



Terms and Conditions for the repair of all-terrain vehicles and spare parts for all-terrain vehicles as of September 18, 2019 for use exclusively in relation to companies within the meaning of section 310 (1) of the BGB

I. General

- 1.1 The following Terms and Conditions shall apply to all repair work, deliveries of spare parts and/or other services provided by us to the customer within the scope of this order or of further follow-up orders of or for all-terrain vehicles and/or parts thereof – including add-on equipment and chains. Any General Terms and Conditions of the customer to the contrary shall only apply if expressly confirmed by us in writing.
- 1.2 The customer may only assign claims arising out of contracts concluded with us, or have such claims redeemed by third parties, with our prior written approval, as long as the customer's interests are not unreasonably impaired thereby. Partial or multiple assignments shall always require our prior written approval. Furthermore, assignments of any kind shall always require our prior written approval if the order is based on a credit or installment transaction.
- 1.3 For statements which are not of particular importance to the customer, a written notice to the customer's latest address known to us shall be sufficient for the effectiveness of any notification, demand, or other communication sent by us to the customer in connection with this contract.
- 1.4 These General Terms and Conditions are drawn up in both an English and a German language version. Should difficulties of interpretation arise, the German language version shall prevail.

II. Signing and Contents of the Contract

- 2.1 A contract shall come into existence once the relevant contract form has been signed by the customer himself or by one of his agents (e. g. a driver). To the extent that nothing to the contrary is agreed post-contract, any representations or supplements must be in writing.
- 2.2 Any oral or written orders and/or extensions of orders shall only be valid if confirmed by us in writing or if the order is actually carried out in accordance therewith.
- 2.3 The performance of work which has not been agreed upon requires the customer's prior consent, unless the customer cannot be reached at short notice, the work is absolutely required for the roadworthiness of the item to be repaired and, by such repair, the price of the order is not increased by more than 10% (for orders of up to € 500), or by more than 5% (for orders of more than € 500) respectively.
- 2.4 Used parts must be taken back on acceptance of the item forming the subject of the order, or 2 weeks after our notice of the conclusion of the repair work at the latest. Failing this, the used parts may be scrapped without any compensation; the related costs must be borne by the customer. Upon acceptance of the item forming the subject of the order or with the notice of the conclusion of the repair work, we will separately inform the customer on the consequences of a delay in taking back the used parts.
- 2.5 In so far as is necessary for the proper fulfillment of the order, we shall be entitled to make trial and test drives with the all-terrain vehicles left with us for repair work. Subcontracting shall be admissible.

III. Cost estimates

Cost estimates do not include VAT, which is calculated separately. Delivery dates shall only be binding if set by us in writing and expressly declared by us to be binding.

IV. Prices

The price of the order does not include any cash discounts and are subject to VAT. Any additional services (such as transportation costs) shall be charged additionally.

V. Payment

- 5.1 Repair work, deliveries of spare parts and other services shall be payable in cash (plus VAT) upon acceptance, but 2 weeks after our notice of the conclusion of the repair work at the latest. Any other method of payment must have already been agreed on in writing in the contract. Checks, bills and other means of payment, in particular assignments of receivables of any kind, shall only be accepted by us as conditional payment.
- 5.2 In so far as services are effected with a view to performance, we shall be entitled, but not obliged, to pursue the realization of such services, or the enforcement of any resulting claims against third parties, respectively, at the customer's expense. The customer shall make an adequate advance payment for this.

- 5.3 Where an installment sale has been agreed on, the entire residual debt shall, regardless of the maturity of any bills, become immediately due for payment if the customer refuses to make further payments, or is in default in payment of an installment for more than 14 days, or insolvency proceedings in relation to his/her assets have been filed for.
- 5.4 In so far as the item being repaired is the sole property of the customer, we may demand payments on account reflecting the progress of the repair work. Such payments shall be due upon receipt of a demand that effect and shall be credited against the final invoice amount.
- 5.5 Our claims may only be offset by the customer against counterclaims which are uncontested or have become res judicata. The customer may only exercise a right of retention in so far as such right is based on the same contractual relationship and, in case of defective performance on our part, only to the extent that the retained amount does not materially exceed the costs of the rectification of the defect.
- 5.6 We shall be entitled to charge default interest at a rate of 9% above the German Central Bank discount rate in force from time to time. Any VAT (turnover tax) accrued shall be borne by the customer.
- 5.7 If either of the contracting parties discontinues payments, or if insolvency proceedings or out-of-court composition proceedings are opened, the other contracting party shall be entitled to withdraw from the contract with regard to that part thereof which has not been fulfilled.
- 5.8 By making the order, the buyer confirms his ability to pay or his credit worthiness. If there is good reason to doubt the ability of the buyer to pay or their credit worthiness, e.g. slow or late payment or a protested check, then we are entitled to request security payments or payment in cash as and when the contract is performed. If the buyer does not meet this request within an appropriate period set for them, then we are entitled to withdraw from the as yet unfulfilled part of the contract or withhold our deliveries until receipt of the payments. This period is unnecessary if the buyer is evidently not in a position to make security payment.
- 5.9 We are entitled to request an advance payment upon conclusion of the contract. Interest will not be paid on this.
- 5.10 In so far as we ourselves are not the consignor, foreign customers must themselves arrange for the export certificate required to obtain the exemption from turnover tax and must send it to us. If a foreign customer does not furnish a us with an export certificate, he or she must pay the VAT (turnover tax) to us in the same way as domestic customers.

VI. Completion; Default; Impossibility

- 6.1 Completion dates shall only be binding if agreed on in writing and expressly declared to be binding by us.
- 6.2 If the volume of work changes or increases in comparison with the original order, either at the customer's request or due to technical circumstances which could not have been foreseen by a diligent technical examination on signing the contract, and if this, which, as a consequence, results in a delay, then the agreed signing date shall be deferred for that period of time required, from an expert's point of view, for the due completion of such change or increase.
- 6.3 If an agreed completion date cannot be complied with as a result of force majeure, riots, strikes, lock-outs or material operational breakdowns beyond our control, in particular the non-appearance or non-arrival of skilled personnel or supplies, then the period of such delay shall be added to the original completion date.
- 6.4 If a non-binding completion date is exceeded by more than one week, then the customer may demand from us, in writing the performance of the order within a further week of receipt of such demand by us. We shall not be in default until the expiry of such additional period.
- 6.5 In so far as this is reasonable, we shall be obliged to inform the customer of any delays as soon as possible.
- 6.6 Our liability for purely default-induced losses incurred by the customer (within the meaning of sections 280 and 286 of the BGB) shall be limited to typical damages of up to 0.5% of the purchase price for each full week of default and up to a maximum amount of 5% of the purchase price, unless the customer can establish that greater damage was foreseeable and has actually occurred. We may remedy claims for default-induced losses by making available a substitute vehicle (which should, so far as possible, be equivalent). To this extent, we shall have the option to either make available one of our own vehicles or to bear 90% of the costs of the actual use of an equivalent hire vehicle.

6.7 Claims for damages for non-performance due to the customer in cases in which we are in default of performance or in cases of impossibility of performance for which we are responsible shall be limited to typical damages of up to 10% of the purchase price, unless the customer can establish that greater damage was foreseeable and has actually occurred.

6.8 The above-mentioned limitations on liability do not apply in cases of malice aforethought or gross negligence or in cases of injury to life, body or health. The customer's right to withdraw from the contract shall remain unaffected.

VII. Acceptance

7.1 In so far as repairs have been carried out in one of our workshops or in a workshop accredited by us, the customer shall be entitled to inspect the vehicle in the workshop within one week after notice of completion has been given, and shall be obliged to take delivery of the vehicle within that time limit. If the customer is in default of acceptance, then we shall be entitled to charge him with the usual local fees for storing the vehicle on a daily basis.

7.2 If repairs are carried out at the place of business of the customer, then the customer must accept the vehicle immediately upon completion of the repair work. As far as environmental conditions allow, a test drive in line with normal practice, is permitted.

7.3 The work shall be deemed to have been accepted at the end of two weeks after completion of the repair work. This fact shall be pointed out to the customer again specifically in the written notice of completion.

VIII. Right of Lien

8.1 In respect of our claims under the order, the customer agrees with us a right of retention as well as a right of lien for all objects which have passed into our possession under the order.

8.2 The contractual right of lien may also be enforced in respect of claims from repair work, deliveries of spare parts and other services previously performed, in so far as these are connected with the goods which are the subject of the order (the „goods“). The contractual right of lien shall only apply to other claims arising from the business relationship in so far as such claims are uncontested or title is legally enforceable and the customer is the owner of the goods.

8.3 The pledge may be realized at the end of two weeks after the customer has received a notice threatening the sale of the pledge.

IX. Liability for Quality Defects and Defect of Title

9.1 If we do not receive written notice of obvious defects within twelve working days of acceptance of the vehicle, the vehicle is considered to be approved.

9.2 Quality defects shall be remedied, at our option, exclusively by way of replacement delivery free of charge or of the repair of the defective parts free of charge.

9.3 In the case of material quality defects and defects of title, the customer can only demand the rectification of the defect, whereby we are entitled to make repairs three times. If the type of defect or other circumstances mean that the rectification cannot be taken to have failed as a result, and if this can reasonably be expected of the other party to the contract, we are entitled to perform further repairs. If attempts at rectification fail, the customer is entitled to reduce the purchase price or to withdraw from the contract at his or her discretion, and has the right to claim damages in line with the legal provisions and section X. of these Terms and Conditions.

9.4 The aforementioned claims are subject to a time limit of twelve months, beginning with the acceptance of the goods.

9.5 The customer shall not be entitled to any claims for damages if the damages resulted from the fact that:

- the customer did not give notice after the discovery of a defect and did not comply with our demand to discontinue using or demonstrating the vehicle;
- the parts of the goods affected by the defect were altered or repaired in an improper manner in the meantime and at the customer's instigation by another workshop or by the customer himself, although we had agreed to remedy the defect immediately at the customer's request.

9.6 We shall not be liable for makeshift repairs carried out on the customer's demand.

X. Liability

Notwithstanding the specific provisions governing default impossibility (VI) and liability for quality defects and defects of title (IX), we shall be liable for damages culpably caused by us only in accordance with the following provisions:

10.1 If our obligation to pay damage is due to only a slightly negligent breach of essential contractual obligations (obligations whose fulfillment is essential for the due and proper performance of the contract and whose fulfillment the other contracting party may rely on as a matter of course), our liability to pay damages and that of our legal representatives, vicarious agents or employees is limited to the foreseeable damages typically involved in this type of contract, except in cases of injury to life, body or health.

10.2 If our obligation to pay damages is due only to a slightly negligent breach of non-essential subsidiary obligations, we will be exempt from our obligation to pay damages, as will our legal representatives, vicarious agents or employees, unless there has been injury to life, body or health.

10.3 Exclusions of liability shall not apply with regard to damages for which we have to accept responsibility pursuant to the *Produkthaftungsgesetz* (German Product Liability Act) or because of the assignment of particular risks (e.g. pursuant to section 639 of the BGB).

10.4 In order to comply with his obligation to minimize damage, the customer shall immediately provide written notification of damage.

XI. Retention of Title

11.1 In so far as any installed accessories, spare parts and units (hereinafter collectively referred to as the „spare parts“) have not become integral parts of the goods, the title to them shall remain with us until all claims due to us under the order have been settled. The retention of title also applies to all and any claims against the customer which arise subsequently in connection with possible further repairs of the goods. The retention of title also applies to such claims against the customer which arise from our current General Terms and Conditions. If the value of the security granted exceeds the value of our claims by more than 10%, we are obliged at the request of the customer and at our reasonable discretion to reassign the security to the extent that the security limit has been exceeded.

11.2 On the customer's demand, we are obliged to waive retention of title if the customer has satisfied all claims in connection with the goods and if the other claims arising from the current business relationship are adequately secured by other means.

11.3 During the period for which title is retained, the customer shall be entitled to possess and use the spare parts, so long as the customer complies with its obligations under the retention of title in accordance with the following provisions of this section and provided that the customer is not in default of payment. If the customer acts in a way that breaches the contract, particularly in case of nonpayment, we have the right to repossess the spare parts after an appropriate deadline has been set. The contract is rescinded if we repossess the spare parts. After written notice of an appropriate deadline has been given, we can realize the value of the spare parts to the maximum extent possible by private sale and credit the realization proceeds against the purchase price. If we demand the return of the spare parts, the customer shall, excluding possible rights of retention, if any (unless such are based on the order), be obliged to return the spare parts to us immediately. When the spare parts are repossessed, we have the right to have the estimated price assessed by a publicly authorized and sworn expert appointed by us. We are entitled to offset the spare parts at such estimated price. All costs of repossession and the sale of the spare parts shall be borne by the customer. We are entitled to calculate the costs of realization on a flat-rate basis at 10% of the proceeds of disposal inclusive of turnover tax. If we can provide proof of higher costs, or the customer of lower costs, this higher or lower amount shall be used. After deduction of the costs and other claims in connection with the order, the proceeds shall be credited to the customer.

11.4 So long as a retention of title exists, any sale, pledge, transfer by way of security, rental or other assignment of the spare parts which would impair our security, and any alteration to them, shall only be permissible with our prior written consent.

11.5 If third parties are involved, in particular if the goods or spare parts are attached or if a workshop exercises its contractor's lien, then the customer must immediately inform us thereof in writing and inform such third party of our retention of title without delay. The customer shall bear all costs necessary to terminate such third-party seizure and to return the spare parts, in so far as such costs cannot be collected from third parties.

11.6 During the period for which title is retained, the customer shall be obliged to keep the spare parts in good order and to have all maintenance work designated by us, as well as all necessary repairs, carried out immediately (apart from cases of emergency) by us (branch plant or subsidiary) or by a workshop authorized to service the goods or the spare parts (authorized repair shop).

XII. Final Provisions

12.1 These Terms and Conditions are governed by German law. The provisions of the UN Convention on Contracts for the International Sale of Goods shall not apply.

- 12.2 The exclusive place of jurisdiction for all present and future claims arising under this business relationship shall be Ulm. We shall, however, also be entitled to assert our claims against the supplier, at our option, before the court competent in the supplier's registered office or before the courts which have jurisdiction over the registered office of any of our branch offices if the claims relate to the business relationship with such branch office.
- 12.3 The place of performance for all present and future claims arising under this business relationship shall be Laupheim. In so far as any claims are based on transactions concluded with one of our branch offices, the place of performance shall be the registered office of such branch office.
- 12.4 If individual parts of these Terms and Conditions are legally ineffective, the effectiveness of the remaining provisions shall not be thereby affected. The contractual partners shall endeavour to replace the ineffective clause with another clause which is as close as possible to the financial purpose and legal meaning of the original formulation and is in accordance with the relevant legal regulation.
- 12.5 We collect and process data in accordance with the EU General Data Protection Regulation and the Federal Data Protection Act.