

RG ENGINES GMBH

General Terms and Conditions for the Sale of New and Used Vehicle Parts to Entrepreneurs Within the Meaning of Section 14 of the German Civil Code [Bürgerliches Gesetzbuch, BGB]

I. GENERAL PROVISIONS

These General Terms and Conditions apply to all sales, exchange and similar contracts concluded with our buyers who are not consumers within the meaning of Section 13 of the German Civil Code. Contrary terms and conditions of the buyer are only binding on us if they are expressly recognized by us in written form and comply with applicable law. Terms and conditions of purchase of the buyer are hereby expressly rejected and are not binding on us, not even if we do not object them again separately when concluding a contract. By accepting the order or, at the latest, when receiving the goods or services, these terms and conditions will be deemed to have been accepted.

II. OFFER AND CONTRACT CONCLUSION

- Prices, delivery dates and other content of our written offers are non-binding. Our sending of price lists, catalogs, brochures, etc., does not obligate us to make corresponding deliveries. We will not be liable for information provided by our employees orally. Such information is always non-binding.
- Orders will be deemed to have been accepted when they are confirmed in written form or performed. If no written confirmation is provided, the invoice will serve as the order confirmation. Orders placed via telegraph or telephone can only be accepted at the risk of the buyer.
- Depictions, measurements and weights in our catalogs and brochures must be considered approximations. Insignificant changes or differences, especially those that do not impair usability, and use of other materials remain reserved without prior notice. If catalogs, price lists, brochures, offers, order slips, invoices or other statements contain errors, we may make corrections and, if applicable, require additional charges and/or provide credit without prior notice.

III. DELIVERY

- Stated delivery periods are agreed to represent approximations. We may make partial deliveries unless a special interest in a uniform comprehensive delivery is specified for the order.
- We strive to meet offered delivery periods. However, stated delivery periods are non-binding, unless expressly specified as binding by us in written form. If a delivery period is binding, the buyer may withdraw from the contract under the conditions of Section 326 of the German Civil Code; claims to compensation for damages must be proven by the buyer for the respective amount and are limited to intent and gross negligence by the seller and to foreseeable damages typical to the contract.
- Force majeure and incidents, such as performance inability that affects and was not caused by us or our suppliers, especially traffic and operational disruptions, labor disputes or material shortages, which may prevent smooth contract performance authorize us to fully or partially withdraw from the contract or postpone delivery without claims being established for the buyer. This also applies if such incidents occur when we are in default. In case of withdrawal, we will inform the buyer about the non-availability and, if necessary, refund any received payment to the buyer without undue delay.

IV. SHIPPING AND PACKAGING

- Goods will be shipped ex works and at the expense and risk of the buyer. Upon shipment, risk of random destruction and deterioration of the goods will be transferred to the buyer.
- Unless specified otherwise by the buyer, the shipping method may be chosen at our discretion. We cannot guarantee that the least expensive shipping method will be chosen.
- In the interest of the buyer, the following must be noted:
Shipments displaying the slightest indications of theft or damage upon arrival may only be accepted with reservations. An official investigation by the train or postal service must be requested immediately. Until then, the shipment must remain unopened. In case of transport by truck, the damage must be assessed by the forwarder, parcel service, haulage firm, etc. The damage assessment must be documented in written form and signed directly by the carrier during the acceptance of the goods. Visible damage to packaging must also be documented photographically before unpacking.
- Packaging will be charged at cost. Paper packaging cannot be returned. If returned in good condition and via a carriage-paid delivery, 2/3rd of the boxes' value will be credited.

V. PRICES

- Agreed prices apply ex works and do not include packaging or other shipping or transport costs. Prices remain non-binding until they are bindingly agreed contractually. Prices are stated in euros, unless agreed otherwise for foreign orders. Unless expressly agreed otherwise, our prices do not include VAT; VAT will be charged separately.
- Price changes remain reserved without prior notice to the buyer. In case of price or currency changes, the prices applicable on the delivery date will be charged. Price adjustments by the seller due to errors on invoices or delivery notes remain reserved.

VI. COMPLAINTS AND GUARANTEES

- RG ENGINES GMBH deals exclusively in used parts, surplus items and special items. Guarantees for any articles in our assortment are therefore excluded. Special agreements must be concluded in written form and may require additional charges.
- Defect liability for purchased articles specified as new is limited to the contract withdrawal rights granted by law under exclusion of price reductions. Guarantees are excluded for surplus items and special items.
- The buyer must inspect goods and report obvious defects without undue delay upon delivery. Hidden defects must be reported without undue delay upon detection. In both cases, rights of the buyer will be established based on receipt of the complaint by fax or email. Otherwise, the goods will be deemed to have been accepted despite these defects. Reported goods may only be returned with the permission of the seller.
- If delivered goods are defective, the customer must ready these for return and report the defective goods to us without undue delay. We will have the goods collected at our expense.
- Claims for defects are excluded if the reported parts are no longer at the delivery destination and incomplete or incorrect deliveries or visible defects are not reported in written form within 10 days or if the goods have already been modified or processed.

- Returns must include the packaging, notes and the defect report. If a complaint proves to be founded, we will ship the replaced or repaired parts free of charge. If we are unable to ship replaced or repaired parts free of charge, we will issue a refund without undue delay.

Vla. DAMAGES

Claims to compensation for damages will only be established against us in case of missing assured characteristics, breaches of essential contractual obligations or damages caused with intent or through gross negligence by us or our vicarious agents. Our liability is limited to foreseeable damages. Apart from that, claims to compensation for damages are excluded. However, this does not apply to claims under the German Product Liability Act [Produkthaftungsgesetz, ProdHaftG].

VII. RETENTION OF TITLE

- We will retain title to delivered goods. These goods will remain our property until all of our claims under the business relationship have been fully settled. This also applies until the price for certain deliveries specified by the buyer has been paid. Bills of exchange or checks must be redeemed to settle our claims.
- Goods to which we retain title may be resold by the buyer through the ordinary course of business. This permission may be revoked. Resales may only be made in cash or with retention of title. Use as collateral, pledges and other disposals that impair our rights are not permitted to the buyer. The buyer hereby assigns to us any rights to which the buyer is entitled now or subsequently due to the resale of or other legal grounds concerning the goods. If requested, the buyer must submit to us a list of claims assigned to us and must notify the debtors of the assignment. However, claims assigned to us may be collected by the buyer until the buyer's payment obligations have been fulfilled. Collected amounts must be transferred to us without undue delay as long as we are entitled to due claims against the buyer.
- The buyer may only modify, process or transform purchased goods in our name and on our behalf. In this case, the expectant rights of the buyer will continue to apply to the purchased or transformed goods. If purchased goods are combined with other objects not owned by us, we will acquire co-ownership of the new object at the ratio of the objective value of our object to that of the other modified objects at the time of processing. The same applies in case of mixing. If mixing results in the object of the buyer being considered the main object, it will be agreed that the buyer must transfer proportional co-ownership to us and must keep the resulting solely or co-owned object for us.

VIII. PAYMENTS AND PAYMENT CONDITIONS, CONTRACTUAL PENALTY

- Our invoices are payable at the payment conditions specified on our invoices.
- For initial deliveries, we reserve the right to require cash on delivery or advance payment, unless satisfactory references are included with the order. In case of default, we may charge default interest based on the respective rate of the German Bundesbank plus 2%.
- Payments will always be used to settle the oldest invoice. Payments by check will only be effective after they have been credited. Bills of exchange will only be accepted as payment if agreed in advance and conditional on discounting. Discount charges must be borne by the buyer. If bills of exchange remain in our portfolio, we may charge the discount charges of the private banks.
- If, after placing an order, the buyer's financial situation deteriorates or creditworthiness is, based on obtained information, drawn into question, we may request advance payment or collateral. If the buyer defaults on a payment, all of our claims will become due for immediate cash payment, irrespective of the agreed payment target; this will also apply if we accepted bills of exchange or checks. In any case, we may require advance payment or collateral for or refuse further deliveries and grant an appropriate grace period after which we may withdraw from the contract or obtain compensation for damages due to non-payment.
- Our sales agents may only accept payments with proper authorization.
- If the buyer does not accept the goods or if deliveries cannot be performed for reasons for which the buyer is responsible, we may, under exemption from our delivery obligations, obtain compensation of 1/4th of the order value. However, the buyer may prove that we incurred fewer damages.
- If the customer withdraws from or fails to fulfill the purchase contract without an objective reason, we may charge 25% of the order value. We reserve the right to charge verifiable greater damages.
- Payments must be made in the invoiced currency.
- If the buyer does not collect paid or pre-paid goods within 4 weeks, we may charge warehousing costs of 10% of the goods' value. If the buyer does not collect ordered or paid goods within 3 months, we may destroy or otherwise sell the goods— in this case, refund claims for the purchase price or for advance payments will not be established.

IX. LIABILITY, DEFENSE EXCLUSION, COLLECTION RIGHTS

- Unless specified otherwise by these General Terms and Conditions, claims to compensation of the buyer, especially based on positive breaches of contract or fault during contract conclusion, are excluded, unless based on gross negligence or intent of the seller or the seller's vicarious agents. In case of the latter, liability is limited to foreseeable damages typical to the contract.
- Claims may not be exercised against us by invoking defenses or through offsetting, retention, cancellation or price reductions, unless these claims have been recognized by us in written form or are established in court.
- If the buyer defaults on payments, the goods to which we retain title may be requested by us and collected by our agents. Any resulting costs must be borne by the buyer. Our collection or seizure of goods to which we retain title will not be deemed withdrawal from the contract.

X. PLACE OF PERFORMANCE AND PLACE OF JURISDICTION

- The registered office of the seller will serve as the place of performance and place of jurisdiction. This place of jurisdiction also applies to claims based on bills of exchange or checks. However, we may also take cases to other courts in and outside of the Federal Republic of Germany, especially if the place of residence or registered office of the buyer is outside of the Federal Republic of Germany.
- The law of the Federal Republic of Germany applies exclusively, including in case of transactions with companies based in or deliveries to foreign countries.
- Written notice, especially order confirmations to the buyer, will be deemed to have been received when evidence is obtained that such notice was sent via registered letter to the last known address.

XI. FINAL PROVISIONS

Changes or additions to these General Terms and Conditions require the express written confirmation of the seller.