or (iii) exchange the delivery object, unless this affects the agreed or expected use. If this is not possible for us at all or only with disproportionate costs or unreasonable for the Purchaser, the Purchaser shall be entitled to the legal claims and rights. Any claims for compensation for damages shall be subject to clause V. 7.
5. We shall be liable without limitation acc. to the German Product Liability Act in cases concerning the express assumption of a guarantee or procurement risk and due to breaches of duty by wilful intent or gross negligence. We

shall also be liable without limitation for any violation of life, body or health by wilful intent or gross negligence. We shall be liable for material and property damage caused by slight negligence only if essential contractual obligations (cardinal obligations) are violated, limited, however, to the foreseeable, contract-typical damage upon conclusion of contract.

6. Any claim for compensation for any kind of damage caused by the Purchaser as a result of improper handling, modification, assembly and/or operation of the delivered objects, especially non-observance of the instructions in the precautions for use or due to incorrect consultation or introduction, shall be excluded, unless this is attributable to us. The Purchaser shall be obliged, in particular, to regularly inspect the filter properties of the goods. The same shall apply in relation to any damage caused by the normal wear and tear of wearing parts and consumables. Moreover, the Purchaser shall bear full responsibility for the use of any design, trademark or commercial name appearing on the goods at its request.
7. If the Purchaser is entitled to claim compensation for damages instead of performance or to withdraw from the contract, it must state within a reasonable time limit and at our request whether and how it will make use of these rights. If it does not make a statement in good time or insists on performance, it shall be entitled to exercise these rights only after fruitless expiry of another reasonable grace period.
8. If the Purchaser wrongly notifies existence any defect, we shall be entitled to invoice it any reasonable expenses incurred thereby.
9. Any claims for defects shall become statute-barred after 12 months from the passing of risk. The same shall apply to legal defects. Intentional breaches of duty, claims from tort, lack of guaranteed properties, assumption of procurement risks and personal injuries shall be subject to the legal limitation periods. If the performance is destined for a building and has caused its defectiveness, the limitation period shall be 5 years. Sections 438 Para. 3, 479 and 634a Para. 3 BGB shall remain unaffected.
10. Any further liability for compensation for damages other than the one provided for in the preceding paragraphs of this Section V. shall be excluded, without regard to the legal nature of the claim asserted.
11. The cause and amount of the limitation of liability above shall also apply for the benefit of our legal representatives, employees and other auxiliary and/or vicarious agents.
12. Notwithstanding the above, we shall not be liable in any case for indirect damage, such as loss of profits.
13. Moreover, the Purchaser shall be obliged to appropriately insure the risk of any damage exceeding € 200,000.

VI. Retention of Title

1. We retain title to all delivered goods until the Purchaser has completely fulfilled all current and future obligations from the business relationship with us. This shall also apply if any payments are effected on specifically designated receivables. For a current account, the goods subject to retention of title shall be regarded as collateral for the balance claim.
2. Handling and processing of the goods subject to retention of title shall be carried out for us as a manufacturer in the sense of Section 950 BGB, without any obligation on our part. The handled/processed goods shall be regarded as goods subject to retention of title within the sense of these terms and conditions. If the goods subject to retention of title are processed or inseparably combined with other items not belonging to us, we shall acquire joint ownership of the new item in the ratio of the invoice value of the goods subject to retention of title to the invoice value of the other items used at the time of processing or combination. If the goods subject to retention of title are combined with items not belonging to us to a uniform item and this item is to be considered as main item, the Purchaser shall transfer co-ownership thereof on a pro rata basis to the extent that the main item belongs to it. The Purchaser shall co-store the ownership created in this way free of charge for us.
3. Until our revocation, which shall be admissible at any time and without particular justification, the Purchaser shall be entitled to further alienate, further process or transform the goods subject to retention of title in the proper course of business. Re-alienation in this sense shall also include installation into land and property or into facilities connected to buildings or use to fulfil other contracts. The entitlement to re-alienation in the proper course of business shall also apply to other services rendered by us. For the case of re-alienation, the Purchaser shall already now assign its purchase price receivables against the customer to us from any such alienation. We shall already now explicitly accept this assignment in advance. If the Purchaser alienates the goods subject to retention of title together with other items not delivered by us, the assignment shall only be valid in the amount of values specified in our invoice of the respective alienated goods subject to retention of title. For the further alienation of any items of which we have co-ownership shares acc. to clause VI.2., the assignment shall apply in the amount of these co-ownership shares. The assigned receivables shall serve as a collateral to the same extent as the goods subject to retention of title. If the assigned receivable is included in a current account, the Purchaser shall already now assign a balance from the current account to us in the amount of this receivable. Until our revocation, which shall be admissible at any time

and without particular justification, the Purchaser shall be entitled to collect to receivable assigned to us. It shall be obliged at our request to notify its customers of the assignment in advance and to provide us with the information and documents required for the assertion of the receivable.

4. If the value of the collaterals existing for us exceeds our receivable by more than 10% in total, we shall release corresponding collaterals at our option at the Purchaser's request.
5. The Purchaser shall not be entitled to other disposals of the goods subject to retention of title (pledging, transfer by way of security) or other assignments of the receivables specified in clause VI. 3. In case of any pledges or seizures of the goods subject to retention of title, the Purchaser shall point to our ownership and shall inform us immediately.
6. The Purchaser shall be obliged to appropriately insure the goods subject to retention of title against all customary risks, especially against fire, theft and water hazards, at its own expense, shall treat them with care and shall store them properly. The Purchaser shall carry out any necessary maintenance and overhaul work at its own expense and in a timely manner.
7. If the Purchaser is in default of payment, we shall be entitled to take the goods subject to retention of title back after fruitless expiry of a grace period set by us even if we have not withdrawn from the contract.

VII. Services of Affiliated Companies

At our request, each of our contractual obligations may also be met by another company of the MANN+HUMMEL Vokes Air Group. The Purchaser's legitimate interests shall be adequately taken into account in this context. As long as the performance is equivalent, the contractual obligations in question shall be deemed met.

VIII. Compliance with Safety and Other Regulations

1. Unless agreed otherwise in the individual case, the Purchaser shall be responsible for compliance with legal and official regulation and accepted practices regarding import, transport, storage, handling, use and disposal of the goods.
2. Moreover, the Purchaser shall be obliged:
 - to acquaint itself with all product information provided by us and, in particular, to observe the information contained in the operating instructions regarding maintenance and verification of the usability of the goods;
 - to provide its employees, contractors, agencies and customers with sufficient instructions on the handling of the products and, in particular, to oblige them to observe the information in the operating instructions;
 - to take appropriate measures to prevent detrimental environmental effects and other risks for persons or assets due to our goods.
3. The Purchaser shall be liable vis-à-vis us for all damage caused as a result of it failing to comply with these regulations and shall indemnify us from any corresponding assertion of claims by third parties.

IX. Transfer of Rights, Trademark Use

1. Transfer of the Purchaser's rights from the contractual relationship shall be permitted only with our prior written consent.
2. The Purchaser may use in its advertising the trademarks protected by us only with our prior agreement, acc. to our stipulations, in the original design and only for unmodified original goods. Our agreement may be revoked at any time. The Purchaser shall bear sole responsibility for the design of its advertising.

X. Choice of Law, Place of Jurisdiction

1. The laws of the Federal Republic of Germany as applicable to the legal relationship of domestic contracting partners shall apply without exception, with the applicability of the UN Sales Law of 11/04/1980 being excluded.
2. If the Purchaser is a merchant, a legal entity under public law or a special fund under public law or does not have a place of general jurisdiction in Germany, Hatting shall be deemed agreed as place of jurisdiction for all disputes resulting from the contractual relationship. We shall be entitled, however, to also sue the Purchaser at its place of general jurisdiction.

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