

General Terms and Conditions of Sale and Delivery

for business transactions with traders

I. Offer

The documents pertaining to the offer, such as images, drawings, weights and measurements, are only approximations insofar as they are not explicitly denoted as binding. The Supplier hereby reserves the ownership rights and copyright to the cost estimates, drawings and other documents. They shall not be made accessible to third parties. Plans deemed confidential by the Customer are hereby only to be made accessible to third parties by the Supplier with the consent of the Customer.

II. Scope of Delivery

Written order confirmation from the Supplier shall hereby be authoritative for the scope of the delivery. Ancillary agreements and amendments shall require written confirmation from the Supplier.

III. Pricing and Payment

- Unless otherwise agreed by special arrangement, prices shall hereby apply ex-works, including loading on site but excluding packaging. We hereby reserve the right to an adjustment should material costs or wages increase. The statutory rate of VAT shall be added to the prices.
- Unless otherwise agreed by special arrangement, the payment is to be made in cash within 30 days after the date of invoice without any deductions and free of transaction fees to the paying agent of the Supplier. In the event that an order value exceeds €30,000, the following conditions shall apply:
 $\frac{1}{3}$ deposit upon receipt of the order confirmation,
 $\frac{1}{3}$ as soon as the Customer has been notified that the main parts are ready for dispatch and the remaining amount within 30 days after the date of invoice strictly net.
- The withholding of payments or offsetting due to any counterclaims by the Customer contested by the Supplier is hereby not permitted.
- Where payment is delayed, we hereby grant ourselves the right to charge default interest, which shall equal up to 9% above the respective discount rate of the German Federal Bank.

IV. Delivery Period

- The delivery period shall commence with the dispatch of the order confirmation but not before the Customer has provided all required documents, approvals or releases or before the receipt of an agreed down payment.
- The delivery period shall be met if, before the period has expired, the delivery item has left our factory or the Customer has been informed of the delivery item's readiness for dispatch.
- The delivery period shall be extended appropriately in the event of industrial action, particularly strikes and lock-outs, and in the occurrence of unforeseen obstacles which are beyond the Supplier's control, insofar as such obstacles can be proven to have a considerable impact on the completion or delivery of the delivery item. This shall also apply when these circumstances are experienced by subcontractors.
The Supplier shall hereby also not be held responsible for the aforementioned circumstances if they occur during a pre-existing delay. The Supplier shall notify the Customer as soon as possible of the beginning and end of such obstacles in important cases.
- If the Customer experiences damage due to a delay that has arisen at the fault of the Supplier, he/she is hereby entitled to demand compensation upon granting an appropriate extended delivery time, excluding further claims. This shall amount to 0.5% for each full week of the extended delivery time, but shall not exceed a total of 5% of the value of the respective part of the total delivery that cannot be used on time or as specified in the Contract owing to the delay.
- If shipping is delayed at the request of the Customer, he/she shall be charged for the storage costs incurred commencing one month after the notification of readiness for dispatch. In the event of storage at the Supplier's factory, the costs shall be at least 0.5% of the total invoice amount for each month.
However, upon the setting and inconsequential expiry of an appropriate period, the Supplier is hereby entitled to dispose of the delivery item in another way and to deliver to the Customer within an appropriately extended period.
- The compliance with the delivery period shall hereby require the fulfilment of the contractual duties of the Customer.

V. Transfer of Risk and Acceptance

- The risk shall be transferred to the Customer no later than upon the dispatch of the goods, even in the event of partial deliveries or if the Supplier has undertaken other services such as shipping costs or delivery and installation. Shipment shall be insured against damage in transit at the expense of the Customer.
- Should dispatch be delayed due to circumstances for which the Customer is responsible, the risk shall be transferred to the Customer from the day of readiness for dispatch.
- Delivered goods are to be accepted by the Customer, even if they contain minor defects, notwithstanding the rights contained in Clause VII.

VI. Retention of Title

- The delivered item shall remain our property until the full settlement of all of our claims from the business relationship with the Customer (goods subject to retention of title). In the case of a current account, the goods subject to retention of title shall serve to secure our balance claim.
Treatment and processing of goods subject to retention of title shall be carried out for us as Manufacturer in accordance with Section 950 of the German Civil Code (BGB), without our obligation. In the event of processing with other goods that are not our property by the Customer, we shall be due joint ownership of the manufactured goods in the following ratio:
the invoice value of our goods subject to retention of title used for the manufactured goods to the sum of all invoice values of all goods used for manufacturing and other manufacturing costs of the Customer.
Should our goods subject to retention of title be mixed or combined with other items and our ownership of the goods subject to retention of title consequently expires, it is hereby already agreed now that the ownership or joint ownership rights respectively of the Customer to the mixed goods or the uniform item shall be transferred to us in proportion to the invoice value of our goods and the Customer shall store these for us free of charge. The goods resulting from the processing or from the combination or mixture shall count as goods subject to retention of title in accordance with these conditions.
- The Customer may hereby sell the goods subject to retention of title only in the normal course of business under his/her normal business conditions and as long as he/she is not in default. The Customer is hereby only entitled and authorised to sell the goods subject to retention of title provided that he/she assigns the claims from the resale to us. The Customer is not entitled to dispose of the goods subject to retention of title in any other way without our consent. The claims of the Customer from the resale of goods subject to retention of title are hereby already assigned to us. We hereby accept the Customer's Declaration of Assignment.
In the event that the goods subject to retention of title are sold by the Customer together with other goods that we do not own, the assignment of the claim from the resale shall only apply up to the amount of the invoice value of the respective goods subject to retention of title sold. Should the goods subject to retention of title be resold after processing, particularly after processing with other goods that we do not own or after combining/mixing, the assignment shall only apply up to the amount of our percentage ownership of the resold item or the resold stock.
- The Customer is hereby entitled to collect claims assigned to us until we revoke them, which we are permitted to do at any time. We shall only exercise the right to revoke for good cause. On

request, the Client shall inform third party debtors of the assignment to us and to provide us with the information and documents required for collection.

- The conditional buyer shall not assign or pledge the goods subject to retention of title by way of security, assign the claim to a third party or offset a claim with them, or arrange an assignment ban with his/her customers. He/she is hereby also not entitled to accept other services as payment, in particular other items or services in lieu of performance.
- The Customer must inform us immediately of any seizure or other impairment of our rights by a third party.
- If the Customer defaults on a payment, we shall be entitled to withdraw the goods subject to retention of title without requiring withdrawal from the Contract hereto.
- If the value of the collateral pledged to us exceeds our claims by more than 20%, we are hereby obliged upon request of the Customer to return or release securities at our own discretion.

VII. Liability for Defects in the Delivery

The Supplier is hereby liable for defects in the delivery, including missing features that were explicitly guaranteed, excluding further claims as follows:

- All those parts, which prove to be unusable or are considerably impaired in their usability within 12 months after commissioning due to a circumstance occurring prior to the transfer of risk – particularly due to defects in design, materials or execution, shall be corrected or redelivered free of charge at the reasonable discretion of the Supplier. The Supplier is to be informed of the discovery of such defects immediately in writing. Replaced parts shall be the property of the Supplier.
Should the dispatch, installation or commissioning be delayed at no fault of the Supplier, the liability shall expire no later than 18 months after the transfer of risk.
The liability of the Supplier for significant third party products shall be limited to the assignment of liability claims against the supplier of the third party products, to which the Supplier is entitled.
- The right of the Customer to assert claims due to defects shall in all cases expire 12 months after the timely notification of defects but no earlier than upon the expiry of the warranty period.
- No liability shall be assumed for damage resulting from any of the following causes:
Unsuitable or improper use, faulty assembly or commissioning by the Customer or third party, natural wear and tear, faulty or negligent treatment, unsuitable equipment or replacement materials, faulty construction work, unsuitable foundations, or chemical, electrochemical or electrical influences insofar as they cannot be traced back to a fault of the Supplier.
- In order for the Supplier to carry out all corrections and replacement deliveries deemed necessary at its own discretion, the Customer must grant the Supplier the required time and opportunity as agreed with the Supplier; otherwise, the Supplier shall no longer be liable for the defect. The Customer is hereby entitled to rectify the defect by his/her own means or through a third party and to demand reimbursement of the necessary costs from the Supplier only in urgent cases where operational safety is jeopardised and to prevent disproportionate damage whereby the Supplier must be informed immediately, or if the Supplier is in default due to rectifying the defect.
- Out of the direct costs incurred by the correction or replacement delivery, insofar as the claim has proven to be justified, the Supplier shall bear the costs of the replacement part including shipment as well as the appropriate costs of disassembly and installation, and, if such a request is fair under the circumstances of the individual case, the costs of providing any of the Supplier's required fitters and support staff. The remaining costs shall be borne by the Customer.
- The warranty period for the replacement part and the correction shall amount to 12 months but shall be valid at least until the expiration of the original warranty period for the delivery item. The liability period for defects to the delivery item shall be extended by the duration of the operational interruption caused by the repair work.
- There shall hereby be no liability for the consequences of improperly executed changes or repairs made by the Customer or a third party without the prior consent of the Supplier.
- Further claims of the Customer, particularly claims for compensation for damage which do not affect the delivery item itself, are hereby excluded insofar as is legally permissible.

VIII. Supplier's Right to Withdraw

In the event of unforeseen circumstances in accordance with Clause IV of the conditions of delivery, insofar as they significantly change the economic importance or the contents of the service or have a considerable impact on the Supplier's operations, and in the event that the execution of the Contract subsequently proves impossible, the Contract shall hereby be adjusted accordingly. Insofar as this is economically unjustifiable, the Supplier is hereby entitled to withdraw from the Contract wholly or partially.

The Customer shall hereby not be entitled to compensation for damage as a result of such a withdrawal. Should the Supplier wish to exercise its right to withdraw, it must inform the Customer immediately upon realising the consequences of the event, even when an extension of the delivery period was initially agreed upon with the Customer.

IX. Warranties for Commission Orders and Free Issue Equipment

The prescribed conditions shall hereby also apply to commission orders, which shall be supplemented by the following special arrangements.

- For timely and correct notifications of defects that are justified, we shall fulfil our duty by means of improvement.
Should the material be unusable through our fault, we shall hereby assume the costs incurred by us until the discovery of the defect, if we are shown sufficient evidence of intent or gross negligence. We are also prepared to use replacement material sent to us free of charge under the conditions of this Contract. All other claims, primarily for compensation for damage and replacement of material, regardless of the legal grounds, are hereby excluded.
- Should free issue equipment become unusable or faulty due to events of force majeure or equivalent circumstances, or other circumstances for which we are not responsible, we shall hereby deliver replacement items free of freight and free of charge, and reimburse our incurred handling charges.

X. Federal Data Protection Act

The Supplier hereby declares that the personal data of the Customer and his/her contact persons shall only be collected, processed and saved for the fulfilment of business purposes within the framework of the applicable legislation (in particular Section 28 and the following of the Federal Data Protection Act). This data shall neither be used for other purposes nor forwarded to third parties insofar as this is not necessary to fulfil a purpose.

XI. Place of Jurisdiction and Applicable Law

- The place of jurisdiction, also for documents, bills of exchange and cheques, shall be Heidenheim.
However, we are hereby also entitled to take legal action against the Customer at the place of his/her registered office.
The right of the Federal Republic of Germany shall hereby apply to all legal relations between us and the Customer as well as third parties which are liable for the fulfilment of the duties of the Customer under the exclusion of the United Nations Convention on the International Sale of Goods.
- In the case of multilingual contracts, the German version shall hereby be binding.
- The ineffectiveness of individual conditions shall hereby not affect the validity of the Contract as a whole. Should our contractual partner stipulate any of his/her own conditions in the order, we are hereby not obliged without our express written acknowledgement.