

# **General Delivery Conditions**

### § 1 Scope

- (1) All deliveries, services and offers of the Contractor shall be made exclusively on the basis of these General Delivery Conditions. They shall form an integral part of all contracts concluded by the Contractor with its contractual partners (hereinafter also referred to as "Principal") for the supplies or services offered by it and shall apply subordinate to the provisions of these contracts.
- (2) Terms and conditions of the Principal or third parties shall not apply, even if the Contractor does not separately object to their application in individual cases. Even if the Contractor refers to a letter containing or referring to the terms and conditions of the Principal or a third party, this shall not constitute an agreement to the validity of such terms and conditions.

## § 2 Offer and Conclusion of Contract

- (1) All offers of the Contractor are subject to change and non-binding, unless they are expressly marked as binding or contain a specific acceptance period. The Contractor may accept orders or assignments within fourteen days of receipt.
- (2) The legal relationship between the Contractor and the Principal shall be governed solely by the written contract, including these General Delivery Conditions. This contract fully reflects all agreements between the contracting parties regarding the subject matter of the contract. Verbal promises made by the Contractor prior to the conclusion of this contract are not legally binding and verbal agreements between the contracting parties shall be replaced by the written contract, unless it is expressly stated in each case that they shall continue to be binding.
- (3) Additions and amendments to the agreements made, including these General Delivery Conditions, must be in writing to be effective. With the exception of managing directors or authorized signatories, the Contractor's employees are not entitled to make verbal agreements deviating from this. Transmission by telecommunication, in particular by fax or by e-mail, shall be sufficient to comply with the written form, provided that a copy of the signed declaration is transferred.
- (4) Information provided by the contractor on the subject of the delivery or service (e.g. weights, dimensions, utility values, load-bearing capacity, tolerances and technical data) as well as representations of the same (e.g. drawings and illustrations) are only approximately authoritative, unless usability for the contractually intended purpose requires exact conformity. They are not guaranteed quality features, but descriptions or identifications of the delivery or service. Deviations that are customary in the trade and deviations that occur due to legal regulations or represent technical improvements, as well as the replacement of components with equivalent parts, are permissible insofar as they do not impair the usability for the contractually intended purpose.
- (5) The Contractor's advice in the preliminary stages of concluding a contract shall be given to the best of its knowledge. At this stage, the Principal is obligated to independently disclose any information relevant to the offer.
- (6) The Contractor retains ownership or all Rights of Use to the offers and cost estimates submitted by him as well as drawings, illustrations, calculations, brochures, catalogs, models, tools and other documents and aids made available to the Principal. The Principal may not make these items available to third parties, either as such or in terms of content, disclose them, use them himself or through third parties, or reproduce them without the expressed consent of the Contractor. Upon the Contractor's request, the Principal shall return these items in full to the Contractor and destroy any copies made if they are no longer required by the Contractor in the ordinary course of business or if negotiations do not

lead to the conclusion of a contract. The storage of electronically provided data for the purpose of usual data backup is excluded from this.

## § 3 Obligation to cooperate and Default of Acceptance

- (1) The Principal shall support the Contractor as best as possible in the performance of the services. In particular, it shall provide any necessary cooperation and provision services free of charge, in full and in good time.
- (2) The Principal shall provide the Contractor in a timely manner with all information required by the Contractor for the performance of the Services in accordance with the Contract. The Principal shall inform the Contractor without undue delay of all events, circumstances and changes known to it which are likely to affect the performance of the Services.
- (3) The Contractor is not obliged to check the quality or accuracy of the Principal's cooperation services or the accuracy or completeness of the information provided by the Principal. Upon request, the Principal shall confirm to the Contractor in writing the correctness and completeness of the information provided or the documents submitted by the Principal.
- (4) If delays and/or additional expenses arise due to Default of Acceptance and/or the Principal's failure to cooperate and/or provide services properly or on time, the Contractor shall not be responsible for any necessary changes to the schedule and may charge the Principal for any necessary additional expenses. Agreed deadlines shall automatically be extended appropriately, but at least by the period of the delay. In all other respects, the Contractor's statutory rights shall remain unaffected.

## § 4 Prices and Payment

- (1) The prices apply to the scope of services and deliveries listed in the order confirmations. Additional or special services will be charged separately. The prices are quoted in EURO ex works plus packaging, the statutory value added tax, in the case of export deliveries customs duties as well as fees and other public charges.
- (2) If the agreed prices are based on the Contractor's list prices and the delivery is to be made more than four months after conclusion of the contract, the Contractor's list prices valid at the time of delivery shall apply (in each case less an agreed percentage or fixed discount).
- (3) Invoice amounts shall be paid within thirty (30) days without any deduction, unless otherwise agreed in writing. The date of receipt by the Contractor shall be decisive for the date of payment. Payment by check is excluded unless separately agreed in individual cases. If the Principal fails to make payment when due, interest shall be charged on the outstanding amounts from the due date at the applicable statutory default interest rate; the right to claim higher interest and further damages in the event of default shall remain unaffected.
- (4) Offsetting against counterclaims of the Principal or the retention of payments due to such claims shall only be permissible to the extent that the counterclaims are undisputed or have been finally determined by a court of law.
- (5) The Contractor shall be entitled to perform or render outstanding deliveries or services only against advance payment or provision of security if, after conclusion of the contract, it becomes aware of circumstances which are likely to substantially reduce the creditworthiness of the Principal and as a result of which payment of the outstanding claims of the Contractor by the Principal under the respective contractual relationship (including under other individual orders to which the same framework agreement applies) is at risk.
- (6) In case of financial incapacity of the Principal to fulfill its obligations towards the Contractor, the Contractor may terminate existing exchange contracts with the Principal by withdrawal, continuing obligations by termination without notice, also in case of an application for insolvency of the Principal. § 321 BGB (German Civil Code) and § 112 InsO (German Insolvency Code) shall remain unaffected. The Principal shall inform the Contractor in writing at an early stage of any impending insolvency.

#### § 5 Delivery and Shipping Time

(1) Deliveries are made ex works.

- (2) Deadlines and dates for deliveries and services promised by the Contractor are always only approximate, unless a fixed deadline or date has been expressly promised or agreed. If shipping has been agreed, delivery periods and delivery dates shall refer to the time of handover to the forwarder, carrier or other third party entrusted with the transport.
- (3) The Contractor shall not be liable for impossibility of delivery or for delays in delivery insofar as these are caused by force majeure or other events unforeseeable at the time of conclusion of the contract (e.g. operational disruptions of all kinds, difficulties in the procurement of materials or energy, transport delays, strikes, lawful lockouts, shortages of labor, energy or raw materials, difficulties in obtaining necessary official permits, official measures or the failure of suppliers to deliver or to deliver correctly or on time) for which the Contractor is not responsible. Insofar as such events make it considerably more difficult or impossible for the Contractor to provide the delivery or service and the hindrance is not only of temporary duration, the Contractor shall be entitled to withdraw from the contract. In the event of hindrances of temporary duration, the delivery or service deadlines shall be extended or postponed by the period of the hindrance plus a reasonable start-up period. Insofar as the Principal cannot reasonably be expected to accept the delivery or service as a result of the delay, he may rescind the contract by immediate written declaration to the Contractor.
- (4) The Contractor shall be entitled to make partial deliveries if
  - the partial delivery is usable for the Principal within the scope of the contractual purpose.
  - the delivery of the remaining ordered goods is ensured and
  - the Principal does not incur significant additional expenses or costs as a result (unless the Contractor agrees to bear these costs).
- (5) If the Contractor is in default with a delivery or service or if a delivery or service becomes impossible for him, for whatever reason, the Contractor's liability for damages shall be limited in accordance with § 9 of these General Delivery Conditions.

## § 6 Place of performance, shipping, packaging, transfer of risk, acceptance

- (1) The place of performance for all obligations arising from the contractual relationship shall be the Contractor's registered office, unless otherwise stipulated. If the Contractor is also responsible for the installation, the place of performance shall be the place where the installation is to take place.
- (2) The method of shipping and packaging are subject to the dutiful discretion of the Contractor.
- (3) The risk shall be transferred to the Principal at the latest when the delivery item is handed over (whereby the start of the loading process shall be decisive) to the forwarding agent, carrier or other third party designated to carry out the shipment. This shall also apply if partial deliveries are made or the Contractor has assumed other services (e.g. shipping or installation). If the shipping or handover is delayed due to circumstances caused by the Principal, the risk shall pass to the Principal from the day on which the delivery item is ready for shipping and the Contractor has notified the Principal of this.
- (4) Storage costs after transfer of risk shall be borne by the Principal. In the event of storage by the Contractor, the storage costs shall amount to 0.5% of the invoice amount of the delivery items to be stored per expired week. We reserve the right to claim and prove further or lower storage costs.
- (5) The Contractor shall insure the shipment against theft, breakage, transport, fire and water damage or other insurable risks only at the express request of the Principal and at the Principal's expense.
- (6) To the extent that acceptance is required, a delivery or service shall be deemed to have been accepted when
  - the delivery or service and, if the Contractor also owes the installation, the installation has been completed,
  - the Contractor has notified the Principal thereof with reference to the presumption of acceptance pursuant to this § 6 (6) and has requested acceptance,
  - twelve working days have passed since the delivery or installation or the Principal has started
    using the delivery or service (e.g. has put the delivered equipment into operation) and in this case
    six working days have passed since delivery or installation and

the Principal has failed to take delivery within this period for a reason other than a defect notified
to the Contractor which makes the use of the delivery or service impossible or substantially
impairs it.

## § 7 Warranty, Material Defects

- (1) The warranty period shall be twelve months from delivery or, if acceptance is required, from acceptance. This period shall not apply to claims for damages by the Principal arising from injury to life, body or health or from intentional or grossly negligent breaches of duty by the Contractor or its vicarious agents, which shall in each case be time-barred in accordance with the statutory provisions.
- (2) The delivered items shall be carefully inspected immediately after delivery to the Principal or to the third party designated by him. With regard to obvious defects or other defects that would have been recognizable in the course of an immediate, careful inspection, they shall be deemed to have been approved by the Principal if the Contractor does not receive a written notice of defects within seven (7) working days after delivery. With regard to other defects, the delivery items shall be deemed to have been approved by the Principal if the Contractor does not receive a written notice of defect within seven (7) working days after the time when the defect became apparent; however, if the defect was already apparent to the Principal at an earlier time during normal use, this earlier time shall be decisive for the commencement of the period for giving notice of defect. At the Contractor's request, a rejected delivery item shall be returned to the Contractor carriage paid. In the event of a justified complaint, the Contractor shall remunerate the costs of the most favorable shipping route; this shall not apply if the costs increase because the delivery item is located at a place other than the place of intended use.
- (3) In the event of material defects of the delivered items, the Contractor shall first be obliged and entitled to rectify the defect or to make a replacement delivery at its discretion within a reasonable period of time. In case of failure, i.e. impossibility, unreasonableness, refusal or unreasonable delay of the rectification or replacement delivery, the Principal may withdraw from the contract or reasonably reduce the purchase price.
- (4) If a defect is due to the fault of the Contractor, the Principal may claim damages under the conditions specified in § 9.
- (5) In the event of defects in components of other manufacturers which the Contractor cannot remedy for licensing or factual reasons, the Contractor shall, at its discretion, assert its warranty claims against the manufacturers and suppliers for the account of the Principal or assign them to the Principal. Warranty claims against the Contractor shall only exist in the case of such defects under the other conditions and in accordance with these General Delivery Conditions if the legal enforcement of the aforementioned claims against the manufacturer and supplier was unsuccessful or is futile, for example due to insolvency. For the duration of the legal dispute, the limitation period for the relevant warranty claims of the Principal against the Contractor shall be suspended.
- (6) The warranty shall not apply if the Principal modifies the delivery item or has it modified by a third party without the consent of the Contractor and the elimination of the defect becomes impossible or unreasonably difficult as a result. In any case, the Principal shall bear the additional costs of remedying the defect resulting from the modification.
- (7) Any delivery of used items agreed with the Principal in individual cases shall be made to the exclusion of any warranty for Material Defects.

#### § 8 Property Rights

- (1) In accordance with this § 8, the Contractor shall be responsible for ensuring that the delivery item is free of industrial property rights or copyrights of third parties. Each contracting party shall immediately notify the other contracting party in writing if claims are asserted against it due to the infringement of such rights.
- (2) In the event that the delivery item infringes an industrial property right or copyright of a third party, the Contractor shall, at its discretion and at its expense, modify or replace the delivery item in such a way that the rights of third parties are no longer infringed, but the delivery item continues to fulfill the contractually agreed functions, or procure the Principal the Rights of Use by concluding a license agreement. If the Contractor does not succeed in doing so within a reasonable period of time, the Principal shall be entitled to withdraw from the contract or to reduce the price appropriately. Any claims

for damages of the Principal shall be subject to the limitations of § 9 of these General Delivery Conditions.

(3) In the event of infringements of rights by products of other manufacturers supplied by the Contractor, the Contractor shall, at its discretion, assert its claims against the manufacturers and upstream suppliers for the account of the Principal or assign them to the Principal. In such cases, claims against the Contractor shall only exist in accordance with this § 8 if the judicial enforcement of the aforementioned claims against the manufacturers and upstream suppliers was unsuccessful or is futile, for example due to insolvency.

## § 9 Liability for damages due to fault

- (1) The Contractor's liability for damages, irrespective of the legal grounds, in particular due to impossibility, delay, defective or incorrect delivery, breach of contract, breach of duties during contractual negotiations and tort, shall be limited in accordance with the provisions of this § 9, insofar as fault is relevant in each case.
- (2) The Contractor shall not be liable in the event of slight negligence on the part of its executive bodies, legal representatives, employees or other vicarious agents, unless this involves a breach of material contractual obligations. Material contractual obligations (cardinal obligations) are obligations the fulfillment of which is essential for the proper performance of the contract, the violation of which jeopardizes the achievement of the purpose of the contract and the observance of which the contractual partner may regularly rely on. In this case, these are the obligation to deliver and, if applicable, install the delivery item in good time, to ensure that it is free from defects of title and material defects that impair its functionality or usability to a more than insignificant extent, as well as consulting, protection and care obligations that are intended to enable the Principal to use the delivery item in accordance with the contract or are intended to protect the life and limb of the Principal's personnel or to protect the Principal's property from significant damage.
- (3) Insofar as the Contractor is liable on the merits for damages in accordance with § 9 (2), this liability shall be limited to damages which the Contractor foresaw as a possible consequence of a breach of contract at the time of conclusion of the contract or which it should have foreseen by exercising due care. Indirect damage and consequential damage resulting from defects in the delivery item shall also only be compensable insofar as such damage is typically to be expected when the delivery item is used for its intended purpose.
- (4) In the event of liability for slight negligence, the Contractor's liability to pay compensation for damage to property shall be limited to an amount of EUR 5,000,000 and any further pecuniary loss resulting therefrom shall be limited to an amount of EUR 500,000 per claim (corresponding to the current coverage amount of its product liability insurance or third party liability insurance), even if a breach of material contractual obligations is involved.
- (5) The aforementioned exclusions and limitations of liability shall apply to the same extent in favor of the organs, legal representatives, employees and other vicarious agents of the Contractor.
- (6) Insofar as the Contractor provides technical information or acts in an advisory capacity and this information or advice is not part of the contractually agreed scope of services owed by it, this shall be done free of charge and to the exclusion of any contractual responsibility.
- (7) The limitations of this § 9 shall not apply to the Contractor's liability for intentional conduct, for guaranteed characteristics, for injury to life, body or health or under the German Product Liability Act (Produkthaftungsgesetz).

#### § 10 Retention of Title

- (1) The following agreed retention of title serves to secure all current and future claims of the Contractor against the Principal arising from the supply relationship between the contracting parties regarding components (including balance claims from a current account relationship limited to this supply relationship).
- (2) The goods delivered by the Contractor to the Principal shall remain the property of the Contractor until full payment of all secured claims. The goods as well as the goods covered by the retention of title taking their place in accordance with the following provisions shall hereinafter be referred to as "Retained Goods".

- (3) The Principal shall store the retained goods free of charge for the Contractor.
- (4) The Principal shall be entitled to process and sell the retained goods in the ordinary course of business until the case of realization (paragraph (9)). Pledges, transfers by way of security or other dispositions endangering the property of the Contractor are not permitted.
- (5) If the retained goods are processed by the Principal, it is agreed that the processing shall be carried out in the name and for the account of the Contractor as manufacturer and that the Contractor shall acquire direct ownership or if the processing is carried out from materials of several owners or the value of the processed item is higher than the value of the retained goods co-ownership (fractional ownership) of the newly created item in the ratio of the value of the retained goods to the value of the newly created item. In the event that no such acquisition of ownership should occur for the Contractor, the Principal shall already now transfer its future ownership or in the above-mentioned ratio co-ownership of the newly created item to the Contractor as security. If the retained goods are combined or inseparably mixed with other items to form a uniform item and if one of the other items is to be regarded as the main item, the Contractor shall, insofar as the main item belongs to it, transfer to the Principal pro rata co-ownership of the uniform item in the ratio specified in sentence 1.
- (6) In the event of resale of the retained goods, the Principal hereby assigns to the Contractor by way of security the resulting claim against the purchaser in the event of co-ownership of the Contractor in the retained goods, in proportion to the co-ownership share. The same applies to other claims that take the place of the retained goods or otherwise arise with regard to the retained goods, such as insurance claims or claims in tort in the event of loss or destruction. The Contractor revocably authorizes the Principal to collect the claims assigned to the Contractor in its own name. The Contractor may revoke this authorization as well as the authorization to resell if the Principal does not fulfill his essential contractual obligations. Upon request, the Principal shall provide necessary data for the enforcement of the claim, in particular name, address, telephone number of the end customer and the items sold to him.
- (7) If third parties gain access to the retained goods, in particular through seizure, the Principal shall immediately inform them of the Contractor's ownership and inform the Contractor of this in order to enable the Contractor to enforce its ownership rights. If the third party is not in a position to reimburse the Contractor for the judicial or extrajudicial costs incurred in this connection, the Principal shall be liable for these to the Contractor.
- (8) The Contractor shall release the goods subject to retention of title and the items or claims replacing them to the extent that their value exceeds the amount of the secured claims by more than 40 %. The selection of the items to be released thereafter shall be at the Contractor's discretion.
- (9) If the Contractor withdraws from the contract in the event of a breach of contract on the part of the Principal in particular default of payment the Contractor shall be entitled to demand the return of the Retained Goods.
- (10) The Contractor has the right to assign its claims against the Principal to third parties.
- (11) If the Principal is in default of payment of a claim, all other claims against him may be called due.
- (12) The Principal shall bear all fees, costs and expenses incurred in connection with any legally successful legal action against him outside Germany.

## § 11 Data Protection

The Contractor shall comply with the agreed data protection and data security requirements of the Principal. The parties shall comply with the applicable data protection provisions, in particular those applicable in Germany.

#### § 12 Final Provisions

- (1) Assignment of rights and transfer of obligations under a contract requires the prior consent of the contractor.
- (2) The Contractor shall be entitled to transfer contracts concluded on the basis of these General Delivery Conditions with all rights and obligations to a company affiliated with the Contractor within the meaning of §§ 15 ff. German Stock Corporation Act (Aktiengesetz) to a company affiliated with the Contractor.

- (3) The Principal shall observe the applicable import and export regulations for the services on its own responsibility, in particular those of the USA. In the case of cross-border deliveries or services, the Principal shall bear any taxes, interest, fees and other charges incurred. The Principal shall handle legal or official procedures in connection with cross-border deliveries or services on its own responsibility, unless otherwise expressly agreed.
- (4) If the Principal is a merchant, a legal entity under public law or a special fund under public law or has no general place of jurisdiction in the Federal Republic of Germany, the place of jurisdiction for any disputes arising from the business relationship between the Contractor and the Principal shall be, at the Contractor's discretion, the Contractor's registered office or the registered office of the Principal. For actions against the Contractor, however, the exclusive place of jurisdiction shall be determined by the Contractor's registered office. Mandatory statutory provisions on exclusive places of jurisdiction shall remain unaffected by this provision.
- (5) The relations between the Contractor and the Principal shall be governed exclusively by the laws of the Federal Republic of Germany.
- (6) In case of any discrepancies between the English version and the German version of the General Delivery Conditions, the German version will prevail.