

Order Terms and Conditions of Grässlin GmbH

1 *General*

- 1.1 Any conditions deviating from the present Order Terms and Conditions or any additional conditions of the supplier are not binding to the ordering party even if the ordering party does not contradict them or the supplier declares that it delivers only under its own conditions. Any changes or amendments of these Order Terms and Conditions require the ordering party's explicit written consent. The implied acceptance of delivered goods or services rendered by the supplier and payments made by the ordering party shall not be considered acceptance of any conflicting conditions of the supplier.
- 1.2 If the ordering party has informed the supplier about the intended use of the delivery or service, or if this intended use is evident to the supplier without any explicit indication, the supplier shall inform the ordering party immediately in case the supplier's delivery or service is not suitable to fulfill this intended use. The supplier's obligation shall also apply in case the technical specifications of the goods to be delivered are not suitable for certain countries (e.g. due to other voltages). In this case, the ordering party is entitled to rescind the contract without having to pay damages. A violation of the supplier's incumbent obligation on signing the contract makes the supplier liable to pay damages.
- 1.3 The ordering party is entitled to cancel the order without being invoiced the costs thereof in case the supplier has not confirmed the order in writing within two weeks after receiving it (order confirmation) unless the delivery has been made or the service has been rendered in the meantime.
- 1.4 Any order must be made in writing; this also includes e-mail or fax. Any order, changes or amendments of the order made orally are only binding after the ordering party has confirmed them in writing. This written form requirement can only be waived by written agreement.
- 1.5 The ordering party grants the supplier the non-exclusive, transferrable, timely unlimited and worldwide right to use the software or documentation associated with the delivery or service or let third parties use them.
- 1.6 Subcontracting of third parties for execution of the orders is not permitted without the ordering party's written consent and entitles the ordering party to rescind the contract in whole or in part and to claim damages due to non-performance. This does not apply if the supplier is a merchant.
- 1.7 The correspondence associated with the order shall be conducted by the supplier only with the ordering party's department that has placed the order stating the order number and other order details.

1.8 The ordering party is entitled to reduce the ordered quantities by 15% without the supplier being entitled to claim damages or performance unless the supplier has already manufactured the parts or they have already been purchased.

2. *Delivery date*

2.1 The agreed delivery date is binding. In order to decide whether delivered goods without mounting and installation are executed in due time, the receipt at the delivery address stated by the ordering party is decisive; for goods that are delivered with mounting and installation as well as services, the date of acceptance is decisive.

2.2 In case a delivery or service is noticeably delayed, the supplier shall inform the ordering party immediately hereof and request the ordering party's written decision on how to proceed. The ordering party is entitled to rescind the contract if it is foreseeable that the delivery or service cannot be performed on time or only insufficiently or if the offered price is increased by more than 20 %.

2.3 Should the supplier be in default due to exceeding the delivery date, the ordering party is entitled to claim a contractual penalty of 0.5 % of the order value for each started week, but not more than 5 % of the order value, notwithstanding any further rights.

The ordering party may also claim this contractual penalty if it retains this right within one month after accepting the last delivery and/or service to be made for this order.

3. *Dispatch and passing of risk*

3.1 Unless otherwise agreed, transport and packing costs, customs, fees, taxes and other dues shall be paid by the supplier. If the price is fixed ex works or ex stock of the supplier, transport shall be realized at the lowest cost possible unless the ordering party has requested a certain mode of transport. Any extra cost due to non-observance of the transport and packing specifications or due to a necessary fast shipping in order to meet a delivery date shall be borne by the supplier.

If the price is fixed carriage paid, the ordering party may give instructions regarding type of transport, transport company and forwarding agent. In case the supplier incurs extra costs due to these instructions, the ordering party shall pay these extra costs to the supplier provided the supplier has informed the ordering party about this difference and the ordering party adheres to its instructions nevertheless.

3.2 Packing slips or delivery notes with a list of the contents, our order number, the article number and the quantity must be enclosed with each delivery. A

dispatch note with the same data must be sent to the ordering party at the latest when dispatching the goods. If the required documents are not sent on time due to the supplier's fault or if the above-mentioned specifications are missing in the transport documents, the goods are stored at supplier's risk and expense until receiving the transport documents or the complete specifications regarding the goods.

- 3.3 For delivered goods without installation or mounting, the risk is passed on to the ordering party when the goods are received at the delivery address specified by the ordering party. For delivered goods with installation or mounting as well as services, the risk passes on to the ordering party on acceptance at the place of installation, independently of any agreement regarding pricing.

4. *Insurance*

Any costs for insuring the goods, in particular forwarding and cartage insurance (SVS/RVS), are not borne by the ordering party. The ordering party is an SVS/RVS waiver customer. This regulation regarding the insurance costs shall not be considered any instruction to the supplier not to carry out any insurance.

5. *Prices and invoices*

- 5.1 The agreed prices are fixed prices. Any possible surcharges charged by the supplier due to small quantities shall be excluded.
- 5.2 Invoices shall be made out to the ordering party's address for every single order, stating order number and other order details, unless any other invoice address is specified in the order. Any invoice duplicate must be marked as such. VAT and other statutory fees shall be shown separately in the invoice.
- 5.3 The supplier shall present all proves (e.g. certificate of origin) that are required for the ordering party to obtain reduced customs duties or other reductions.

6. *Payment*

- 6.1 Payments shall be made under the conditions stated in the order unless otherwise agreed, also by means of eligible bills with discount charges being borne by the ordering party.
- 6.2 The payment term is 60 days. It starts as soon as the invoiced delivery or service is accepted or, in case acceptance is not planned, as soon as it is completely executed and the correct invoice has been received. However, the payment term does not start before the agreed delivery date. Should the ordering party pay within 14 days, it is entitled to take a cash discount of 3 %

from the total invoice amount. A cash discount is also permitted in case the ordering party offsets or withholds payment due to defects.

- 6.3 Any payment shall not be regarded as considering the delivery or service to be according to contract.

7 *Assignment and pledge*

The assignment or pledge of entitlements under this agreement shall only be effective after the ordering party's written consent. The ordering party shall not deny this consent without cause.

8 *Fulfillment and warranty*

The supplier undertakes to carry out the deliveries or render services according to the agreed specifications, professionally and using the best suitable material and guarantees that they are not defective, which could reduce their value or affect their suitability for being used in a usual way or for the intended use specified in the contract. The supplier also guarantees that the delivered goods and services, unless special regulations have been agreed, are conform to the state of the art, legal and official safety instructions and environmental regulations that are valid in the European Union or have already been passed with a transition period. The supplier shall inform the ordering party in writing about any modification of the composition of the processed material or the construction compared to previous similar goods or services delivered or performed for the ordering party before starting manufacture or rendering the service. These modifications require the ordering party's written consent. This duty to inform also applies if agreed safety symbols have been disallowed or are not longer used.

- 8.2 Any claim due to defective delivery, incorrect delivery, wrong quantities or modifications with regard to previous delivered goods or services can be asserted within one month after passing the risk. Should the defect for which it is required to make a complaint immediately on receipt of the goods not become obvious before processing or starting to use the delivered goods or services, the ordering party may assert a claim within one month after having detected the defect. The ordering party is not obligated to inspect the goods on receipt. Nevertheless, should incoming goods inspections based on random samples be agreed, the ordering party is entitled to completely refuse the delivered goods if the agreed limit quality values are not met or to inspect 100 % of the delivered goods at the supplier's expenses.
- 8.3 The warranty period is 30 months from the moment of passing the risk according to section 3.3 above unless legislation or the contract stipulate a longer period. In case of rectifications of defects or new deliveries, the warranty period starts again from this moment for the rectified or newly delivered parts.

- 8.4 In case of defects, the ordering party - at its option - may assert warranty claims as stated by law (also partial rescission) or request a new delivery or rectification - also at the place of use - which the supplier has to realize promptly and free of charge (in particular, without transport, travel, work and material costs). In case of failure, denial or delay of the new delivery or rectification, the ordering party is entitled to claim damages due to non-performance or to rescind the contract in whole or in part. Any rectification is considered failed if the first attempt to rectify does not succeed. In urgent cases, the ordering party is entitled to replace or repair damaged parts or remove existing damages at the supplier's expense or have it realized by third parties at the supplier's expense. For each justified case of existing defects, the ordering party is also entitled to charge a lump sum of €20.00 to the supplier - notwithstanding any other entitlements to damages.
- 8.5 Any other legal right of the ordering party - in particular with regard to guaranteed qualities - remains unaffected.

9 *Liability*

- 9.1 The legal liability provisions shall apply unless differing regulations are specified in section 8. The supplier shall hold the ordering party harmless against third party claims due to product liability as far as these claims are due to incorrect deliveries. The supplier guarantees that it has taken out a suitable product liability insurance covering damages due to product liability. Should certain countries be excluded in this insurance, the supplier shall inform the ordering party immediately hereof. The decision to call back deficient goods due to imminent product liability claims shall be the ordering party's sole responsibility.
- 9.2 The supplier guarantees that the deliveries or services - also with regard to their use - do not violate any industrial property right or copyrights of third parties and holds the ordering party harmless against any and all claims asserted by third parties.

10 *Ordering party's property*

- 10.1 Any models, samples, manufacturing equipment, tools, measuring or testing instruments, provided material, drawings, plant standard specifications sheets, print templates or other objects the ordering party has given to the supplier remain the ordering party's property. They shall be stored by the supplier with the due diligence of a prudent businessperson free of charge and separate from other goods in the supplier's possession, marked as property of the ordering party and only used by the supplier for fulfilling the deliveries and services ordered by the ordering party. These objects as well as any objects produced or services rendered on the basis of these objects may not be copied or passed on to third parties and shall be protected against unauthorized examination or use without the ordering party's written consent. The supplier must give them back to the ordering party without request and

completely when the supplier does not longer need them for executing the delivery or service and if the ordering party does not explicitly leave them with the supplier.

10.2 If the supplier manufactures order-related manufacturing devices or tools on the ordering party's expense, they become the ordering party's property with manufacture; for the rest, the provisions made in section 10.1 apply accordingly.

10.3 In case the supplier violates the prohibition of unauthorized use or the obligation to maintain confidentiality, the ordering party is entitled to rescind the contract in whole or in part or to claim damages due to non-performance - notwithstanding any other rights.

11 *Duration of availability of parts and spare parts*

The supplier undertakes to deliver the ordered parts and - if applicable - replacement parts in the period of expected technical use but for minimum seven years after each delivery at reasonable prices and under the conditions of the underlying order. Should the supplier stop supplying the ordered goods or replacement parts after this period has ended, the supplier shall inform the ordering party in writing to allow the ordering part to make a final purchase. Should the parties not agree on conditions or prices or should the supplier stop delivery of parts or replacement parts, the supplier shall hand over to the ordering party on request, promptly and free of charge the documentation required for manufacturing the ordered goods or replacement parts and to allow the ordering party to use it free of charge.

12 *References or publications*

The supplier may only state the ordering party's company or trademarks in references or publications after the ordering party's written consent.

13 *Binding force of the contract*

Should one or several provisions of this contract be or become legally ineffective, the remaining parts are still binding.

Should one provision be ineffective in part or in whole, the contracting parties shall promptly do their best to achieve the economic purpose that was aspired by means of the ineffective regulation in any other legally permitted way.

14 *Place of performance, legal venue and governing law*

The place of performance is St. Georgen. Provided the supplier is a businessperson, the legal venue is Villingen-Schwenningen.

All contractual relationships are subject to the law of the Federal Republic of Germany excluding the United Nations Convention on Contracts for the International Sale of Goods.