

## General Business and Delivery Terms and Conditions

### Applicable to all transactions with:

1. A person acting in a corporate or self-employed capacity (employer) at the time of signature of the contract.
2. Legal entities under public law, or separate assets under public law.

### I. General

1. All deliveries and services are covered by these terms and conditions, as well as any additional special contractual agreements. Any divergent purchasing conditions of the purchaser will under no circumstances, and neither by acceptance of an order, become part of the contract. Subject to separate agreement a contract shall become effective with the supplier's confirmation of the order in writing.
2. The supplier reserves all proprietary rights and copyrights for any samples, cost estimates, drawings and similar information, either of material or immaterial nature – also in electronic form -; these may not be made accessible to third parties. The supplier undertakes not to disclose to any third party such information or documents, which the purchaser has declared to be confidential, unless the former has obtained the purchaser's prior approval to do so.
3. The supplier is entitled to send documents (order confirmations, invoices, credit notes etc.) in electronic form.

### II. Price and Payment

1. Subject to separate agreement, the prices stated are ex works, including loading, but excluding packaging and unloading. All prices are subject to official VAT, as appropriate in accordance with statutory regulations.
2. Subject to separate agreement, payment of the purchase price is always to be paid to the supplier's account without any deductions. The following payment terms are applicable:

Series products:

10 days 2 % discount, 30 days after date of invoice net.

Automation components:

40% with the down payment invoice at the time of order confirmation.

60% with the final invoice at the time of delivery.

All payments are due net without deductions 14 days after date of invoice.

Special machines:

40% with the down payment invoice at the time of order confirmation.

30% with the down payment invoice at the time of design approval.

30% with the final invoice at the time of delivery.

All payments are due net without deductions 14 days after date of invoice.

3. The purchaser shall only be entitled to withhold payments or set them off against any counter claims, if these counter claims are undisputed and legally effective.
4. For orders with a net value of less than €20.00 a minimum quantity extra charge of €10.00 plus VAT will be charged.

### III. Delivery Times, Delay in Delivery

1. Delivery times shall be subject to agreement between the contract parties. The supplier's adherence to the agreed delivery times shall be preconditioned to the fact that all administrative and technical details have been agreed between the contract parties and that the purchaser has fulfilled his obligations accordingly, e.g. obtaining the necessary certificates and/or approvals from the appropriate authorities or, if applicable, the payment of a deposit. Failure to do so may increase the delivery time. However, this does not apply if the delay is due to the supplier.
2. Adherence to the agreed delivery times shall be subject to the due and timely receipt of the respective item by the supplier.
3. The delivery time shall be deemed to have been met, when, at the due date the item for delivery has left the factory or has been reported to be ready for delivery. If the item has to be accepted, the acceptance date shall be the relevant date or, if appropriate, the date when the item has been reported to be ready for acceptance – except in the case of a justified refusal of acceptance.
4. In the case that failure to deliver in time is due to reasons of force majeure, labour disputes or other events, which are beyond the control of the supplier, the delivery time shall be extended accordingly. The supplier shall inform the purchaser of the commencement and the end of such circumstances accordingly.

5. The purchaser shall be entitled to withdraw from the contract without notice if the supplier is not able to supply his complete service prior to the transfer of risks. Furthermore, the purchaser shall be entitled to withdraw from the contract, if with regard to an order it will become impossible to deliver part of the same and he has a valid interest in rejecting any part delivery. If this does not apply, the purchaser shall be obliged to pay the applicable contract price for such part delivery. The same shall apply if the supplier is unable to supply part of the delivery. Otherwise, paragraph VII.2. shall apply. If such inability or failure to supply occurs during the period of delay in the acceptance of the goods or, in the case the purchaser bears sole or a major part of the responsibility, he shall be obliged to reciprocate.

#### **IV. Transfer of Risks, Acceptance**

1. The risks shall be transferred to the purchaser when the merchandise has left the factory. This also applies for part deliveries or in the case the supplier has taken on other duties, e.g. the cost of dispatch or on-site delivery and installation of the merchandise. In the case of an acceptance procedure, this shall be relevant for the transfer of risks, which is to be effective immediately after the date of acceptance, or following the supplier's announcement that the item is ready for acceptance. In the case of minor faults, the purchaser shall not be permitted to refuse acceptance.
2. If dispatch is delayed or the item fails to be dispatched or acceptance does not take place due to circumstances, which are not attributable to the supplier, the risks shall be transferred to the purchaser on the date of the announcement of the item's readiness for dispatch or acceptance. The supplier shall undertake to take out appropriate insurance cover, on account of the purchaser, as the latter requires.
3. Part deliveries are permissible to an extent reasonably acceptable to the purchaser.
4. Part of these General Terms and Conditions include the transfer of responsibility to the purchaser to dispose of appropriately marked products, according to German Electrical and Electronic Equipment Act (ElektroG). Upon request we will gladly send you our detailed brochure entitled "EU Directives WEEE, RoHS, ..."

#### **V. Retention of Property Rights**

5. The supplier shall reserve the rights of the merchandise until he has received full payment in relation to the delivery contract.
6. The supplier shall be entitled to take out appropriate insurance cover against theft, breakage, fire, water and other damage, on account of the purchaser, unless the purchaser has provided evidence of his own insurance cover.
7. The purchaser shall not be entitled to dispose of, pawn nor assign the merchandise as security. In the case of levy of execution and confiscation or other orders issued by third parties, the purchaser shall undertake to inform the supplier immediately.
8. If the purchaser breaks the terms of this contract, in particular in the case of non-payment, the supplier is entitled, after having issued a reminder, to retrieve, and the purchaser demanded to surrender, the merchandise. The assertion of property rights and the seizure of the merchandise on the part of the supplier do not constitute a withdrawal from the contract.
9. The application for the commencement of bankruptcy proceedings shall entitle the supplier to withdraw from the contract and to demand the immediate return of the merchandise delivered.

#### **VI. Warranty Claims**

Subject to the exclusion of further claims, the supplier grants warranty for material defects and deficiencies in title with regard to the delivery – and with the proviso of paragraph VII – as follows:

##### Material Defects

1. As for all such parts that prove to be deficient due to circumstances prior to the time of the transfer of risk, the supplier undertakes at his own choice either to remedy defects free of charge or to effect a new delivery. Immediately upon detection of any such defects and deficiencies the supplier must be informed in writing. Parts returned for replacement or modification become the property of the supplier.
2. The purchaser will be obliged to concede to the supplier as per their mutual agreement sufficient time and opportunity to remedy defects or to effect replacement deliveries deemed necessary by the supplier; otherwise the supplier will be relieved from any liability with regard to the consequences resulting thereof. The purchaser shall only in urgent cases such as in the event of endangering of operational safety or to avoid disproportionately high damages, and under the condition that the supplier will immediately be informed thereof, have the right to remedy defects on his own or to have them repaired by third parties, and to put forward to the supplier a claim for compensation of the expenses incurred.
3. The supplier will bear the direct cost of retouches and replacements arising from legitimate claims, including cost of transport, and also the reasonable cost associated with dismantling and assembly and the purchaser's provision of personnel which the particular case may necessitate.
4. The purchaser will within the framework of legal provisions have a right to withdraw from the contract, if the supplier – with due regard to legal exceptions – lets lapse an appropriate period of time, allotted in writing, to remedy defects or to effect a

replacement delivery. In case of minor deficiencies the purchaser shall only be entitled to claim a reduction of the sales price. The right to demand a reduction of the sales price will otherwise be excluded.

5. No warranty will in particular be given in the following cases: Unsuitable or improper use, faulty or defective assembly or commissioning by the purchaser or by third parties, natural wear, faulty or neglectful treatment, improper maintenance, unsuitable operating agents, poor construction work, unsuitable assembly ground, chemical, electrochemical or electric influences, unless they fall under the responsibility of the supplier.
6. If the purchaser or a third party remedies any defect improperly, the supplier shall not be liable for the consequences resulting thereof. The same shall apply for any alterations of the merchandise initiated by the purchaser or by third parties without prior written consent of the supplier.
7. Software updates serve to continuously optimise the programs and immunise against cyber-attacks. Seamless implementation of the available updates ensures trouble-free, efficient and secure software operation. Any software updates required will be available for at least 5 years after date of purchase. We expressly point out that, according to legal regulations, the operator of the software is liable for material defects which can be traced back to a missing update.

#### Deficiencies in Title

8. Should any use of the merchandise lead to a violation of any domestic industrial property rights or copyrights, the supplier will make sure at his own expense, that the purchaser will principally be given the right of further use or that the merchandise will be modified in such a way, as it might reasonably be expected of the purchaser to be acceptable to him, so that the violation of industrial property rights will no longer exist. Should this be impossible in terms of commercially adequate conditions or within a reasonable period of time, the purchaser shall have the right to withdraw from the contract. Under the conditions mentioned, the supplier shall in turn also be entitled to withdraw from the contract.

Furthermore the supplier will indemnify the purchaser for undisputed and legally effective claims asserted by respective owners of industrial property rights.

9. The supplier's obligations stated under paragraph VI. 7 are with the proviso of paragraph VII. 2 all-inclusively settled as for the event of a violation of protected rights or copyrights.

They will only be applicable, if and when

- the purchaser undertakes to inform the supplier immediately of any asserted claims with regard to the violation of any protected rights or copyrights;
- the purchaser undertakes to support the supplier to such an extent that will be appropriate for a defence of the asserted claims or that will enable the supplier to proceed with the modification measures as outlined in paragraph VI. 7;
- all defence measures, including out-of-court settlements, are reserved to the supplier;
- the deficiency in title is not caused by an instruction on the part of the purchaser; and
- the violation of law has not been caused by the fact, that the purchaser has independently modified the merchandise or used it in a way not complying with the contract.

#### **VII. Liability**

1. If the merchandise cannot be used by purchaser according to the intents of the contract and this is the supplier's fault as a result of a neglected or faulty service in connection with proposals and consultations prior to or after the conclusion of the contract or due to the violation of any other contractual collateral obligations in particular with regard to instructions for the operation and maintenance of the merchandise, then the regulations under paragraphs VI. And VII. 2 will apply accordingly to the exclusion of any further claims of the purchaser.
2. The supplier will only be liable for damages not incurred to the merchandise itself – for whatever legal reasons:
  - in case of intent
  - in case of gross negligence on part of the owner or managerial employees;
  - in case of culpable personal injury to human life, body and health;
  - in case of deficiencies, where the supplier may be blamed of malicious silence, or where the absence of deficiencies has been guaranteed;
  - in case of defects of the merchandise, as far as the manufacturer will in accordance with the product liability law be liable for personal injury or for damages to property incurred in connection with privately used objects.
3. In case of a culpable violation of major contractual obligations the supplier will also be liable in case of gross negligence on part of non-managerial employees as well as in case of minor negligence, in the latter case limited to the reasonably foreseeable, typical damage under the contract.
4. Any further claims for compensation shall be excluded.

#### **VIII. Statutory Limitation**

Any claims of the purchaser – pertaining to whatever legal reasons – will be statute-barred within a period of 12 months. When it comes to intentional or fraudulent conduct as well as to claims resulting from the product liability law, the statutory time limits will be applicable.

#### **IX. Use of Software**

1. As far as the delivery comprises any software, the purchaser will be conceded a non-exclusive right to use the software delivered, including the documentation pertaining thereto. It is provided for utilisation with the respective designated merchandise. The usage of the software on more than one system is prohibited.
2. The purchaser is only entitled to copy, re-work, translate or convert from the object code to the source code within the legally permissible scope (Articles 69a ff. of the German Copyright Law (UrhG)). The purchaser commits himself not to eliminate or change the manufacturer's or the supplier's information – especially copyright information – without the supplier's explicit prior approval.
3. All other rights relating to the software and the documentation, including the copies thereof, shall remain with the supplier or with the software supplier. The issuance of sub-licences is not permissible.

#### **X. Applicable Law, Place of Jurisdiction**

1. All legal relations between the supplier and the purchaser are subject to the substantive laws of the Federal Republic of Germany which govern all legal relations between domestic parties.
2. The place of jurisdiction is Amberg/Oberpfalz. The supplier shall, however, be entitled to file a suit at the location of the purchaser's head office.