

GTC

of the

YKK STOCKO FASTENERS GmbH

represented by its executive directors Takashi Ohara and Takanori Yoshida

Kirchhofstr. 52, 42327 Wuppertal, Germany

as of November 2020

1. Scope of Application

1.1 The business relationship between the YKK STOCKO FASTENERS GmbH (user) and the customers are exclusively subject to the following general terms and conditions stated herein according to the valid version at the time of placing the order/ conclusion of the respective contract. These terms and conditions also apply in particular when we render delivery/perform services without reservation while knowing of varying terms and conditions of our customer. Any terms and conditions on the part of the customer which deviate from these General Terms and Conditions will not be recognized unless the user has explicitly agreed to them in writing.

1.2 Our Terms and Conditions only apply to entrepreneurs as defined in § 14 BGB [German Civil Code].

2. Conclusion of Contract

2.1 Our offers are always subject to confirmation. A contract becomes only effective upon written confirmation (letter of confirmation).

2.2 All agreements that are concluded between us and the customer for the purpose of executing the contract must be set out in writing upon conclusion of the contract. Collateral agreements of any nature regarding our offers, confirmations or agreements shall only be valid and included in the contract if confirmed by us in writing.

2.3 Any details given in our offers, leaflets and catalogs concerning drawings, pictures and information, especially weight and dimensions aspects or other technical data are not binding; these as well as DIN, VDE or other company or inter-company norms referred to define only the subject of the contract and are only a guarantee on characteristics where this has been explicitly agreed in writing or where a guarantee is indicated.

3. Right to Rescind the Contract

3.1 We have the right to rescind the contract should its fulfillment meet with technical difficulties that are insurmountable even when exercising extreme care and commitment or which can only be overcome at a disproportionately high expenditure compared to the value of the items / performance to be delivered by us. Disproportionate means here costs that exceed more than 15 % of the order volume. The customer is to be informed without delay – if possible already upon conclusion of the contract – about recognizable failure in the technical implementation

with conclusion of the contract with corresponding reservations. As the case may be payments received from the customer for not rendered services are to be reimbursed.

3.2 We shall also be entitled to withdraw from the contract if the customer fails to make contractually agreed advance payments in due time.

4. Prices / Terms of Payment

4.1 Unless no other currency is indicated in our offer our prices are calculated in EURO plus the currently applicable value added tax for delivery ex works including customary packing.

4.2 If the date of delivery is more than four months later than the conclusion of the contract – in particular in the case of call orders – we reserve the right to change our prices appropriately if reductions or increases in costs occur after the conclusion of the contract in particular due to changes in material prices or wage agreements. This shall be verified to the customer on request.

4.3 We reserve the right to request an appropriate advance payment or a bank guarantee prior to fulfilling the order.

4.4 We are entitled to invoice electronically via e-mail. An invoice with a qualified electronic signature pursuant to the provisions of the VAT act shall be sent to the customer.

4.5 Unless not otherwise provided in the confirmation of order, the purchase price will be due for payment immediately after the relevant invoice has been received and is payable within the term of payment set in the invoice. The statutory regulations about the consequences of default of payment shall apply. If the customer shall fail to make the payment when it becomes due, the customer will be in default without the need for further payment demands. In this case the amount invoiced is to be paid with the legal rate of interest at a minimum of 5 percentage points above the respective base rate of the ECB starting from the day following the due date for payment. This does not apply if the customer is not liable for the default of payment.

4.6 The customer shall only be entitled to offsetting rights if they are either based on the same contractual relationship or if his counterclaims are declared legally valid, are undisputed or have been recognized by us. In addition the customer is only authorized to practice the right of retention in so far as his counterclaim is based on the same contractual relationship.

5. Place of Performance / Passing of Risk

5.1 Place of performance is our place of business.

5.2 The risk is transferred to the customer no later than at the time the goods are shipped.

5.3 Other conditions shall only apply if they have been expressly agreed upon in writing.

6. Delivery Period

6.1 A date of delivery is quoted without obligation in the letter of confirmation.

6.2 We shall only be in default with our obligation to deliver after a written reminder has been issued by the customer with fixing of a period of time but not prior to the end of the date indicated in the letter of confirmation. Another precondition for default is that the customer has met his obligation to co-operate in time and properly.

6.3 If the customer is in default of acceptance or culpably violates other obligations to co-operate, we are entitled to ask for the compensation of any resulting damage including any possible extra expenses. Any further claims shall remain unaffected hereby.

6.4 Insofar as the preconditions of a default of acceptance exist, the risk of an accidental loss or the accidental deterioration of the object of purchase shall pass to the customer at the moment that he is in default of acceptance.

6.5 Should we default on a delivery or should it become impossible for us to meet our performance obligation, we shall be liable for damages only under the conditions and to the extent determined in article 8 of these GTC unless a transaction for a delivery by a fixed date has been agreed before.

6.6 If we are in default of delivery which is due to only slight negligence by us, the customer's possible claims for damages shall be limited to a flat-rate compensation for delay in the amount of 0.5 % of the value of goods to be delivered for every complete week of delay, however not exceeding a maximum total of 5 % of the value of goods to be delivered, whereupon we shall prove that the delay in delivery caused no or only minor damage.

7. Call Orders / Partial Delivery / Excess and Short Deliveries

7.1 In the case of call orders the goods are to be accepted at almost the same monthly quantities unless something different has been agreed in writing. The total quantity shall be deemed called-off one month after the expiry of the period agreed for the call-off or, failing such an agreement, with the end of the sixth month after the conclusion of the contract.

7.2 We reserve shipments of quantities of 10 % in excess of or below the ordered quantity as well as with slight deviations in dimensions, weights and from pictures to the extent that the functionality of the delivered goods and their overall appearance is not affected.

7.3 We shall be entitled to make partial delivery.

8. Warranty / Liability

8.1 Warranty claims of the customer for material defects and defects of title require that the customer duly met his obligation under § 377 HGB [German Commercial Code] to inspect the goods and submit complaints to us in writing immediately on receipt of goods.

8.2 If the object of purchase has a defect we shall have the right to choose between subsequent performance in the form of rectification of the defect or delivery of a new item.

8.3 If the supplementary performance fails the customer shall be entitled to choose between requesting to rescind from the contract or demanding price reduction.

8.4 Any claims by the customer for defects of goods delivered by us become time-barred with the expiry of one year after transfer of risk.

8.5 Claims of the customer for damages are excluded. This does not apply to damages caused by injury to life, limb or health or resulting from violation of substantial contractual obligations as well as the liability for other forms of damage based on a willful or grossly negligent breach of duty of the user, his legal representatives or agents. Essential contractual obligations are those that must be met in order to achieve the objective of the contract.

8.6 In cases of breaches of fundamental contractual duties the user is liable only for contractually typical, foreseeable damage if they were caused by simple negligence unless claims for compensation of the customer refer to damages caused by injury to life, limb or health.

8.7 The restrictions of articles 8.5 and 8.6 of these GTC shall also be applicable for the benefit of the user's legal representatives or agents if claims are asserted directly against them.

8.8 The provisions of the German Product Liability Act shall remain unaffected.

9. Reservation of Proprietary Rights

9.1 All delivered products remain our property until full settlement of all claims to which we are entitled against our contractual partner either now or in future. We shall release this security on request at our discretion provided their nominal value exceeds our claims sustainably and by more than 10 %.

9.2 Processing or reshaping shall always be performed for us as the manufacturer, but without any obligation for us. If the goods supplied by us are processed with other items that are not our property, we shall acquire co-ownership on the new item at the ratio of the invoice value of the goods delivered by us to the invoice value of the other used goods at the time of processing. If our goods are combined with other movable items to a new uniform item and if the other item is to be regarded as the principal item, our contractual partner shall proportionately transfer co-ownership to us, provided that the main part belongs to him. Objects to which we have acquired the right of property or co-ownership according to the aforementioned regulations are hereinafter referred to as conditional commodity.

9.3 The contractual partner is entitled to sell the conditional commodity within an orderly business transaction and to combine it with the objects of third parties. Our contractual partner assigns to us any claims arising from the sale, combination or from some other legal ground regarding the conditional commodity already now fully or in proportion to our sole ownership or co-ownership rights regarding the sold or processed object.

9.4 Subject to revocation we authorize the contracting partner to collect the claims assigned to us. Our contracting partner shall pay to us the amounts collected without delay as far as and as soon as our claims become due. Our authority to collect the claims ourselves remains unaffected.

At our request our contracting partner is obliged to submit to us all information about the assigned claims and their debtors as well as the associated documentation and to give us all details necessary for the collection. If we are entitled to collect the claims, our contractual partner is be obliged to give us all information required for their collection.

9.5 If payments are suspended, an application is filed for insolvency proceedings or insolvency proceedings are opened and in case of the implementation of an extrajudicial debt regulation procedure, the rights of our contracting partner to resell, process, mix or to install the conditional commodity as well as the authorization to collect the assigned claims shall expire – even without revocation on our part.

9.6 Our contracting partner shall inform us without delay if third parties gain access to the conditional commodity and the assigned claims. Any costs of interventions or their prevention are to be borne by the contractual partner.

9.7 In case of any breach of contract by the contractual partner, in particular in case of delay in payment, we are entitled to demand return of the conditional commodity at the expense of the contractual partner or the contractual partner's assignment of the claim for return against third parties without us having to declare rescission of contract before or at the same time. Especially taking back the conditional commodity or distraining it does not mean a rescission of the contract by us unless we explicitly declare rescission from the contract in written form.

9.8 If our reservation of proprietary rights should be extinguished by export of the goods or for other reasons, or should we lose the ownership of the reserved conditional commodity for any reason then our contractual partner is obliged to grant to us without delay another security for the reserved conditional commodity or another security for our claims which is effective according to the law applicable at the customer's place of business and and which comes closest to the reservation of ownership according to German law.

10. Secrecy

10.1 We reserve ourselves all rights of property and copyrights regarding illustrations, drawings, calculations and any other documents. This shall also apply to such written documents that are designated as confidential. Before revealing them to third parties the customer needs our explicit approval in written form.

11. Compliance with minimum wage law (Mindestlohngesetz / Milog)

Our company is committed to pay the applicable minimum wage and to meet other payment claims on the basis of the minimum wage law (Mindestlohngesetz / Milog and Arbeitnehmerentensdegesetz / AEntG).

This obligation includes the commitment to pay in due time.

12. Final Provisions

12.1 The law of the Federal Republic of Germany shall apply. The terms of the United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply.

12.2 If the customer is a merchant our place of business is the place of jurisdiction.

12.3 Even if individual provisions of the contract are or become legally invalid, the remaining provisions shall remain valid. Instead of the invalid provisions the statutory provisions apply insofar as they exist.