

General Terms and Conditions of Supply (GTCS) of WDI AG

valid for commercial transactions between businesses

(Last updated: January 2021)

Section 1 General Provisions and Scope of Application

- 1.1 These GTCS apply to all business transactions between WDI AG (hereinafter: „Seller“) and its customers (hereinafter: „Purchaser“) if this Customer is a businessperson (Article 14 of the German Civil Code), a legal entity under public law or special fund under public law. They also apply even if not mentioned in later agreements. These GTCS apply exclusively. Any additional terms and condition of the Purchaser differing from these GTCS do not become an integral part of the agreement, unless the Seller has expressly consented to their effectiveness.
- 1.2 These GTCS also apply if the Seller executes delivery without reservation knowing of any opposing or deviating provisions or if these GTCS not included in every future business transaction on an individual basis.
- 1.3 Any individual agreements concluded with the Purchaser in a particular case have priority over these GTCS.
- 1.4 Rights of the Seller beyond these GTCS in accordance with legal provisions remain unaffected thereby.
- 1.5 The contract language is German. The German Version of these GTCS is the determining version in the event of interpretation questions and any disputes.

Section 2 Offer and Contract Conclusion

- 2.1 Offers by the Seller are subject to change and non-binding, unless expressly designated as a binding offer. They only constitute the invitation to the Customer to make a respective proposal to the Seller by ordering. All details in brochures and catalogues, presentations of goods for e-commerce and in other promotional media as well as details for complying with statutory provisions are intended to provide an overview of the goods and do not become an integral part of the contract.
- 2.2 Orders by the Purchaser include binding offers. The Seller can accept orders within 14 days of their receipt. Orders are accepted by separate order confirmations, delivery of the ordered goods, issuing of the invoice or performance of the service.
- 2.3 Applicable for entering into the contract is the point in time when the Seller order confirmation is received by the Purchaser, or in the event of immediate performance of the order, the delivery of the ordered goods.
- 2.4 Where the Purchaser has objections about the contents of the order, confirmation or the dispatched goods, it shall raise them without delay. Otherwise, the contract enters into effect in accordance with the stipulations and content of the order confirmation.
- 2.5 Any orders for goods designated by the Seller as non-standard product or ‚NC/NR‘ (non cancelable/non returnable) may be neither cancelled nor returned. The Seller is entitled to designate the goods as non-standard product or ‚NC/NR‘ (non cancelable/non returnable) in a different way, for example by means of a reference to offers, product lists or order confirmations. The Purchaser is only entitled to amend or cancel orders for standard products or postpone delivery deadline with the consent of the Seller.
- 2.6 The entering into and performance of the contract are subject to no hindrances opposing them due to German, U.S. and any other applicable national, EU or international provisions of, foreign trade laws, embargoes or other sanctions. The Purchaser shall provide any and all information and obtain any and all documents along with the approvals, permits, and releases required for export, transport and import. The Purchaser undertakes not to export the goods to a country to which export is banned.

Section 3 Description of Goods

- 3.1 If the contract refers to goods subject to further technical development, the Seller is entitled to deliver the goods according to the latest manufacturer data sheet, provided the use as intended under the contract is not impaired. In addition, standard deviations and deviations due to legal provisions are permissible, provided the use as intended under the contract is not impaired. The Purchaser shall inform the Seller if its interest is

restricted solely to the ordered type and may not deviate from this type under any circumstances.

- 3.2 Details about the goods distributed by the Seller (e.g. weights, dimensions, practical value, resilience, tolerances and technical data) as well as representations of the same (e.g. drawings and illustrations), in particular in prospectuses, type lists, catalogues, datasheets, promotional material, specifications and descriptions, technical specifications and other delivery conditions, certificates and other documents only apply approximately unless use is agreed for a specific purpose under contract, and in each case they represent a guarantee of quality or durability by the Seller under contract.
- 3.3 Samples of the goods distributed by the Seller are regarded as prototypes and they do not constitute a warranty as to the condition of the goods without an express written agreement. It is imperative to comply with the applicable tolerance ranges.
- 3.4 Manufacturer reliability information about the delivered goods serves as statistical averages solely for guidance and does not refer to individual deliveries or delivery batches.

Section 4 Prices and Price Adjustment

- 4.1 Unless otherwise agreed, the prices specified in the order confirmation by the Seller apply. The prices are ex-works and apply only to the scope of performance and delivery specified in the order confirmation. Excluded are particularly costs for packaging, freight, insurance, customs, public dues and value-added-tax.
- 4.2 The statutory value-added-tax is itemized in the amount applicable on the date the invoice is issued. This does not apply in the event of the sale of such goods covered by Article 13 (2, 10) of the German Sales Tax Act in the event of goods ordered for a value in excess of EUR 5,000.00, to which the reverse charge system applies. According to the reverse charge system, the Purchaser owes the sales tax. When classifying the goods in accordance with Article 13 (2, 10) of the German Sales Tax Act, the Purchaser undertakes to follow the guidelines of the Seller. The Purchaser may be provided with a list of the items in question for this purpose.
- 4.3 In the event of unforeseeable price increases, in particular due to changes in market price, material and raw material costs between the contract being entered into and delivery of the ordered goods that the Seller is not responsible for, and that at the time of the contract being entered into that lead to the Seller only being able to purchase the goods from its supplier at poorer commercial conditions than foreseeable when entering into the contract with the Purchaser, the Seller is entitled to adjust the prices agreed with the Purchaser under the agreed circumstances and without calculating an additional profit if the goods, even partially, are to be delivered at least two months after the contract is entered into. This applies accordingly if, due to exchange rate fluctuations, the Seller is able purchase the goods from its supplier at poorer commercial conditions than foreseeable at the time of entering into the contract with the purchaser. If the purchase price agreed with Purchaser increases by more than 10%, the Purchaser is entitled to rescind the contract entered into.
- 4.4 The Seller is entitled to execute any outstanding deliveries and services only against advance payment or against the provision of security if circumstances become known that are likely to reduce the creditworthiness of the Purchaser significantly and that endanger the payment of any outstanding receivables. This applies accordingly if the Purchaser refuses to pay or does not pay any outstanding invoices of the Seller and there are no undisputed or legally determined objections against the invoices of the Seller.

Section 5 Payment Terms

- 5.1 Unless otherwise agreed in writing, all invoices from the Seller are to be paid immediately without discount, postage and charges and no later than within 30 days of the date on the invoice.
- 5.2 Where the Purchaser defaults on an invoice due and payable, the Seller may charge as of the due date 9 percentage points above the applicable

base interest rate plus a late fee of EUR 25,00 or the equivalent in a foreign currency, reasonable collection charges and attorney fees, and all outstanding invoices become due and payable immediately.

- 5.3 Bills of exchange and cheques are accepted only upon express written agreement and only for payment. Discount charges and other bills of exchange and cheque fees must be paid by the Purchaser. The rights of the Seller under Section 10 of these GTCS remain until all bills of exchange have been met in full.
- 5.4 The Seller is entitled to deduct any Purchaser payments from its oldest debt. If costs and interest have already been incurred, the Seller is entitled to deduct any payments first from the costs, then from the interest and finally from the principle claim.
- 5.5 Where the Purchaser does not accept the ordered goods after a grace period granted to it (acceptance default), then the delivery price is due and payable as of the date when the goods are declared ready for delivery. At the same time, the Seller may charge a flat rate for storage fees as of the date of acceptance default. This is 0.5 % of the purchase amount per started week without special proof and is limited to 5% of the purchase price amount. The Seller and Purchaser are free to provide proof that the storage fees incurred in connection with the non-acceptance of the goods are lower or higher, or that no storage fees have been incurred. Any other claims shall remain unaffected thereby.

Section 6 Offsetting, Retention, Assignment

- 6.1 Counterclaims of the Purchaser only entitle it to offset and assert a right of retention if these claims are determined with force of law or if they are undisputed. This does not apply for a counter-claim due to a defect affecting the same contractual relationship as the purchase price claim.
- 6.2 The assignment of any claims by the Purchaser against the Seller under this contractual relationship requires the written consent of the Seller to be effective. The Seller will only withhold its consent for justifiable interests.

Section 7 Delivery, Delivery and Performance Period, and Partial Deliveries

- 7.1 Deliveries are ex works EXW ([Incoterms 2020](#)).
- 7.2 Any delivery dates and deadlines specified by the Seller are provisional and non-binding deadlines and dates. The Seller is not liable for delays in delivery. Delivery deadlines and dates are only binding on the Seller if it has expressly specified and confirmed them in writing as binding. Unless otherwise agreed, the Seller delivers on time if the goods are transferred to a transport person at the place of business or warehouse of the Seller, or if the Seller notifies the Purchaser of the readiness to deliver the goods after the Purchaser is in acceptance default. The same applies accordingly to delivery dates and deadlines.
- 7.3 Agreed delivery periods do not commence before the complete provision of the documents, permits and releases to be acquired by the Purchaser, the clarification of all production relevant questions, as well as the receipt of the agreed advance payment. Compliance with delivery dates and deadlines requires the timely and proper performance of these and all other obligations on the Purchaser. Compliance with agreed delivery dates and deadlines is subject to the condition precedent that the Seller receives its delivery on time and properly. The same applies accordingly to delivery dates and deadlines.
- 7.4 The Seller will notify the Purchaser in writing and in a timely manner if it does not receive deliveries or services from manufacturers, upstream suppliers or subcontractors for reasons for which the Seller is not responsible and despite proper congruent inventory, or the Seller does not receive them correctly or on time, or if any events of force majeure occur, i.e. service hindrances beyond the control of the Seller lasting more than four weeks. In this event, the Seller has the right to delay delivery or performance for the period of hindrance, or the Seller may rescind the contract in whole or in part for the portion of it not yet fulfilled, provided the Seller has complied with its duty to inform and the service hindrance lasts longer than 2 months. Examples for force majeure are strike, lockout, government interventions, energy and raw material shortage, pandemic events, involuntary transport bottle-necks, involuntary operational hindrances such as caused by fire, water and machine damages along with all other hindrances for which the Seller could not be held responsible if objectively considered.

- 7.5 Where a delivery date or deadline, or a performance date or deadline has been bindingly agreed and this period or date is exceeded by more than two months for the events mentioned under the above Section 7.3 or if it is no longer reasonable for the Purchaser to accept delivery or performance due to the delay, the Purchaser may rescind the contract for the unfulfilled portion after a grace period granted to the Seller informing the Seller of the threat of rejection having passed unsuccessfully. Whether the delivery is in default is determined by legal provisions.
- 7.6 Partial deliveries are permissible only if the partial delivery is usable for the Purchaser within the framework of the use intended under the contract, the delivery of the remaining goods that were ordered is certain, and the Purchaser does not incur any significant additional expenditures or costs in connection therewith.
- 7.7 The Seller reserves the right to deliver up to 5% more or less of the scope of delivery for technical production reasons. No costs will be refunded if the delivery falls short.
- 7.8 The buyer may not refuse to accept the goods due to irrelevant defects.
- 7.9 Where the scope of delivery includes software of third parties, their license conditions apply.

Section 8 Frame Orders

- 8.1 Frame Orders (also known as Blanket Orders or General Agreements), where the Purchaser orders a certain quantity of goods for delivery in several partial deliveries over one specific period, are only possible upon separate agreement with fixed dates specified for the individual deliveries. Unless otherwise agreed, the master order may not exceed a term of twelve months.
- 8.2 4.2 In Frame Orders, the Purchaser must call off individual deliveries no later than 8 weeks prior to the desired delivery date. After the expiration of a reasonable grace period, the Seller is entitled to deliver and invoice the goods or rescind the agreement once the delivery period has expired, or if Customer has acted culpably to demand compensation for damages instead of performance. Where the period for calling off is not complied with by the Purchaser, the seller reserves the right to change the price at the moment of calling off.

Section 9 Packaging, Shipment and Transfer of Risk

- 9.1 The risk of accidental loss or deterioration of the goods transfers to the Purchaser at the time the goods are handed to the carrier, freight forwarder or any other person responsible for shipment but no later than at the time the goods are handed to the Purchaser. The same applies to partial deliveries or if shipment is, as agreed with the Purchaser, free of freight charges and costs for the Purchaser. At the request and expense of the Purchaser, the Seller will insure the goods against the specified perils by taking out a transport policy.
- 9.2 If transfer or shipment is delayed for circumstances for which the Purchaser is responsible, then risk transfers to the Purchaser at the point in time at which the Seller has notified the Purchaser that the goods are ready to ship.
- 9.3 Where the Seller chooses the type of shipment, the transport route and/or the shipping person, the Seller is only liable for intent or gross negligence in its respective selection.

Section 10 Reservation of Title

- 10.1 The delivered goods remain the property of the Seller until payment in full of all invoices to which the Seller is entitled from the Purchaser under the business transactions with the Purchaser. The Purchaser is obliged to treat the goods with retained title diligently during the period of retained title. In particular, it shall insure the goods sufficiently at its own expense for the replacement value against fire and water damage as well as theft. The Purchaser already assigns to the Seller at this time any and all claims for compensation under this policy. The Seller hereby accepts this assignment. If assignment is not permissible, the Purchaser hereby informs the third party debtor irrevocably to pay only to the Seller. Additional claims of the Seller remain unaffected. On request, the Purchaser shall prove to the Seller that insurance has been taken out.
- 10.2 The Purchaser is only entitled to sell the goods with retained title within the framework of the proper course of business. The Purchaser is not

entitled to pledge the goods with retained title, to assign them as collateral, or to dispose of them in any other manner that could endanger the title of the Seller. With pledging or other third-party intervention, the Purchaser shall immediately inform the Seller in writing and provide all necessary information, inform the third party about the rights of retention of the Seller, and cooperate with the measures of the Seller to protect the goods under retention of title. The Purchaser bears all costs for which it is responsible, and which are incurred in discharging the attachment and to replace the goods, provided they cannot be charged to third parties.

- 10.3** The Purchaser already assigns to the Seller at this time any and all of its receivables from the resale of the goods including all ancillary rights, regardless of whether the goods under retained title are sold without or after further processing. The Seller hereby accepts this assignment already at this time. If assignment is not permissible, the Purchaser hereby informs the third party debtor irrevocably to make any payments only to the Seller. The Purchaser is irrevocably authorized to collect any receivables assigned to the Seller in trust on behalf of the Seller. The amounts collected are to be paid immediately to the Seller. The Seller may revoke this Purchaser authorization to collect and the right of the Purchaser to resale if the Purchaser does not meet its payment obligation toward the Seller in a proper manner, if the Purchaser falls behind with its payments, stops payments, or insolvency proceedings are filed involving the assets of the Purchaser. Any resale of receivables requires the prior written consent of the Seller. By showing the assignment to third-party debtors, the authorization to collect of the Purchaser lapses. In the event of the authorization to collect being revoked, the Seller may demand that the Purchaser reports the assigned claims and their debtors, provides all information required for collection, provides the associated records, and notifies the debtors of the assignment.
- 10.4** If the Purchaser falls behind with its payments, the Seller may rescind the contract irrespective of its other rights. The Purchaser must grant the Seller or any third party authorized by the Seller immediate access to the goods with retained title, surrender them and notify their whereabouts. After the appropriate warning in good time, the Seller may otherwise exploit the goods under retention of title for satisfying any claims due against the Purchaser.
- 10.5** If the Purchaser processes or modifies the goods with retained title, then it does it always does so on behalf of the Seller. The expectant right of the Purchaser to the goods under retention of title extends to the processed or modified item. If these goods are processed, combined, or mixed with other items not belonging to the Seller, the Seller acquires co-ownership in the new item relative to the value of the delivered goods at the time of processing in relation to the other items used for processing. The Purchaser keeps the new items safe for the Seller. The same provisions as for the goods under retention of title also apply to the items resulting from processing or modification.
- 10.6** At the request of the Purchaser, the Seller is obliged to release any securities to the extent that the value that can be realized with these securities in consideration of deductions in valuations customary by banks exceeds the receivables of the Seller from this business relationship with the Purchaser by more than 20%. The invoice value of the goods under retention of title and the nominal value with receivables are to be assumed with the assessment.
- 10.7** The Purchaser hereby grants the Seller an appropriate right of security for its goods if the goods are delivered to areas with other legal systems where the provision of the retention of title under Section 10.1 to 10.6 does not have the same collateral effect as in the Federal Republic of Germany. Where further statements or actions are required in this respect, the Purchaser shall issue these statements and collaborate in all measures necessary and required for effectiveness and enforceability.

Section 11 Claims for Defects, Limited Use and Liability

- 11.1** The prior agreed condition of the goods forms the basis for any liability for defects of the Seller. The details regarding specifications and use in the respective manufacturer datasheets apply as the agreed properties in accordance with Article 434 of the German Civil Code. The Seller guarantees that the delivered goods present the characteristics specified in writing by the manufacturer or mutually for the approved use in testable technical parameters. Any attachments, lists and other documents of the Purchaser do not become part of the agreement on the condition of the goods unless the Seller expressly consents to their application.
- 11.2** The delivered goods are only intended for the purposes determined by the respective manufacturer in the relevant product specification. These

purposes do not cover the use of the goods in life-sustaining or life-supporting medical equipment, in military systems, in nuclear facilities, in aerospace technology, in combustion control systems, in safety equipment and in devices or systems where the failure or malfunction of the goods can lead upon reasonable estimate to injury of life, body or health or to an extraordinarily high property damage and financial loss (hereinafter: "reserved purposes"), unless the respective manufacturer or the Seller has expressly approved the use of the goods for such reserved purposes. If the Purchaser still uses a product for such reserved purposes without express consent, then it is used at the sole risk and under the sole responsibility of the Purchaser. The same applies if the Purchaser uses goods contrary to German, U.S. and any other applicable national, EU or international provisions of foreign trade laws or embargoes or other sanctions of prohibited measures. The Seller does not assume any liability for expenses and losses for a use for unapproved, reserved or prohibited purposes without express prior consent. The Purchaser undertakes to hold the Seller harmless from all third party claims due to injuries and/or damage if these expenses and losses have arisen in connection with the use of the goods for unauthorized, prohibited or reserved purposes without the express prior consent of the Seller.

- 11.3** The Purchaser is responsible for the suitability and safety of the goods for application by the Purchaser, unless otherwise expressly agreed. Due to the wide range of possible uses, different requirements and individual conditions of use, the Seller is unable to make any guarantee of the suitability of the goods for a specific possible use unless it has expressly guaranteed the suitability in writing. The Purchaser itself shall check the suitability of the goods for the use intended by it. This applies equally to the analysis and examination of information and recommendations of the Seller incumbent solely on the Purchaser as well as of manufacturer details for use and about contents of the goods harming the environment, for whose accuracy the Seller offers no guarantee as for the goods containing prohibited substances or those harmful to the environment above permitted thresholds. The Seller offers no warranty, in particular none for the composition, properties or shelf life of the goods.
- 11.4** Where the goods to be delivered on behalf of the Purchaser are processed by the Seller, the provisions of Section 11.1 and 11.2 apply accordingly. In this case, the Seller undertakes to process with care in accordance with the agreed written specifications of the Purchaser without responsibility for any influence by the processing on the function and qualities of the goods.
- 11.5** The warranty rights of the Purchaser require it to have complied with the duties to inspect and report (articles 377, 381 German Commercial Code), in particular to have carefully inspected the delivered goods immediately on receipt and to have reported in writing to the Seller clear defects and those identifiable during such an inspection by stating the specific complaints and signs of defect, location, number and date of their occurrence as well as the individual goods complained about with production and delivery batches. The Purchaser shall notify the Seller in writing of latent defects and associated customer complaints immediately on their discovery with the appropriate details. Prompt notification is defined as a notification within no later than two weeks, whereby the deadline is met if the notice or complaint was sent on time. If the Purchaser fails to inspect the goods properly and/or to notify the Seller of the defect with the corresponding defects, the Seller shall not be liable for the unreported or untimely reported defect.
- 11.6** Where the goods are delivered by the Seller in batches that allow a statistical goods-in inspection of quality in accordance with customary principles, this inspection is to be performed as a goods-in inspection as a minimum. The inspection conditions and criteria stated in the relevant standard conditions apply for the inspection.
- 11.7** The Purchaser gives the Seller immediate opportunity and the required time to check reports of defects and any required measures, even by third parties. In addition, it shall submit to the Seller the goods complained about, their affected products and the customer claims and service reports following on from the complaints without delay. Where defects with the goods occur, at the request of the Seller the Purchaser shall arrange for their features and the reported complaints to be taken up by a neutral expert. The Purchaser shall give the Seller or its upstream suppliers the opportunity to inspect on site the features and nature of the goods complained about.
- 11.8** If the goods are defective, the Seller may choose subsequent performance by rectifying the defect within a reasonable time or delivery of goods without defect. The right of the Seller to refuse subsequent performance under legal condition shall remain unaffected thereby.

- 11.9** The Seller is entitled to make the subsequent performance owed conditional on the Purchaser paying the purchase price owed. Nevertheless, the Purchaser has the right to retain a reasonable portion of the purchase price relative to the defect.
- 11.10** Where the Seller is not ready or unable to rectify the issue within a reasonable time, the Purchaser may choose to rescind the contract or reduce the purchase price. The same applies if subsequent performance fails or is unreasonable for the Seller. There is no right of rescission if the defect is insignificant.
- 11.11** The Seller shall pay any expenses necessary for the purpose of testing and rectification, particularly the transport, travel expenses and material costs as stipulated in Section 439 (2) of the German Civil Code, provided it is determined that there is a defect; however, the Seller shall not have to pay any expenses for the part of the expenditures that have increased due to the fact that the Purchaser has shipped the goods to a location other than the delivery address unless the nature of the goods changed after the change of location. In addition, the Seller only takes on the required costs for removing and installing defective goods where evidenced in detail in connection with subsequent performance where the Purchaser has converted them into something else in accordance with their type and purpose up to double the order total if it is not to blame for the complaints and failures of the goods. Otherwise, claims for subsequent performance or recourse with strict liability for the payment of removal and installation costs are excluded.
- 11.12** Where the Seller is responsible for the defect, the Purchaser is entitled to claim damages and subsequent performance based on the conditions specified in Section 11.16.
- 11.13** The Purchaser has no warranty claims if it tries to repair or modify the goods, or a third party tries to repair or modify the goods without the consent of the Seller, and if these actions make it impossible or unreasonably more difficult for the Seller to rectify the defect.
- 11.14** Claims by the Purchaser for compensation of expenditures instead of damages instead of performance are excluded if these were not required or if any reasonable third party would have incurred these expenditures.
- 11.15** Any return shipments of defective goods to the Seller for the purpose of subsequent performance require the prior written approval of the Seller and must be carried out in accordance with the rules in place at the Seller (RMA procedure). The risk of accidental loss or deterioration of the goods transfers only at the time they are accepted by the Seller at its place of business. The Seller is entitled to refuse returned goods without the RMA number issued in advance.
- 11.16** The Seller has unlimited liability for damages that occurred by breach of warranty or for any injuries to life, body or health. The same applies to intent and gross negligence, to the mandatory legal liability of the Seller for product defects (particularly those under the Product Liability Act) and to the liability for fraudulent concealment of defects. Furthermore, the Seller is liable for simple negligence only in the event of breach of a major contractual duty that arises from the nature of the contract, whose fulfilment is essential for the correct implementation of the contract and on which the Purchaser may normally rely. Such essential contractual duties of the Seller are specifically its primary duty to perform such as defect-free delivery of the goods, the duties of advice, protection and care intended to enable the Purchaser to use the goods in accordance with the contract, or to protect the body or life of the Purchaser and its personnel or protect its property against significant damage. If these essential contract duties are negligently breached, or in the event of default and impossibility, then the liability of the Seller is limited to the foreseeable typically incurring damage for a maximum of EUR 100,000 per loss event. Unless otherwise agreed above, the liability of the Seller is excluded.
- 11.17** The exclusions and limitations of liability specified in Section 11.16 apply to the same extent to the bodies, legal representatives, employees and other vicarious agents of the Seller.
- 11.18** The expiry date for the Purchaser to claim damages shall be one year, provided the defective goods were not used as intended for a structure and they have caused its defectiveness. The expiry term begins with the transfer of risk but no later than on the date the goods have been delivered. The unlimited liability of the Seller for breach of warranty or for loss of life, physical injury or harm to health, for deliberate act and gross negligence and for product faults is unaffected by this. The liability of the Seller for reasons specified in Section 11.3 is solely determined by the statutory limitations and particularly those under the Product Liability Act.
- 11.19** An opinion by the Seller about a complaint of defect by the Purchaser is not to be regarded as acknowledgement of a defect or entry into negotiations about a claim or circumstances justifying a claim unless negotiations are expressly commenced.
- 11.20** Without express agreement, the Seller accepts no procurement risk.
- 11.21** The place of performance for subsequent performance and rectification is the place of business of the Seller. The Seller is also entitled to undertake rectification and subsequent performance at the place of business of the Purchaser.

Section 12 Product Liability

- 12.1** The Purchaser shall not modify the goods; in particular, it will not modify or remove any existing warnings about hazards if the goods are not used as intended. If this duty is violated, the Purchaser holds the Seller internally harmless from third party claims under the Product Liability Act, provided the Purchaser is responsible for the mistake that triggered the liability.
- 12.2** If, due to a product error, the Seller arranges for the recall of the product or issues a warning, the Purchaser shall support the Seller and it will undertake all reasonable measures arranged by the Seller. In this respect the Purchaser will make available to the Seller all records regarding production, delivery and complaints of the goods. The Purchaser shall pay for the costs of the product recall or product warning, provided it is responsible for the product defect or the damage incurred therewith. Additional claims of the Seller remain unaffected.
- 12.3** The Purchaser will notify the Seller immediately in writing of any risks in using the product of which it becomes aware, and of any potential product errors or product outages in each individual case.

Section 13 Commercial Protective Rights and Copyright

- 13.1** The goods may be subject to patent, trademark, copyright, design and other third-party rights. The Seller is not responsible or liable for claims in connection with a breach of any of these rights. The Purchaser is granted no rights of title or use except for the right to use the goods in the ordinary course of business.
- 13.2** Where a delivery includes software or other intellectual property, such software or other intellectual property is granted to the Purchaser under the conditions of the copyright and usage license, the conditions for which can be viewed in the license agreement attached to the software or other intellectual property. These conditions grant no rights or license to use such software or other intellectual property in a manner or for a purpose not expressly authorized by the license agreement.

Section 14 Reports to the Manufacturer and Data Protection

- 14.1** The Buyer agrees to the processing of data on the Buyer such as sales prices and quantities, as well as names and addresses, by the Seller within the framework of the periodical reporting to manufacturers/suppliers (for i.e. POS-reports), who may be located abroad.
- 14.2** The Buyer agrees to the storing and processing of the collected buyer-related data by the Seller for the verification of the Buyer's creditworthiness, or to such data being disclosed by the Seller to the credit insurance company commissioned by the Seller.

Section 15 Execution of the contract by subsidiaries/affiliates

- 15.1** The seller may allow affiliated companies to enter into the contract with the buyer in his place. The seller shall only do so after consent has been received from the buyer. If an affiliate enters into a contract with the seller, the general terms and conditions of business shall continue to apply to this contractual relationship in its entirety.

Section 16 Export, Export Control, Disposal

- 16.1** The delivered goods are intended to remain in the delivery country agreed with the Purchaser. Goods subject to embargo provisions may not be exported out of the delivery country

- 16.2 In particular, the delivered goods are subject to German, Euro-pean and American export controls and embargo provisions. It is a matter for the Purchaser to familiarise itself with corresponding export and/or import conditions or, as may apply, restrictions, and obtain any corresponding permits.
- 16.3 Where required by law, the Purchaser shall be responsible for disposing of goods covered by the German Electrical and Electronic Act, the Battery Act, or the Packaging Regulations in line with all statutory provisions.
- 16.4 The Purchaser will impose the above obligations on its customers.
- 16.5 The Purchaser is liable to the Seller for all damage due to a breach with blame of the provisions stated under Section 16 by the Purchaser and holds the Seller harmless from any third-party claims.

Section 17 Severability Clause

- 17.1 The legal invalidity of one or more provisions of this Agreement in no way affects the validity of the remaining provisions. This shall not apply if it would be unreasonably onerous for one of the parties to be obligated to continue the contract.
- 17.2 If one provision of these GTCS is or becomes ineffective or unenforceable in whole or in part, or if a gap is discovered in these GTCS, it does not affect the validity of the remaining provisions. In its place, the effective or enforceable provision that comes closest to the intent of the ineffective and unenforceable provision shall apply. The same applies if a subject matter in need of regulation has not been expressly regulated.

Section 18 Closing Provisions

- 18.1 The assignment of rights and duties of the Purchaser to third parties is only effective on the Seller with the written consent of the Seller.
- 18.2 Jurisdiction for all disputes under the contract lies with the courts of the registered place of business for the Seller. The Seller may also take legal action at the domicile of the Purchaser and before any other competent court.
- 18.3 The laws of the Federal Republic of Germany apply to the contractual relationship along with their interpretation and their execution. The U.N. convention on the international sale of goods (CISG) is excluded.