

Steiner-Optik GmbH – Terms and Conditions for Delivery and Payment

1. General Terms and Conditions

Offers and sales are subject exclusively to our terms and conditions for delivery and payment, to which the purchaser expressly agrees upon placing an order. This also applies for future transactions, even if no explicit reference to the terms and conditions for delivery and payment is made. If an order is made with conditions attached which are divergent from our own, solely our terms and conditions for delivery and payment shall be valid, even if we do not raise objection. Exceptions can only be made if they have been explicitly approved by us in writing. This shall apply both for oral agreements and agreements made by telephone, as well as for agreements reached with our representatives.

Details of our customers will be saved and processed using IT applications in as far as this is necessary for the purposes of carrying out our legitimate business activities.

The resale of goods may be subject to restrictions under the export control laws of Germany, the EU, the US or of other countries and may only be allowed with the correct clearance or may be completely prohibited.

2. Quotations and Orders

Our offers remain valid for 14 days after the original quotation is made. This does not apply to offers which have explicitly been labelled as 'subject to change'. In this case a contract shall only come into being if the purchaser places an order and we then accept it. This can occur through the written confirmation of an order, delivery or the issuing of an invoice.

3. Distribution

Sales shall only be made to recognised distributors. The sale of our products to countries other than the country of the recipient is in principle forbidden.

4. Prices

Only the prices listed in our order confirmation are authoritative. In the absence of an order confirmation or other price agreement, the prices as listed in the catalogues and price-lists which are effective on the day of delivery shall be valid. All prices are non-binding net prices in euro, are quoted ex works or ex warehouse and do not include delivery. Packaging is charged at cost price. Charges are calculated using the prices and conditions effective on the day of delivery.

5. Delivery

Our deliveries, irrespective of mode of dispatch, are made at the purchaser's own risk and expense. If transit insurance is desired the purchaser must make this request in writing. Our stated delivery times are calculated so that they will in all likelihood be met, but this cannot be guaranteed. Disturbances to business operations, in particular in cases beyond our control and other disruptive occurrences affecting us, our suppliers or transport companies, such as fire, floods, labour shortages, insufficient energy supplies or lack of raw materials, industrial action, lockouts, or regulatory action, shall release us from our obligation to deliver on time, with the delay in delivery corresponding to the length of the obstruction. Part-deliveries are admissible.

In the event that the customer is in default of acceptance or if delivery is delayed because of reasons resting with the customer, the risk of accidental deterioration and accidental perishing passes to the buyer upon notification that the merchandise is available for dispatch. We are entitled to charge monthly storage costs amounting to 1% of the gross total order value. Further claims remain unaffected.

6. Reservation of Title

The delivered merchandise shall remain our property (Reserved Property) until all claims resulting from the business relationship with the buyer, in particular account balances, have been settled. In the case of resale or processing, the buyer of the merchandise, which remains our property in the absence of due payment, shall transfer to us any resulting claims or surrogates. Until complete payment has been made the merchandise may only be sold as part of the routine course of business, and may not be pawned or used as collateral. Late payments or late instalments shall entitle us to seize the merchandise. The assertion of the right of reservation of title does not require the termination of the contract. The buyer shall immediately inform us of any application for and/or opening of legal composition proceedings or insolvency

proceedings or if the Reserved Property is seized by a third party. Should the buyer default on payments before the Reserved Property is paid for, we are entitled to avail ourselves of the rights of exclusion and compensation listed, in particular, in Sections 47 and 48 of the German Insolvency Act (Insolvenzordnung). Similarly, upon application to open composition proceedings or insolvency proceedings on the assets of the buyer, all rebates are deemed to be unapproved if the invoice amounts for which they are foreseen have not yet been balanced.

7. Passing of Risk

The point in time at which the passing of risk takes place depends on the contractually agreed type of delivery. In the absence of any explicit written mention in the contract to the contrary, it shall be deemed that an 'ex works' delivery has been agreed and the risk passes to the buyer at the point at which the merchandise is ready for delivery. Should the delivery be arranged free of carriage to a certain location, the risk shall pass to the buyer upon the transfer of the merchandise to the first forwarding agent (post office, parcel service, train operator, freight carrier etc.). Once the risk has been transferred to the buyer, the buyer must pay the agreed purchase price irrespective of any damage, deterioration or loss in value of the merchandise.

8. Warranty Provisions and Notice of Conformity

a) The customer shall, immediately upon delivery, carefully examine the delivered merchandise – even if demonstration models have already been sent – to check that it is complete and in good condition. The notice period for the purposes of Section 377 (1) and (2) of the German Commercial Code (Handelsgesetzbuch) is 8 days, starting on the date we receive the written notice of non-conformity (this is also valid for notices received per fax). The limitation period for warranty claims is 12 months.

b) Repairs carried out due to the recognised warranty claims of the customer shall lead to a suspension of the period of limitation. The limitation period cannot be reset to start anew except in the case of deliberate intent or gross negligence.

c) The rejected merchandise shall be sent to us for inspection in its original packaging or equivalent. If the warranty claim is justified and made within the given time limits we shall remedy the defects by way of the supplementary performance of our choice, either fixing the flaws or supplying a defect-free good. We shall pay for the costs of fixing the defects in as far as these have not been augmented by the customer bringing the delivery to a location other than the place of performance. According to legal provisions, we are entitled to refuse a supplementary performance. In the case of refusal to carry out a supplementary performance, its failure, or its unacceptability to the customer, the customer is entitled to terminate the contract or to receive abatement (a reduction in the price) in accordance with the provisions in subsection d). No warranty shall be provided for defects in the delivered product or product parts which are caused by normal wear and tear.

d) The customer is entitled to terminate the contract — in as far as termination is not legally barred — or to have an abatement in the purchase price only after the expiration of two reasonable deadlines set by the buyer, unless the setting of the deadline is unnecessary according to legal provisions (Section 323 (2), Section 440, and Section 441(1) of the German Civil Code). In the case of termination the customer bears responsibility for the deterioration, perishing and the loss of derived benefits that may result not only under reasonable care but also from every negligent and deliberate form of damage.

e) All claims by the customer for reimbursement of expenses are subject to the provisions of section 13.

f) In the case of wilful deception of a defect or in the case that a particular characteristic of the delivered merchandise is guaranteed at the moment of the transfer of risk for the purposes of Section 444 of the German Civil Code (i.e. a declaration by the seller that the article for sale has a particular characteristic and that the seller shall be held accountable for all consequences stemming from its absence, regardless of fault), the rights of the customer shall comply with the statutory provisions.

g) We are — in addition to the statutory reasons for refusal — also entitled to refuse supplementary performance for as long as the

customer does not send us the merchandise at our request. The customer may not avail himself of the right of termination in the case of such a refusal. Customers are not entitled to avail themselves of the rights set forth under statutory regulations if changes or modifications are made to the merchandise without our approval, unless the customer proves that the defects are not the result of such changes or modifications.

h) If the end buyer of the merchandise in the supply chain is a consumer, the customer is — under further conditions as set out in Section 377 of the German Commercial Code (Handelsgesetzbuch) — entitled to terminate the contract according to the statutory regulations (Sections 478 and 479 of the German Commercial Code), but any claims for damages or reimbursement of expenses can only be made by the customer in accordance with the provisions in section 13.

i) Normal industry-standard discrepancies between the delivered merchandise and the order confirmation shall not constitute a defect. The customer has no rights to make claims of any kind for defect of goods which have been sold as declassified or second-hand material.

j) If our operating instructions or service manuals are not adhered to, if changes are made to the merchandise or services carried out on it, if parts are exchanged or if consumable supplies are used which don't correspond to the original specifications, then all warranties become void, unless the customer proves that the defects are not the result of such actions.

k) All information regarding our products, in particular that contained in pictures, illustrations, and declarations concerning weight, measurements and technical specifications in our offers and printed material are to be regarded as approximate mean values. These are not guaranteed physical characteristics, but rather descriptions or labels of the product. To the extent that limits for admissible deviations are not explicitly mentioned in the order confirmation and not termed as such, normal industry-standard discrepancies shall be admissible.

l) To the extent that the customer purchases second-hand products from us and unless we have agreed with the customer in writing something to the contrary, we shall provide these without any guarantees. Our field representatives are not entitled to make agreements with customers concerning warranties or guarantees for second-hand goods.

9. Conditions of Payment

Our invoices are to be paid immediately upon receipt or within 7 days of the date of invoice at the latest. Deductions are not admissible. Payments are to be made in advance. We are thus entitled to withhold the delivery of the ordered merchandise in full or in part until such a time as it has been paid for in full. Payment is only considered complete once the amount is fully at our disposal.

In the case of non-payment of an invoice by the customer we are, after the expiration of a reasonable deadline, entitled to terminate the contract and claim damages amounting to 25% of the contract value. The customer remains free to demonstrate that the damage incurred is of a lesser value. We reserve the right to make further claims.

10. Set-off and Right of Retention

The buyer may off-set our claims only with legally determined or undisputed counterclaims. The buyer is not entitled to avail himself of the right of retention arising from business dealings previous to or unrelated to the current business relationship. Exempted from this is the right to retention arising from undisputed or legally determined claims.

11. Assignment of Rights

We are entitled to transfer our rights arising from our business dealings with the buyer. The buyer shall agree to this transfer to the extent that we avail ourselves of this right. Payments of debt can only be made to Fortis Commercial Finance GmbH, Willstätter Str. 15, 40549 Düsseldorf, to which we have assigned the claims arising from our business dealings.

12. Returns

Goods bought outright cannot be taken back without our previous agreement. Articles sent back to us without our prior agreement shall be forwarded to the buyer at his expense or shall be stored without any liability on our part with the incursion of a monthly and damaged.

storage charge amounting to 1% of the gross total order value.

13. Limitation of Liability

a) In the case of pre-contractual, contractual or extra-contractual breach of duty, including the faulty supply of merchandise or a particular class of product, civil offence or producer liability, we shall only be liable — subject to further contractual or statutory conditions of liability — in the case of deliberate intent, gross negligence and the negligent breach of an important contractual obligation (a contractual obligation whereby a breach would endanger the fulfilment of the purpose of the contract). Our liability, however — except in the case of deliberate intent — shall in no case exceed the foreseeable losses and damages characteristic for the type of contract in question.

b) If the delivered merchandise cannot, in individual cases, be used in accordance with the terms of the contract due to a fault of our own resulting from omission or incorrect use based on the suggestions and advice received before or after the conclusion of the contract or because of a breach of other minor contractual obligations — in particular the instructions for use and maintenance of the delivered merchandise — then subsections a) to g) shall apply as well as the rules under 'warranty provisions', to the exclusion of any other claims of the purchaser.

c) For damages caused by delays we shall be liable in the case of negligence only for an amount of up to 5% of the agreed purchase price.

d) Except for the breach of important obligations, liability shall not be accepted for negligence, and will in any case be limited to the amount of the purchase price. Subsection b) remains unaffected.

e) The exclusions and limitations of liability contained in subsections a) to c) do not apply where particular characteristics of a product have been guaranteed for the purposes of Section 444 of the German Civil Code, in the case of wilful deception, in the case of damage to life, body or health, or cases where we are subject to statutory liability under the Product Liability Act (Produkthaftungsgesetz).

f) All claims for damages against us, irrespective of their particular basis in law, shall become time-barred after a maximum of one year after delivery of the merchandise to the customer, and in the case of tortious liability a maximum of one year from the moment the person liable to pay compensation becomes aware of or is unaware in gross negligence of the circumstances on which the claim is made. The rules of this paragraph shall not apply — in which case statutory rules shall take precedent — in the case of liability for deliberate intent and the cases listed in section e). Any statutory provisions with shorter limitations of liability shall prevail.

g) If the customer of the delivered merchandise is a middleman and the end user of the merchandise is a consumer then the statutory provisions regarding the customer's time limits for legal recourse against us shall apply.

14. Trademark protection

a) A binding regulation on the advertisement and sale of our products, e.g. through catalogues, electronic media and sale portals, i.e. including on the internet over proprietary brand websites or sales platforms such as EBAY etc. is required to protect the STEINER brand.

b) Over 60 years of innovation, tradition and experience have made STEINER the leading specialist in binoculars. The high value of the STEINER brand is demonstrated by the unparalleled growth and market position it has achieved. STEINER brand products are high quality, extremely innovative goods in the premium segment, with upmarket design and quality standards. We continually invest in product development, marketing, training, advertising, protection of our trademark rights, etc. The STEINER trademark, whose position and image on the market has been achieved only through an enormous financial, intellectual and logistical effort, as well as through our qualified specialist retailers, is an asset worth protecting. This high-end image of the STEINER brand is being increasingly jeopardised by such things as aggressive internet trading, where advertising blatantly seeks to generate sales, in part through dumping prices. End users are meant to be lured, for instance, to internet portals with our reduced prices. This kind of conduct is not at all acceptable or tolerable for us, since the value and reputation of the STEINER brand is permanently jeopardised

c) The purchaser accordingly undertakes not to advertise our products at prices lower than a maximum total of 10% below the recommended non-binding sale prices (gross, including VAT), according to our relevant current price lists. This also applies to bonuses in the form of goods.

For auctions, e.g. on EBAY, the article may only be offered for "immediate purchase". Auctions and reverse auctions are not permitted. Please note that as traders we impose no parameters over the sale prices which are to be determined by yourselves completely independently – we do not call into question your right to determine the final price. This means that you may of course sell our articles at the price which you as retailer may wish to achieve. However, advertising our high-value brand products in electronic or print media at prices far below the recommended sale price cannot be tolerated for the reasons mentioned above.

d) Selling STEINER products over the internet or in print media will require the written approval of STEINER, the precondition for which is acceptance of our sales philosophy as specified herein. In addition to abiding by the above points, purchasers authorised by us accordingly further undertake to:

- abide by the binding regulations on the protection of the STEINER trademark.
- comply with the service requirements specified by STEINER.
- sell the articles marketed by STEINER exclusively to end users in small quantities as customary in the retail trade. Making what is known as "asso-ross sales" to re-sellers is strictly prohibited.
- sell STEINER products exclusively in their own name, which is identical to the one listed in the customer data sheet.
- stock the STEINER products offered in sufficient quantities to ensure immediate delivery to the parties making the order.
- also present our premium trademark on appropriate websites with correspondingly sophisticated design and graphics.

e) In the event of non-compliance STEINER will be entitled to immediately terminate deliveries and to withdraw customer status. Where a customer commits a breach of the rules, STEINER shall be entitled to require the contractual goods to be returned at cost price and to prohibit further sales.

f) The copyright, trademark and exclusive use rights over the entire contents of the website, its download area as well as all catalogues and other sales materials, including the rights to images and text are and shall remain the property of STEINER. These materials may only be used with the express prior written consent of STEINER. The same also applies to all trademark rights.

15. Place of Performance and Jurisdiction

The place of performance and payment is Bayreuth. The place of jurisdiction for all claims resulting from our business relations, including legal proceedings concerning bills of exchange and deeds, and for cases where the customer has no domestic place of jurisdiction, shall be, at our discretion, Bayreuth or the customer's place of jurisdiction. The relationship between us and the buyer shall be exclusively subject to the laws of the Federal Republic of Germany excluding the provisions of the UN Convention on Contracts for the International Sale of Goods. Foreign bank charges and fees shall be paid as a matter of principle by the buyer.

16. Partial Invalidity

Should single provisions of these terms and conditions for delivery and payment become invalid or cannot be implemented, this shall not affect the validity of the remaining provisions.