

## **General Business Terms and Conditions of TEGEL-TECHNIK GmbH**

### **I. Contractual Terms**

The Contractor's offers are subject to change. All incoming orders, unless stipulated to the contrary in writing, shall only be completed under the following terms and conditions. Standard purchasing conditions of the Client shall not be recognized, even if they are not explicitly contradicted. Verbal agreements require the written confirmation of the Contractor in order to be effective. The same applies to any agreements extending the range of provision.

### **II. Prices and Payments**

1. Unless stipulated to the contrary, the Contractor's prices shall be interpreted as strictly net and ex works, including packaging, materials and VAT. Special packaging requests shall be charged separately.
2. Invoices are payable immediately after receipt, without any deductions. Discounts shall be agreed in writing.
3. In case of any overrun of the agreed payment date, the consequences of delay shall take effect, without requiring any specific warning. Subject to the assertion of Contractor's rights, default interest shall be charged at the permitted rate for our bank's credits (at least 5% above the base rate pursuant to Article 1 of the Discount Rate Transition Act [DÜG]).
4. The Contractor is not obliged to accept bills. Bills and cheques shall only be accepted on account of performance. The Client shall be liable for all resultant costs.
5. The Contractor's claim shall fall due immediately, irrespective of the term of accepted bills or payment extension, if the Client fails to fulfil its payment obligation, is subject to a change in its credit status, suffers financial collapse, or an application has been filed for insolvency. In this case the Contractor is entitled to prohibit resale of its goods, demand immediate payment or return thereof, revoke the authority to collect debts from resale, or partly or fully withdraw from the contract.
6. Retention of payments due to any counterclaims of the Client which are not recognized by the Contractor is not allowed, and nor is offsetting from such counterclaims, unless legally established in court.
7. The Client shall accept the facility within 10 days of completion. If the acceptance procedure does not take place, despite a request to do so and a deadline set by the Contractor, the facility shall be deemed accepted upon expiry of the deadline. This applies in the event of operational start-up of the facility.
8. The Contractor hereby reserves the right to demand an absolute guarantee from a German banking institution for the total payable sum.

### **III. Delivery Period**

The delivery period shall be laid down in writing by the Contractor, and begin once the contractual parties have clarified all details related to implementation, and the Client has performed all preparatory works for which it has liability. The delivery period shall only be regarded as approximate when set out in writing, and shall be extended as appropriate - including within the scope of delayed delivery - in case of unforeseeable obstacles arising, which the Contractor was unable to prevent despite reasonable care based on the circumstances of the case. In this context, severe operational disruptions for which the Contractor is not at fault, as caused by strikes, lockouts, accidents, transport difficulties, shortage of supplies, problems with energy supply or operational disruptions at the supplier, shall be regarded as unforeseeable obstacles. The Contractor shall provide verification hereof.

#### **IV. Default**

1. If the Client falls into acceptance delay, the Contractor is entitled to charge for goods as delivered, without setting any further deadline.
2. An amount of 0.1% of the gross contract value shall be charged for storage per calendar day (at least 150.00 € / calendar day). The Client is still entitled to provide evidence that no damage, or significantly lower damage, has been caused than the amount demanded in lump sums. Additional costs incurred due to delay by the Client are not affected, and the Client shall be liable for such costs.

#### **V. Transfer of Risk**

1. The risk of any accidental destruction or deterioration in delivered goods shall transfer ex-works from the Contractor to the Client, unless stipulated to the contrary in the contract.
2. If the shipment is delayed for reasons not attributable to the Contractor, the relevant date of notification of readiness for dispatch shall replace the date specified under paragraph 1, without prejudice to rights arising under section IV.

#### **VI. Retention of Title**

1. The goods shall remain in the ownership of the Contractor until payment of delivered goods and any incidental costs, such as freight and insurance, or encashment of cheques and bills. Retention of title continues for all claims which are subsequently acquired by the Contractor against the Client in relation to the object of purchase, e.g. through repairs or deliveries of spare parts and other services. Finally, retention of title extends to all the Contractor's claims against the Client under current business relationships.
2. During the period of retention of title, the Client is entitled to take possession and make use of goods, provided it complies with its obligations arising under retention of title pursuant to the provisions below, and where it is in payment arrears with two consecutive invoices. No pledges or assignment as security are permitted prior to settlement in full of the Contractor's claims. Assertion of retention of title shall not be regarded as withdrawal from the contract.
3. By fitting goods delivered by the Contractor, the Client does not acquire ownership of the new object pursuant to Article 950 of the German Civil Code ("BGB"). If the Contractor's goods are processed, or combined with other items which do not belong to it, the Contractor shall acquire sole or joint ownership of the products in proportion to the value of its goods and the total product value, plus 15%. The new product shall be kept safe on its behalf. The same applies if and when goods delivered by the Contractor are sold along with other related or unrelated objects, which do not belong to it. The Client's claim arising from resale of goods delivered by the Contractor is hereby assigned to the Contractor. The Client is entitled to dispose of assigned claims. This right expires upon disclosure of assignment.
4. While the Contractor's retention of title exists for goods that it has delivered, resale is only permitted under the condition and proviso that all claims arising from resale against third parties shall be assigned to it. No special declaration of assignment is required in the individual case. The Client or reseller is only authorized to collect the assigned claim in trust on behalf of the Contractor provided it complies with its payment obligations. Upon request, the Client shall disclose the address of its buyers. The Client shall immediately provide written notification of any third party access to goods delivered by the Contractor under retention of title. The Client shall be liable for any incurred costs through intervention by the Contractor. Retention of title shall be maintained if individual claims are included in current accounts and the balance settled and acknowledged.
5. If the Client fails to comply with its payment obligations, the Contractor is entitled to demand issuance of goods to which it has right of ownership, at any time. If the Contractor exercises this right, withdrawal from the contract only arises if specifically declared. All goods subject to retention of title shall be insured against fire, water and theft. All claims made to the insurer in

respect of these goods are deemed to have been assigned to the Contractor in advance. Insurance shall be verified at the Contractor's request. In case of failure to take out insurance, the Contractor is entitled to ask for the goods, or insure them at the expense of the Client, or demand compensation of 0.5% of the gross contract value per calendar day.

## **VII. Warranty for Defects**

1. The Contractor shall be liable for defects in delivery, which can be attributed to it, in exclusion of further claims, as follows: all defective parts shall, at the discretion of the Contractor, be repaired or delivered again free of charge. The Client shall ensure the necessary time and opportunity, free of charge, for any changes which appear necessary to the Contractor to be implemented, or for replacement delivery. If the Contractor is unable to remedy defects or replace delivery, or to do so within a reasonable extended deadline set by the Client, the Client is entitled to withdraw from the contract or demand a price reduction. The Client is only entitled to make compensation claims in the event of intent or gross negligence. All claims shall become statute-barred within one year. The statute of limitations begins upon acceptance.
2. If the Contractor does not perform assembly of the facility at the Client, any warranty claims shall expire. In this case the Contractor requires internal acceptance. The request for acceptance shall be made in writing, and the precise date notified to the Client. If the Client fails to observe the specified deadline for an agreed delivery period without justification, the facility shall be deemed accepted following expiry of an additional deadline set by the Contractor.
3. Liability shall expire if subsequent works, changes or maintenance works are carried out without the Contractor's consent.

## **VIII. Liability**

1. Unless stipulated to the contrary in these terms and conditions, compensation claims - including under non-contractual liability - are excluded, unless the damage was caused intentionally or through gross negligence. The same applies to actions of our employees, other agents or vicarious agents. The Contractor's liability is restricted to 20% of the gross contract value, but to a maximum of 50,000.00 € per order.
2. Section 1 does not apply to any injury to life, body or health. Any other agreements based on rights of the individual are not hereby excluded.
3. Liability shall expire if subsequent works, changes or maintenance works are carried out without the prior consent of the Contractor.
4. If the Contractor is unable to remedy defects or replace delivery, or to do so within a reasonable extended deadline set by the Client, the Client shall be entitled to transformation or price reduction. The Client is only entitled to make compensation claims in the event of intent or gross negligence.

## **IX. Place of Performance/Court of Jurisdiction**

1. The place of performance for all obligations under this contract (delivery and payment), unless stipulated to the contrary in writing, is the Contractor's headquarters.
2. The court of jurisdiction for all disputes under this contract is the responsible court for our head office. The Contractor is also entitled to bring an action at the Client's head office.
3. German law is solely applicable to all legal relationships with the buyer/Client, in exclusion of international law.