



General terms and conditions of business

**1. General information/definitions**

- (1) The following terms and conditions apply to all present and future contracts, services and deliveries between Bosai Europe GmbH, represented by the managing directors Yan Yan Wang-Hanke and Emanuel Bahr, and the customer (hereinafter referred to as 'Customer').
- (2) These terms and conditions apply exclusively to national and international business transactions with entrepreneurs, legal entities under public law and special funds under public law.

**2. Contractual bases**

- (1) Our General Terms and Conditions (GTC) shall apply exclusively. Deviating, contradictory or supplementary General Terms and Conditions of the Buyer shall only apply if we have expressly agreed to their validity. This consent is required in any case, even if we carry out the delivery to the Buyer without reservation, although we are aware of the Buyer's GTC. This shall only apply insofar as both contractual partners are entrepreneurs within the meaning of §14 BGB.
- (2) All agreements made between Bosai Europe GmbH and the customer in connection with the purchase contract are based on these Terms and Conditions of Sale and our written order confirmation.
- (3) Individual agreements made with the customer in individual cases - including collateral agreements, supplements or amendments - shall always take precedence over these General Terms and Conditions. A written contract or our written confirmation shall be authoritative for the content of such agreements.

**3. Orders and order acceptance**

- (1) Offers of Bosai Europe GmbH are subject to change and non-binding, unless they are expressly labelled as binding offers.
- (2) The order shall only become binding if it is expressly accepted with a written order confirmation.
- (3) The quality of the product owed by Bosai Europe GmbH shall be determined by the details stated in the order confirmation. Samples and brochures shall not constitute such quality.

- (4) If the customer requests subsequent changes to the order, these shall only become effective if the contracting parties reach an express agreement on this.
- (5) The assumption of guarantees and the procurement risk shall require an express declaration by Bosai Europe GmbH in which it expressly declares that such a guarantee and/or the procurement risk is assumed.

#### **4. Title retention**

- (1) The delivered goods shall remain the property of Bosai Europe GmbH until the complete fulfilment of all claims for any legal reason against the customer at the time of the conclusion of the respective contract or in the future from the business relationship with the customer.

#### **5. Default of payment and consequences**

- (1) Payments are due for payment in on the order confirmation named payment date. If no specific date has been agreed, payments shall be due upon receipt of the invoice or a corresponding payment schedule. If the receipt of the invoice or the payment schedule is uncertain, payments shall be due upon receipt of the deliveries and services of Bosai Europe GmbH.
- (2) If the payment deadline is exceeded, Bosai Europe GmbH shall be entitled to demand default interest in the amount of 9 percentage points above the base interest rate (§ 247 BGB). The right to claim further damages remains reserved.
- (3) If the customer is in default of payment, Bosai Europe GmbH shall be entitled to demand immediate payment of all claims arising from the business relationship between the parties, even if these are not yet due. This shall not apply if the client is not responsible for the default.
- (4) Offsetting by the customer against a counterclaim is excluded if this has not been legally established or is undisputed or if the counterclaim and the offset principal claim are in a mutual relationship (synallagma).
- (5) Bosai Europe GmbH reserves the right to execute outstanding deliveries only against advance payment or provision of security if, after conclusion of the purchase contract, circumstances become known which are likely to reduce the creditworthiness of the customer and which jeopardise the payment of outstanding claims of Bosai Europe GmbH by the customer arising from the respective contractual relationship.

## **6. Force majeure**

- (1) 'Force Majeure' means the occurrence of an event or circumstance that prevents a party from fulfilling one or more of its contractual obligations, provided that the party concerned proves that:
  - (a) the impediment is beyond its reasonable control;
  - (b) it was not reasonably foreseeable at the time the contract was made; and
  - (c) the effects of the impediment could not reasonably have been avoided or overcome by the affected party.
  
- (2) In cases of force majeure, such as in particular fire damage, floods, strikes, lawful lockouts, epidemics and pandemics and wars, a party that successfully invokes this clause shall be released from the fulfilment of its contractual obligations for the duration and to the extent of the impact from the time at which the obstacle makes the provision of services impossible, provided that the event is notified at the latest within 14 days of becoming aware of the occurrence of the event and the consequences of its impairment of performance. If the notification is not made immediately, the exemption shall take effect from the time at which the notification reaches the other party.

## **7. Defect rights**

- (1) Defect rights do not exist in damage arising after the passing of risk as a result of incorrect handling, storage or faulty processing.
- (2) If the purchase is a mutual commercial transaction, the customer must inspect the goods after delivery in accordance with §377 HGB and notify Bosai Europe GmbH in writing of obvious defects in the goods immediately, at the latest within 14 days of delivery, and of hidden defects immediately after discovery. Otherwise the delivery shall be deemed approved. This shall not apply if the defect was fraudulently concealed.
- (3) If the goods are defective, Bosai Europe GmbH shall be entitled to decide at its own discretion whether to remedy the defect or deliver goods free of defects. The right to refuse subsequent fulfilment under the statutory conditions remains unaffected.
- (4) If a notice of defect is unjustified, the client shall be liable for the expenses incurred, unless he is not responsible for the faulty notice of defect.

## **8. Liability**

- (1) Bosai Europe GmbH shall only be liable for wilful and grossly negligent breaches of duty, provided that these do not involve material contractual obligations, damage

resulting from injury to life, limb or health or guarantees or claims under the Product Liability Act. The same applies in the event of the assumption of a guarantee of quality or the fraudulent concealment of a defect. Compensation for loss of production, consequential damage and/or loss of profit is excluded in cases of simple negligence.

- (2) Insofar as liability for damages against Bosai Europe GmbH is excluded, this shall also apply to the same extent to the liability of its employees, workers, representatives and vicarious agents.
- (3) In cases of a material breach of contract caused only by negligence, the amount of damages shall be limited to the damages foreseeable at the time of conclusion of the contract and typical for the contract.

## **9. Obligations under the German Packaging Act (VerpackG)**

- (1) If Bosai Europe GmbH, on behalf of the customer, affixes a label of a nationwide system pursuant to § 3 para. 16 of the German Packaging Act (VerpackG) to the products, such as 'Der Grüne Punkt', the customer shall be deemed to be the 'manufacturer' of this label within the meaning of the VerpackG. The customer is therefore obliged to pay the corresponding fees directly to the nationwide system.
- (2) Should the customer violate the provisions of the VerpackG and Bosai Europe GmbH be held liable as a result, the customer shall be obliged to reimburse all damages and expenses incurred as a result.
- (3) If the customer demands of us pursuant to § 7 para. 2 sentence 1 VerpackG that we participate in one or more nationwide systems within the meaning of § 3 para. 16 VerpackG and carry out the corresponding registrations, data reports and declarations of completeness pursuant to § 7 para. 2 sentence 3 in conjunction with §§ 9, 10 and 11 VerpackG for the customer, the following shall apply:
  - (a) Bosai Europe GmbH shall only assume the obligation pursuant to Section 7 (2) sentence 3 in conjunction with Sections 9, 10 and 11 VerpackG if the customer requests us to do so in writing. In this case, the customer's written request must also be confirmed in writing.
  - (b) If Bosai Europe GmbH assumes for the customer the participation in a system pursuant to § 7 para. 2 sentence 1 VerpackG as well as the registration, data reporting and declaration of completeness pursuant to § 7 para. 2 sentence 3 in conjunction with §§ 9, 10 and 11 VerpackG, the customer shall be obliged to reimburse us in full for the costs incurred thereby. This includes the costs of utilising the nationwide system pursuant to Section 3 (16) VerpackG (e.g. Dual System), the costs of registration, data reporting and declaration of completeness and, if desired, the costs of affixing the logo of a nationwide system such as 'Der Grüne Punkt'.
  - (c) The costs mentioned under b) will be shown separately on the invoice for each delivery of service packaging. The basis for this is the scale of charges of the respective nationwide system used.

(d) Bosai Europe GmbH shall be free to select the corresponding nationwide system.

- (4) Unless otherwise agreed, the customer shall assume the take-back obligations of Bosai Europe GmbH in accordance with § 15 of the German Packaging Act (VerpackG). The customer shall ensure that the packaging is taken back and properly and professionally recycled. All costs incurred for taking back and recycling shall be borne by the customer.
- (5) The above provisions shall not apply to packaging that is not produced in Germany but abroad and therefore does not have to be disposed of in accordance with the German Packaging Act. In this case, the customer shall be responsible for the disposal of the packaging in accordance with the applicable statutory provisions in the respective country
- (6) If the Customer is the final distributor within the meaning of Section 3 (13) of the German Packaging Act (VerpackG), it shall be obliged in accordance with Section 15 (1) sentence 5 of the German Packaging Act to take appropriate measures to inform end consumers to an appropriate extent about the possibility of returning packaging within the meaning of Section 15 (1) sentence 1 nos. 1 to 5 of the German Packaging Act and its purpose.

## **10. Limitation period**

- (1) Notwithstanding § 438 (1) No. 3 BGB, the general limitation period for claims arising from material defects and defects of title shall be one year from delivery.
- (2) The above limitation period shall also apply to contractual and non-contractual claims for damages of the Customer which are based on a defect of the goods, unless the application of the regular limitation period (§§ 195, 199 BGB) leads to a shorter limitation period in individual cases. Otherwise, the statutory limitation periods shall apply.

## **11. final provisions**

The contracts of Bosai Europe GmbH shall be governed exclusively by the law applicable in the Federal Republic of Germany. The application of the UN Convention on Contracts for the International Sale of Goods is excluded. If the contract is a mutual commercial purchase, the exclusive - also international - place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship shall be the place of business of Bosai Europe GmbH in Lübeck. However, we shall also be entitled to take legal action at the buyer's general place of jurisdiction