

## 1. Applicable Terms

All our goods and services are exclusively subject to the present terms as well as any separate contractual agreements. Purchase terms or other General Business Terms (GBT) by the customer which deviate from or are contrary or supplementary to the present terms will only become the subject matter of the contract if we expressly approved their validity. Individual agreements concluded with the customer in a specific case will take precedence over the present GBT. A written contract/our written confirmation will be authoritative for the subject matter of such agreements, subject to the proviso of counter-proof.

In the case of new customs duties, taxes, fees or similar additional costs incurred by the United Kingdom leaving the European Union these additional costs will be borne exclusively by the customers.

Beyond this, we have the right to terminate the present contract in writing where a change in the applicable laws within the context of the separation of the United Kingdom from the European Union significantly alters the circumstances of the contract. Significant changes comprise inter alia:

- I. The contractually confirmed provision or use of goods or services is rendered impossible.
- II. Where continuation of the contract would constitute a major or unreasonable financial burden for us.

## 2. Offer

Our offers are subject to change and are non-binding unless otherwise explicitly agreed in writing.

## 3. Subject Matter of the Contract

- a. Our product information and other documents such as illustrations, drawings, sketches and measurements are not part of the contract and are only approximate unless we have designated them explicitly as binding. Should changes be made to the products after submission of the offer within the scope of continuous advances in technology we may deliver the technologically altered design. In this context we have the right to deviations with regard to illustrations, drawings, descriptions, colors, measurements, weights and quality and other information without notification, provided that they are acceptable to the customer, taking both parties' interests into consideration, resp. they constitute an equivalent function or even improvement. The customer is obligated to inform us upon placement of the order if we are not allowed to deviate from the specified data and instructions under any circumstances.
- b. The customer will obtain the necessary permits for the design and operation of the delivery items at his expense. If we help him with this, the customer will bear the costs incurred to us in his context.
- c. The customer will provide the necessary mediums and tools in the adequate quantity and quality for our delivery operations at his expense.
- d. Where software is included in our supply range, we are granting the customer a non-exclusive right to use the software supplied, including its documentation. It is being supplied for use on the designated delivery item. Use of the software on more than one system is prohibited. The customer may only reproduce, revise, translate or convert the object code into the source code to the extent permitted by law (§§ 96 a ff. Copyright Law).

In the case of autonomous changes to the program or source code all liability will be extinguished. The customer will be obligated not to remove the manufacturer's information, including copyright notices or to change them without our prior express consent. All other rights to the software and documentations including copies will remain with us/the software supplier. The issue of sublicenses is not permitted.

## 4. Proviso of Export Permit/Sanctions List Inspection

Shipments and services (the fulfilment of contract) shall be under the proviso that fulfilment is not being restricted by any national or international regulations, particularly export control regulations and embargos or any other restrictions. The contract partners shall obligate themselves to provide all information and documentation needed for the export/domestic shipment/import. Delays caused by export checks or licensing procedures shall override any lead times or deadlines stipulated. If any required licenses for certain items cannot be obtained, the contract shall be considered as not concluded regarding the items in question; because of this and of above mentioned transgression of deadlines, any claims for damages shall be excluded.

The Parties will comply with all applicable export laws and regulations. In particular, the Parties shall not sell, export or re-export, directly or indirectly, to the Russian Federation or for use in the Russian Federation any confidential information supplied under or in connection with this Agreement that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014. The Parties shall undertake its best efforts to ensure that this purpose is not frustrated by any third parties further down the commercial chain, including by possible resellers. Any violation of the foregoing regulations shall constitute a material breach of this agreement. This entitles the Parties to seek appropriate remedies, including, but not limited to, to terminate this agreement. If a Party has grounds for reasonable doubts about compliance with the obligation, the other Party has the right to suspend the agreement without consequences until the other Party is able to disprove the doubts. The Parties shall immediately inform each other about any problems in applying the foregoing regulations and provide all relevant information thereof without undue delay.

## 5. Ownership and Copyrights, Confidentiality

We reserve the ownership and copyrights to samples, cost estimates, drawings, models, templates and similar information of a physical and non-physical nature, including in electronic form; they may not be made accessible to third parties. Copies or other reproductions may only be made for the agreed purpose. Neither original nor reproductions may be issued to third parties or otherwise made accessible. The duty of absolute confidentiality will continue to apply even after termination of cooperation/the project. Where the recipient or employee of the recipient or other persons breach the duties arising from the present contract the parties agree on the payment of a no-fault contractual penalty by the recipient to the owner to an adequate amount; the owner will determine the amount on the basis of fair discretion pursuant to § 315 BGB and the adequacy of the contractual penalty will be reviewed by the court having jurisdiction in the case of dispute. The right to assertion of further damage compensation is reserved.

## 6. Prices

Where not specifically agreed, the prices will be ex works excluding packaging and other costs. Value added tax at the statutory amount will apply additionally to the prices, where it is due. For services rendered later than 12 months after conclusion of the contract we may charge wages and/or materials prices increases incurred after submission of the offer with an adequate overhead surcharge.

## 7. Payments, Payment Delay, Retention, Rescission

- a. Where there is no separate agreement, payment is due to the full net amount to our payment office immediately after receipt of the invoice.
- b. In the case of delayed payment, default interest of 9 percentage points above the respective basic interest rate by the European Central Bank may be charged. Proof of greater damage may be provided.
- c. The customer is not entitled to retention of payments or set-off on the basis of counterclaims disputed by us.
- d. Where after conclusion of the contract it becomes evident that our payment entitlement is jeopardized by lack of solvency by the customer (§ 321 BGB), we may refuse delivery and set an adequate deadline by which he must make an advance payment or furnish collateral. Where the customer refuses or the deadline lapses unsuccessfully, we will have the right to rescind the contract and to demand damage compensation.

## 8. Delivery Date, Delivery Deadline, Delivery Delay

- a. The delivery deadline or delivery date are only binding if explicitly agreed as such.
- b. The delivery deadline will commence at earliest upon the sending of the order confirmation, but not before receipt of the approvals issued by the customer, the documents, permits and information to be obtained for execution of the order, clarification of all business and technical issues between the contractual parties as well as fulfillment of all duties of the customer, e.g. payment of an agreed installment or payments due from earlier deliveries.
- c. Where non-compliance with the delivery deadline is due to force majeure, labor disputes or other events beyond our control, the delivery deadline will be postponed adequately. This will also apply where the circumstances affect the sub-suppliers. We will inform the customer of the start and end of such circumstances as early as possible. We will also not be liable for the above circumstances where they occur during an already existing period of delay.
- d. The delivery deadline or delivery date will be regarded as having been complied with where the delivery item left the plant before the expiration thereof or readiness for dispatch was communicated. Where a final inspection and acceptance is to be performed, the inspection date will be authoritative, alternately notification of readiness for final inspection, except in the case of justified refusal of final inspection and acceptance.
- e. The customer may rescind the contract without setting a deadline where the entire delivery is rendered infeasible prior to passing of the risk.
- f. Where the shipping or final inspection of the delivery item are delayed for reasons for which the customer is responsible, we may charge the costs incurred by the delay to him starting with the month after notification of shipping/inspection readiness, but at least 0.5% of the invoice amount for every month. At the same time, all our goods and services delivered by this date will be due

for payment. However, we have the right to dispose of the delivery item after the stipulation and fruitless lapse of an adequate deadline and to deliver to the customer by an adequate, extended deadline.

## 9. Acceptance, Final Inspection, Passing of Risk, Delayed Acceptance

- a. The risk will pass to the customer by the latest when the delivery items leave the plant, even where partial deliveries are made or we assumed further payments such as shipping costs or delivery and assembly. Where a final inspection is to be performed it will be authoritative for the passing of risk. The final inspection must be performed immediately on the final inspection date, alternately after notification of our willingness for a final inspection. The customer may not refuse the inspection in the case of a minor defect. We have the right to insure all consignments against damage during transport at the expense of the customer. Where the consignment shows damage during transport upon arrival to the customer or where damage is detected later the customer must immediately demand a written report from the shipping agent.
- b. Where shipping/the final inspection is delayed due to circumstances for which we are not responsible, the risk will pass to the customer from the date of notification of shipping/readiness for inspection.
- c. Where material delivered by the customer is damaged or rendered unusable particularly during processing or repair, we will only be liable where the damage was caused by willfulness or gross negligence, but not for typical foreseeable damage unless there is unrestricted liability on the basis of a statutory provision; liability due to minor negligence is excluded.
- d. We will ensure customer material stored with us at our costs against fire. The customer must apply in writing to take out any further -reaching policy at his own expense.

## 10. Retention of Title

- a. We reserve the right to the ownership and right of disposal of the delivery items up until full payment or all our current and future claims from the delivery contract and current business relationship (secured claims.) Claims from current invoices or current accounts are included. Before full compensation of the above claims the customer may only continue to use the supplied products within the framework of regular business operations unless an assignment prohibition is/ was agreed on with third parties for the claims assigned to us in advance under Item 10.d. Prior to this, pledging or assignment as security is prohibited and resale is only permitted to retailers in regular business operations subject to the condition that the retailer receive payment from his customer and the payment is immediately transferred to us. The customer will bear any costs of interventions.
- b. The customer must inform us immediately of any pledging, seizures or other disposals as well as third party interventions.
- c. In the case of breach of contract by the customer, in particular in the case of payment delay, we will be entitled to return of the goods after a warning and the customer will be obligated to release them.
- d. Assertion of the retention of title as well as pledging of the delivery item by us is not tantamount to rescission of the contract.

- e. The customer hereby assigns all claims to the pro rata amount on our invoice including value added tax together with all ancillary rights arising from the resale against the client or third parties to us. This will also apply where the customer suspends the purchase price claim he is entitled to in an open credit agreed on with the client or third parties. We hereby accept this assignment.
- f. In the case of combination with a property or third party chattels as well as processing within the scope of a work agreement the customer hereby assigns the work salary claim and/or share thereof he is entitled to the amount of the proportional invoice amount including value added tax for the co-processed goods subject to retention of title. We hereby accept this assignment.
- g. The customer is hereby authorized to collect the claims he is entitled to as specified above within the scope of regular business operations provided that he transfers the incoming amounts to us immediately. Upon payment delay, filing for insolvency in or out of court or in the case of check or bill protest the authorization for collection of the assigned claims will be extinguished.
- h. Where the realizable value of the security we have exceeds our secured claims by more than 10% exclusively on the basis of the present retention of title provisions or together with other security items, we will be obligated to release the security items of our choice upon request by the customer.
- i. We have the right to take out a policy against theft, fire, water and other damage for the delivery item at the expense of the customer provided that it can be proven that the customer personally took out the policy.
- j. In the case of a breach of contract by the customer, in particular in the case of delayed payment, we are entitled to a return of the delivery item after a warning and the customer is obligated to release the item. Assertion of the retention of title as well as pledging of the delivery item by us will not be tantamount to rescission of the contract.
- k. Where insolvency has been filed for, we will be entitled to rescind the contract and to demand the immediate return of the delivery item.

## 11. Warranty

We are issuing the following warranty for material damage and legal defects of the consignment, excluding further claims, subject to Item 12: Material defects

- a. All the parts which prove to be defective due to a circumstance prior to passing of the risk are to be repaired or replaced free of charge, as we choose. Detection of such defects is to be reported to us immediately in writing. Replaced parts will become our property.
- b. The customer must give us the necessary time and opportunity to perform all repairs and replacements deemed necessary after communication with us otherwise we will be exempt from the consequences arising from liability in this context. The customer will only have the right to remove the defect or have it removed by third parties and to demand compensation from us for the necessary expenses in urgent cases of danger to company safety and for the prevention of disproportionate damage.
- c. The expenses necessary for inspection and make-up performance, in particular transport, road, work and material costs (not included: removal and installation

costs) will be borne by us if there actually is a defect. Failing this, we may demand compensation of the costs incurred from the unjustified request for defect rectification (in particular inspection and transport costs) from the customer unless the lack of defects was not recognizable to the customer.

- d. We will reimburse the installation and removal costs to the purchaser pursuant to § 439 Sect. 3 BGB in the case of defective delivery where culpable behavior can be proven to us. No-fault liability is excluded.
- e. The customer has the right to rescind the contract within the scope of the statutory provisions where we fail to observe an adequate deadline for repair or replacement due to a material defect, taking into account the exceptions covered by law. If there is only a minor defect the customer will only have a right to a reduction of the contractual price. The right to reduction of the contractual price will otherwise be excluded.
- f. No warranty is being assumed in particular in the following cases: inappropriate or incorrect use, defective assembly/kick-start operation by the customer or third parties, natural wear and tear, defective or negligent treatment, improper maintenance, improper equipment, defective construction work, chemical, electrochemical or electrical influences where we are not responsible for them.
- g. Where a customer or a third party improperly rectifies a defect, we will not be liable for the consequences. The same will apply to alterations of the delivery item made without our prior consent.
- h. Where parts or material for processing are supplied by the customer or as accessory parts for performance of an order no initial check for non-visible defects will be performed unless otherwise explicitly agreed.
- i. Where software is included in our product range the following will apply additionally:
  - i. We assume the warranty that the software being provided does not contain any reproducible defects. The prerequisite for the warranty is however, use in compliance with the contract.
  - ii. The customer must report any program errors to us immediately. Reported defects are to be removed by us. Where a defect removal is not possible, we will be obligated to develop an alternate solution.
  - iii. Consequential damage: Subject to the proviso of statutory provisions there are no claims by the customer to damage compensation for damage not incurred to the delivery item itself such as production failure, loss of use, loss of orders, loss of earnings, as well as other direct or indirect damage.

## Legal Defects

- j. Where use of the delivery item leads to infringement of industrial property rights or copyrights, we will procure the right to continue to use the item at our costs or to modify the item for the customer in a reasonable way so that it does not infringe industrial property rights. Where this is not possible under economic conditions or in an adequate period the customer will have the right to rescind the contract. Under the specified prerequisites we are also entitled to a right to rescind the contract. In addition, we will indemnify the customer against claims by the affected owner of the intellectual property rights that are uncontested or res judicata.
- k. Our duties specified under Item 11.j are conclusive subject to the proviso of Item 12 in the case of

infringement of intellectual property rights/copyrights.

They only apply where

- i. the customer informs us immediately of any intellectual property or copyright infringements being claimed,
- ii. the customer supports us to an adequate extent with defense against the claims being made/enables us to carry out the modification measures as set out under Item 11.j,
- iii. we retain the right to all defense measures including out-of-court settlements,

The legal defect is not based on an instruction by the customer and the legal infringement was not caused due to the fact that the customer independently altered the delivery item or modified it in a way not compatible with the contract.

## 12. Liability

- a. Unless otherwise set out in the present GBT we will be liable in accordance with the statutory provisions in the case of an infringement of contractual or extra-contractual duties.
- b. We will be liable for damage compensation, regardless of the legal ground, within the scope of fault-based liability in the case of willfulness and gross negligence. In the case of minor negligence, we will be liable subject to the proviso of a milder liability benchmark according to the legal provisions only
  - i. for damage to life, limb or health,
  - ii. for damage from a significant breach of a cardinal contractual duty (duty whose fulfillment enables the proper performance of the contract and on whose fulfillment the customer normally relies and can rely); in this case, however, our liability is limited to the compensation of foreseeable, typically occurring damage.
- c. The liability restrictions set out under Item 12.b also apply to breaches of duty by/in favor of persons for whose fault we are liable pursuant to the statutory provisions. They will not apply where we willfully concealed a defect or assumed a warranty for features of the goods and are liable for claims by the customer pursuant to the Product Liability Act or similar liability terms prescribed by law.

## 13. Our Damage Compensation Claim in the Case of NonPerformance by the Customer

If we have the right to demand compensation due to non-performance by the customer the lump-sum minimum damage to be compensated is 20% of the agreed price excluding value added tax. The damage amount is to be increased where we prove greater damage or reduced where the customer proves lesser damage.

## 14. Assembly, Kick-Start Operation

To the extent that assemblies and/or kick-start operations are included in the scope of performance, the following terms will apply additionally:

- a. Price
 

Unless otherwise agreed the performance will be settled on the basis of hours worked using our applicable assembly rates. The material expenditure is to be compensated additionally as well as the travel expenses to and from the place of work by our staff, the transport costs, overnight stays, customs duties, and transport insurance for baggage and tools, costs of procurement

of identification papers, passport and other cash expenditure as well as telephone charges, etc.

- b. Settlement
 

The customer certifies the assembly personnel the work, travel and waiting time as well as work performance on the assembly records submitted by the assembly personnel. Where the customer refuses the certification or our personnel is not able to receive the certification for other reasons the settlement will be carried out according to the assembly records filled out by our personnel.

All ancillary work (e.g. water, air pressure and electrical connections) are not included in the offer unless they are recorded separately in the items with volume and price. Work not included in the order performed by us is to be remunerated additionally according to our rates. The same will apply to the additional costs incurred to us where performance is interrupted for reasons for which we are not liable.

- c. Assistance by the customer
 

The customer is obligated to provide support with performance of the service at his expense. He must in particular

  - i. provide the necessary number of help staff for assembly and for the required period;
  - ii. perform all construction work including procurement of the necessary construction materials, laying of electricity and cooling water connections and pressure-free drainages, pneumatics, electrical and installation work early on;
  - iii. provide the necessary roads for transporting the assembly parts and cranes;
  - iv. provide the necessary information on the location of concealed electricity, gas and water lines or similar systems at his own initiative prior to assembly work as well as provide the necessary statistical information;
  - v. air conditioning (where necessary), lighting, energy, pneumatics and water including the necessary connections as well as cleanliness;
  - vi. protect the assembly site and materials from damage of any kind; warn of any dangers and to take all safety measures;
  - vii. provide special clothing in the case of difficult work conditions such as noxious vapors, gases, acids, dusty air, etc. The same applies to protective clothing or protective devices which are necessary due to special circumstances of the assembly site and are not customary for us in the industry. Moreover, the assembly personnel are to be informed of the important safety regulations for assembly personnel.
  - viii. where our assembly personnel are ill or has an accident, to ensure immediate medical attention and to inform us immediately;
  - ix. where the assignment site is outside of the Federal Republic of Germany to obtain the necessary permit for the entry of the assembly personnel and to procure well in advance any necessary work permits, official and other permits prescribed for the performance and set-up of devices and equipment, to inform our assembly personnel on all duties (reports, etc.) vis à vis the local authorities as well as to inform them of the applicable safety regulations, to support them in dealing with the

authorities and to help them procure all certificates necessary for freedom of movement in the country as well as to warranty a return trip home at any time, taking along their possessions.

- d. **Final Inspection and Acceptance**  
The customer is obligated to inspect and accept the assembly after he has been notified of its completion. The unit will be regarded as having been inspected and accepted after a successful sample operation even where the customer did not participate in it despite stipulation of an adequate deadline pursuant to § 640 Sect. 2 BGB. Where the unit was used wholly or partially or the final inspection and acceptance is delayed without our fault the final inspection and acceptance will be deemed to have taken place after lapse of two weeks after notification of completion. Use of the unit prior to the final inspection and acceptance is only permitted with our explicit consent. The parts already installed in the unit will be regarded as having been accepted upon use.
- e. We will conduct an internal inspection (function check) with defined demo tasks suitable for confirmation of the machine specifications. Where the customer does not participate in the Factory Acceptance Test (FAT) delivery approval will be deemed to have been given by us after performance of FAT. Upon request, FAT can be performed in the presence of the customer. The demo tasks determined by us will then be executed in the presence of the customer. The duration depends on the machine type and is restricted to maximum two days, travel expenses are to be borne by the customer. The execution of customer-specific demo tasks is possible under specific conditions. For this purpose, we will prepare a corresponding separate offer if necessary. The processing of the internal inspection piece will be repeated after kick-start operation of the machine by our start-up engineer. Where this does not occur, they will be charged. Where there was no kick-start operation and training, the Site Acceptance Test (SAT) will cease to apply. Where the kick-start operation and SAT are not carried out not due to our fault the machine will also be regarded as having been inspected and accepted. Execution of customer-specific demo tasks is possible. For this purpose, we will draft a corresponding separate offer if necessary.

#### 15. Statute of Limitations

Departing from § 438 Sect. 1 Nr. 3 BGB (Civil Code) the general statute of limitations for material damage and legal errors is twelve months after the final inspection and acceptance, resp. SAT, but not longer than fifteen months after the passing of risk. Further statutory provisions on the statute of limitations (in particular § 438 Sect. 1 Nr. 1, Sect. 3, §§ 444, 479 BGB) will likewise remain unaffected. The above statutes of limitation under Commercial Law will also apply to contractual and extra-contractual damage compensation claims by the customer based on a defect of the delivery item unless the application of the regular statutes of limitations (§§ 195, 199 BGB) would lead to a shorter statute of limitations period in the individual case. However, damage compensation claims by the customer as set out in § 12 as well as according to the Product Liability Act will expire exclusively after the statutory statute of limitations periods.

#### 16. Binding Nature of the Contract

The contract will remain binding even in the case of legal invalidity of individual terms. This will not apply where adherence to the contract would constitute unreasonable hardship for either of the parties. Should a term be or become wholly or partially invalid the contractual parties will immediately make every effort achieve the economic purpose of the invalid term in another, legally permissible way.

#### 17. Force Majeure

- a. Labor disputes, but not strikes, unrest, fire, floods, terrorism, official measures not limited to the supplier's company and other unforeseeable, unavoidable and severe events will release the contractual partner from the contractual duties for the duration of the impairment and to the extent of their effect.
- b. The parties are obligated to immediately exchange the necessary information within the scope of what is reasonable and to adapt their duties to the changed situation on the basis of good faith.
- c. Should the case of force majeure not be over within three months the other party can rescind the contract with immediate effect. There are no claims going beyond this.

#### 18. Place of Jurisdiction, Applicable Law

In the case of any disputes arising from the present contract, the lawsuit is to be filed in Gießen, Germany. However, we also have the right to file suit at the customer's domicile.

The laws of the Federal Republic of Germany applicable to the legal relations of domestic parties will apply exclusively to the legal relations between us and the customer.

The UN Sales Convention is excluded.