

General Terms and Conditions of Sale and Delivery
of **HAUTAU GmbH**, Wilhelm-Hautau-Straße 2, 31691 Helpsen, Germany

1. Scope

- 1.1 All our deliveries of goods, services and offers are made exclusively subject to these General Terms and Conditions of Sale and Delivery. They are an integral part of all contracts (master and individual contracts) that we enter into with our contracting partners ("Customers") on the goods or services offered by us. They also apply to all future deliveries of goods, services or offers to the Customers even if they are not agreed again separately.
- 1.2 The Customer's terms and conditions of business or those of third parties do not apply even if we do not explicitly reject their validity in the individual case. Even if we refer to a communication containing the Customer's terms and conditions of business or those of a third party or referring to such, this does not imply consent to the applicability of those terms and conditions.

2. General Provisions

- 2.1 The contracting partners shall confirm oral agreements in detail in writing without delay.
- 2.2 Orders only become binding with our order confirmation.
- 2.3 The details and illustrations in brochures, catalogues and on our website are industry-standard approximate values unless they have been expressly designated by us as binding. We reserve the right to make design modifications to the subject of the contract without prior notice during the delivery time if the subject of the contract suffers no modification unacceptable to the Customer from this. Considered acceptable are in particular technical modifications, improvements and adjustments to state of the art science and technology, improvement to the design and choice of materials.
- 2.4 We are entitled to reject acceptance of an order if it becomes apparent that, on acceptance of the order, our claim for payment from the individual contract would be jeopardised because of the Customer's inability to pay. This is particularly the case if grounds within the meaning of Section 321 (1) German Civil Code (BGB) are present. The same applies, notwithstanding the provision in Clause 8.4, to the performance of an order to which Section 321 (1) second sentence and (2) German Civil Code applies in addition.
- 2.5 Over and above that, we shall be entitled to termination of the contract without notice if justifiable grounds for that are present. Justifiable grounds are present in particular if, after the contract is entered into, it becomes evident that our claims for payment to which are due to us under the contract are jeopardised because of the Customer's inability to pay and, in spite of demands, does not give credible assurance of its ability to pay within an appropriate period. Statutory termination and rescission rights and the rights under Clauses 7.4 and 11.3 remain unaffected.
- 2.6 Should individual parts of these terms and conditions of business be or become invalid, the validity of the remaining provisions will not be affected.

3. Confidentiality

- 3.1 Each contracting partner shall only use all documents (these include patterns, models and data) and knowledge gained from the business relationship, for the jointly pursued purposes and keep them secret from third parties with the same care as corresponding documents of its own if the other party has designated them as confidential or has an obvious interest in keeping them confidential. This obligation starts from the first receipt of the documents or knowledge and ends 36 months after the end of the business relationship.
- 3.2 The obligation does not apply to documents and knowledge that are general knowledge or that were already known to the contracting partner on receipt without it being bound to secrecy or that were imparted afterwards by a third party entitled to disclose them or that are developed by the receiving contracting partner without utilisation of documents or knowledge of the other contracting partner that are to be kept secret.

4. Drawings and Descriptions

- 4.1 If one contracting partner provides the other with drawings or technical documents about the goods to be supplied or their manufacture, they remain in the ownership of the providing partner.

5. Patterns and Tooling

- 5.1 The production costs for patterns and tooling (tools, moulds, gauges etc.) shall, unless otherwise agreed, be invoiced separately from the goods to be supplied. This also applies to tooling that has to be replaced as a consequence of wear and tear.
- 5.2 The costs for maintenance and correct storage as well as the risk of damage or destruction of the tooling shall be borne by us.
- 5.3 If during the production period of the patterns or tooling the Customer suspends or terminates the cooperation, it will be charged for all production costs incurred up to that point.
- 5.4 Even if the Customer has paid for it, the tooling shall remain in our possession up to the processing of the delivery contract. After that the Customer is entitled to ask for the surrender of the tooling if a mutual arrangement can be achieved on the date of surrender and the Customer has met its contractual obligations in full.
- 5.5 We shall store the tooling free of charge for 3 years after the last delivery to our Customers. After that we ask our Customers in writing to state their position on the further use within 6 weeks. Our duty of storage ends if within these 6 weeks no statement is made or no new orders are submitted.

6. Prices

- 6.1 Our prices are quoted in euros excluding VAT, packaging, freight, postage and insurance. The calculation is carried out at the prices valid on the date of written order confirmation.
- 6.2 If in the case of long-term contracts (contracts with a term of more than 12 months and contracts for an unlimited period) a significant change in the wage, material and energy costs arises, either contracting partner is entitled to request negotiations on an appropriate adjustment of the prices taking these factors into account.

7. Payment Terms

- 7.1 All invoices are due and payable within 10 days of the date of the invoice.
- 7.2 If we have incontestably supplied in part defective goods, our Customer is nevertheless required to make the payment for the defect-free part unless it has no interest in the partial delivery. The Customer may only offset with an uncontested or legally validated counterclaim. The Customer is not entitled to a right of retention unless it is based on the same contract and the counterclaims are not disputed by us or have been legally upheld as final.
- 7.3 In the event of delayed payment, we shall be entitled to invoice interest on arrears in the amount that the bank charges us for overdrafts, but no less than 9 percentage points above the respective base lending rate of the European Central Bank.
- 7.4 In the event of arrears of payment we may, after written notification to the Customer, suspend the fulfilment of our obligations until receipt of the payments.
- 7.5 Cheques are only accepted by arrangement as well as only as conditional payment provided that they are discountable.

8. Packaging and Delivery

- 8.1 In the absence of any other agreement, the goods ordered will be packaged according to our best judgement.
- 8.2 Unless otherwise agreed, we deliver "ex works".
- 8.3 The delivery and performance times are strictly only to be taken as approximate. This does not thus involve a binding commitment to a delivery or performance date where not otherwise agreed. The deciding factor for meeting the delivery date or delivery period is the notification of readiness for dispatch or collection from us.
- 8.4 The delivery period starts with the dispatch of our order confirmation and is extended appropriately if the conditions of Clause 15.1 are present.
- 8.5 Partial deliveries are permitted in a reasonable scope. They will be invoiced separately.
- 8.6 In the case of call-off delivery contracts, unless otherwise agreed, we are to be notified of binding quantities no less than 3 months before the delivery date by call-off request. Additional costs caused by a delayed call-off request or subsequent changes to the request regarding time or quantity by our Customer shall be charged to the Customer unless it is not responsible for the delay or subsequent change; here our costing is decisive.

9. Shipping, Transfer of Risk, Delayed Acceptance

- 9.1 Goods notified as ready for dispatch must be accepted by the Customer without delay. Otherwise we shall be entitled at our choice either to dispatch them or to store them at the expense and risk of the Customer.
- 9.2 If there is no separate agreement, we shall choose the means of transport and route.
- 9.3 On transfer to the carrier, railway or haulier or at the start of storage but no later than on leaving the works or warehouse, the risk shall be transferred to the Customer even if we are responsible for delivery.
- 9.4 If the Customer falls into arrears of acceptance, fails to carry out an act of cooperation or delays in accepting our delivery for other reasons for which the Customer is responsible, we shall be entitled to demand reimbursement of the loss arising including additional expenditure (e.g. storage costs). For this we shall charge a lump-sum for compensation of 5% of the price of the goods in arrears of acceptance per calendar week, starting with the delivery period or – if there is no delivery period – with the notification of readiness for dispatch of the goods. Our right to demonstrate that we have incurred a higher loss and our legal claims (especially reimbursement for additional expenses, reasonable damages, termination of contract) remain

unaffected; the lump sum shall, however, be offset against any further monetary claims. The Customer has the right to provide evidence that we have not incurred any loss or considerably lower loss than the above lump sum.

10. Delayed Delivery

- 10.1 If the delivery is delayed by a circumstance listed in Clause 15.1 or by an action or omission by the Customer, an extension of the delivery period will be granted appropriate to the circumstances.
- 10.2 The Customer shall only be entitled to rescind an individual contract if we are responsible for not meeting the delivery date and the Customer has set us an appropriate supplementary period of no less than 3 weeks without success.

11. Retention of Title

- 11.1 We reserve ownership of the delivered goods until all claims from the business relationship with the Customer have been paid.
- 11.2 The Customer is entitled to sell on these goods in the ordinary course of business as long as it meets its obligations from the business relationship with us in a timely manner. It may, however, neither pledge the reserved goods nor assign them as security. The Customer is required to secure our rights when reselling the reserved goods on credit.
- 11.3 In the event of breaches of its obligations by the Customer, particularly arrears of payment, after the unsuccessful expiry of an appropriate period set for the Customer for performance, we shall be entitled to rescind the individual contract and repossess the goods; the statutory provisions on the dispensability of setting deadlines remain unaffected. The customer is obliged to surrender the goods.
- 11.4 The Customer assigns to use as of now all claims and rights from the sale or if applicable leasing of the goods permitted to the Customer to which we are entitled to rights of ownership. We hereby accept the assignment.
- 11.5 Any treatment or processing of the reserved goods is always carried out by the Customer for us. If the reserved goods are processed or inseparably commingled with other objects that do not belong to us we shall acquire co-ownership of the new object in the proportion of the invoice value of the reserved goods to the other goods processed or commingled at the time of the processing or commingling.
If our goods are combined or inseparably mixed with other movable objects into a single object, and the other item is to be regarded as the main item, the Customer shall transfer joint ownership to us in proportion to the extent to which the main item belongs to it. The customer shall maintain ownership or co-ownership for us. Apart from that, the same applies to the new object arising from combining or commingling as for the reserved goods.
- 11.6 The Customer shall inform us without delay of any enforcement measures by third parties on the reserved goods, the claims assigned to us or other securities giving us the documents necessary for any intervention. This also applies to impairments of any other type.
- 11.7 If the value of the existing realisable securities exceeds the secured claims in total by more than 20 per cent, we are required to release the securities to this extent at our choice on the request of the Customer.

- 11.8 If on the Customer's side a buying group is involved in the legal transaction in such a way that the buying group settles the purchase price claim towards us and the Customer is required to settle the purchase price claim towards the buying group, the ownership is not transferred to the Customer by settlement of the purchase price claim by the buying group to us but only when the Customer has also met its obligation to the buying group. Otherwise the above statements apply mutatis mutandis.

12. Material Defects

- 12.1 The nature of the goods shall conform exclusively to the agreed technical delivery specifications. If we are to delivery according to drawings, specifications, patterns etc. of our Customer, the latter shall assume the risk of suitability for the intended use. Decisive for contract-compliant state of the goods is the date of transfer of risk under Clause 9.3.
- 12.2 The Customer is required to inspect the goods ordered without delay after receipt for visible defects, in particular also for visible missing amounts or damage and to notify us in writing of a defect without delay but no later than within 10 days of receipt of the goods giving the nature and scope of the defect. To meet the deadline, dispatching the notice of defects is sufficient. Defects that cannot be determined even with careful inspection within this period are to be notified without delay after discovery. If the notice of defects is not sent or not sent on time, our liability for the defect not notified or not notified in time is excluded.
- 12.3 We shall be responsible neither for material defects resulting from inappropriate or incorrect use, faulty assembly or putting into service by the Customer or third parties, usual wear and tear, faulty or negligent handling, chemical or electrochemical or electrical influences nor for the consequences of incorrect modifications made without our consent or maintenance work by the Customer or third parties. The same applies to defects that only insignificantly reduce the value or suitability of the goods.
- 12.4 Our liability obligation lapses in particular in the case of non-compliance with our respectively applicable assembly and setting guidelines or the assembly guidelines of component suppliers where their products are combined with ours, likewise if the person commissioned with assembly and setting is not familiar with these assembly and setting guidelines or if third parties change the setting autonomously.
- 12.5 For third party products or for the parts not manufactured by us, our liability is limited to the assignment of the claims against our suppliers where the defect does not lie in our area of responsibility. If settlement within the scope of the assigned rights fails, e.g. because of insolvency etc., we shall only be liable as an alternative within the scope of these conditions.
- 12.6 We provide technical advice to the best of our knowledge and capability. However, this does not negate the Customer's obligation to carry out its own tests and investigations. The Customer is responsible for ensuring compliance with statutory and official regulations when using our products.
- 12.7 Claims for material defects become time-barred in 12 months. This does not apply where the law requires longer periods as mandatory, particularly for defects in a product that, in line with its usual use, is used for a structure and has caused its defectiveness. Nor does the first sentence apply to damage from injury to life, limb and health and in the case of intent or gross negligence or another breach of material contractual obligations (these are obligations the fulfilment of which makes the proper execution of the contract possible at all and observance of which the contracting partner regularly relies on and may rely on) of our legal representatives or executives.

- 12.8 If acceptance of the goods or a first sampling has been agreed, the notification of defects that the Customer could have identified on careful acceptance or first sampling is excluded.
- 12.9 We must be given the opportunity to identify the defect notified. Goods that are the subject of a complaint are not to be returned to us until we have give our express consent or at our request; in this case we assume the transport costs if the notice of defects is justified. If the Customer does not meet these obligations or carries out modifications to the goods already the subject of a complaint without our consent, it shall lose any claims for material defects.
- 12.10 In the event of justified notice of defects submitted within the deadline, we shall at our choice either rework the goods subject of a complaint or deliver a flawless replacement.
- 12.11 If we do not meet these obligations or not as under the contract within an appropriate time, the Customer may set us a last period in writing within which we must meet our obligations. After the unsuccessful expiry of this period, the Customer may demand reduction of the price, rescind the individual contract or perform the necessary correction itself or have it performed by a third party at our expense and risk. Reimbursement of costs is excluded where the expenses are increased because after our delivery the goods have been moved to another location unless this corresponds to the correct use of the goods.
- 12.12 Legal recourse claims by the Customer against us exist only to the extent that the Customer has not made any agreements with its customer going beyond the statutory claims for defects. Moreover Clause 12.11 last sentence applies to the scope of the recourse claims mutatis mutandis.

13. Other Claims, Liability

- 13.1 Unless stated otherwise below, other and more extensive claims by the Customer against us are excluded. This applies in particular to claims for damages for breach of duties from the contractual obligation and for incorrect handling. We are not liable for damage that has not arisen to the goods supplied themselves. Above all, we are not liable for lost profit or other financial losses by the Customer.
- 13.2 The above limitations of liability do not apply in the case of intent or gross negligence of our legal representatives or executives or of culpable breach of material contractual obligations, these are obligations the fulfilment of which makes the proper execution of the contract possible at all and observance of which the contracting partner regularly relies on and may rely on. In the event of culpable breach of material contractual obligations, we are liable – except in cases of intent or gross negligence of our legal representatives or executives – only for the reasonably foreseeable damage for this type of contract.
- 13.3 Moreover, the limitation of liability does not apply in cases where liability exists for defects of the delivery goods under the Product Liability Act for injury to persons or damage to property for privately used items. Neither does it apply in the case of injury to life, limb or health and for lack of assured properties if and to the extent that the assurance had the purpose of securing the Customer against damage that did not arise to the delivered goods themselves.
- 13.4 Where our liability is excluded or limited, this also applies to the personal liability of our staff, labour force, employees, legal representatives or vicarious agents.
- 13.5 The statutory provisions on the burden of proof remain unaffected.

14. Software, Downloads, Apps

- 14.1 With the supply or provision of software products the Customer solely acquires a data carrier from us as well as a non-exclusive right of use to the software not limited in time and place.
- 14.2 In the relationship of the contracting partners, we are exclusively entitled to the copyright, patent rights, trademark rights and all other neighbouring rights to the software as well as to other objects that we provide or make accessible to the Customer as part of negotiating or executing the contract. Where third parties are entitled to rights, we have corresponding rights of exploitation.
- 14.3 Apart from for backup and archiving purposes, the Customer shall prepare neither full nor partial copies of the software or its documentation. Where technically possible, the backup copies must be marked with the copyright notice of the original data carrier and stored securely. Copyright notices must not be deleted, changed or disabled. Copies no longer needed must be deleted or destroyed. The user manual and other documents provided by us must only be copied for internal company purposes.
- 14.4 Any non-permitted use of the software by the Customer shall automatically lead to the loss of all of the Customer's rights of use.
- 14.5 The licence conditions intended for the software that we make available to the Customer apply in addition.

15. Force Majeure

- 15.1 Force majeure, industrial action, unrest, administrative measures or failure of deliveries from our suppliers and other unforeseeable, unavoidable and serious events release the contracting partners from the performance obligations for the duration of the disturbance and in its scope. This also applies if these events arise at a time when the affected partner is in default unless it has caused the delay by intent or gross negligence. The contracting partners are obliged within the limits of what is reasonable to give the necessary information without delay and to adjust their obligations to the changed circumstances in good faith.

16. Duty to Inform, Place of Performance Jurisdiction and Governing Law

- 16.1 The Customer must inform us in writing in each case without delay of any changes to the ownership, form of company or other circumstances affecting its financial circumstances including a change of address.
- 16.2 Unless otherwise stated in the order confirmation, the place of performance is our registered office.
- 16.3 For all legal disputes from and in connection with a contract, also relating to a bill of exchange or cheque processing our registered office is the place of jurisdiction. We also have the right to pursue legal action at the Customer's place of jurisdiction.
- 16.4 This contractual relationship is exclusively subject to the law of the Federal Republic of Germany. Application of the United Nations Convention of 11 April 1980 on Contracts for the International Sale of Goods (CISG – "Vienna Convention") is excluded.