

Terms and Conditions for Supplies and Services at SATec GmbH for Use in Business Transactions with Companies

- I.) General provisions
- 1.) The reciprocal written declarations are authoritative regarding the scope of supplies or services (hereinafter: supplies). The terms and conditions of the Customer are valid only to the extent that the supplier or service provider (hereinafter: Supplier) has expressly agreed to them in writing.
 - 2.) The Supplier reserves the unconditional right of exploitation of property and intellectual property for cost estimates, diagrams and other documents (hereinafter: documents). The documents may only be made accessible to third parties with the prior permission of the Supplier, and must be returned to the latter on demand and without delay if the contract is not awarded to the Supplier. Items 1 and 2 apply correspondingly to the Customer's documents; however, they may be made accessible to third parties to whom the Supplier is entitled to delegate, and has delegated, the performance of deliveries.
 - 3.) The Customer has the non-exclusive right to use standard software with the agreed performance features in unaltered form on the agreed devices. The Customer does not require explicit permission to make a back-up copy.
 - 4.) Part deliveries are permitted, provided the Customer can be reasonably expected to accept this arrangement.
- II.) Prices and payment terms
- 1.) Prices quoted are ex-works, exclusive of packaging, and additionally subject to the relevant statutory VAT.
 - 2.) If the Supplier has undertaken to provide assembly or mounting and if nothing else has been agreed, then the Customer is responsible for all necessary ancillary costs such as travel expenses, transportation costs for tools and personal luggage, and per diem allowances, in addition to the agreed remuneration.
 - 3.) Payments are to be made to the bank account of the Supplier, free of any charges.
 - 4.) The Customer may only offset such claims as are uncontested or upheld in a court of law.
- III.) Reservation of title
- 1.) The objects of the supplies (goods supplied) shall remain the property of the Supplier until all claims against the Customer to which the business transaction entitles them have been settled. If the value of all security interests to which the Supplier is entitled exceeds the amount of all secured claims by more than 20%, the Supplier shall, at the request of the Customer, release an equivalent part of the security interests.
 - 2.) While reservation of title persists, the Customer shall be prohibited from any pledging or transfer of security, and resale shall be permitted only to resellers in the usual course of business, and only on condition that the reseller receives payment from its customer or makes it a condition that the property is not transferred to the customer until the latter has settled its payment obligations.
 - 3.) In the event of seizure, confiscation or other instructions or interventions by third parties, the Customer must inform the Supplier without delay.
 - 4.) In the event of any breach of obligations by the Customer, particularly in the event of delayed payment, the Supplier shall, after a reasonable payment deadline set by the Supplier has elapsed without successful performance, be entitled to withdrawal and redemption. This is without prejudice to the statutory provisions regarding the expendability of setting a deadline. The Customer shall be obliged to return the goods.
- IV.) Supply deadlines; delay
- 1.) Adherence to deadlines for supplies is based on the condition that all documents, required permissions and clearances supplied by the Customer, in particular plans, are received in good time, also that the agreed terms of payment and other obligations on the part of the Customer are adhered to. If these conditions are not fulfilled in time, the deadlines shall be extended appropriately; this, however, shall not apply if the delay is attributable to the Supplier.
 - 2.) If non-compliance with deadlines can be attributed to force majeure (e.g. mobilisation, war, riots) or similar events (e.g. strikes, lock-outs), the deadlines shall be extended appropriately.
 - 3.) If the Supplier falls behind the deadline, and the Customer can make a credible case that this has caused losses, the latter shall be entitled to demand compensation of 0.5% for each complete week of delay, though only up to a maximum total of 5% of the price for that part of supplies that, because of the delay, could not be used for its intended operational purpose.

- 4.) Both compensation claims by the Customer on grounds of delay in supply, and claims for compensation in lieu of service, which exceed the limits named in Item 3 above shall be excluded in all cases of delayed supply, even after expiry of a deadline to which the Supplier is subject. This shall not apply if, in cases of intent or gross negligence, or on account of injury to life, body or health, liability is mandatory. The Customer may only withdraw from the contract within the framework of the statutory provisions if the Supplier is responsible for the delay in supply. The foregoing provisions do not constitute any change in the burden of proof to the Customer's disadvantage.
- 5.) At the Supplier's request, the Customer is obliged to declare within a reasonable period of time whether it wishes to withdraw from the contract on account of the delay in supply or to insist upon delivery.
- 6.) If, at the Customer's request, dispatch or delivery is delayed for more than a month after notification of readiness for dispatch, then it shall be possible to charge the Customer storage costs for each month commenced amounting to 0.5% of the price of the contents of the supplies, up to a maximum of 5% in total. The contractual parties shall have the right to demonstrate proof of higher or lower storage costs.

V.) Transfer of risk

- 1.) Even in the case of carriage-paid delivery, the risk shall be transferred to the Customer as follows:
 - a.) in the case of supplies excluding mounting or assembly: when these are handed over to the shipping agent or picked up. At the Customer's request and expense, supplies may be insured by the Supplier against the usual risks of transport;
 - b.) in the case of supplies including mounting or assembly: upon acceptance by the Customer in its place of business, if agreed, after a faultless test run.
- 2.) If either dispatch, delivery, the commencement or execution of mounting or assembly, the handover at the Customer's place of business or the test run are delayed for reasons attributable to the Customer, or the Customer delays acceptance of delivery for other reasons, the risk shall be transferred to the Customer.

VI.) Assembly and mounting

Unless otherwise agreed in writing, the following conditions apply to assembly and mounting:

- 1.) The Customer shall, at its own expense, assume responsibility for, and provide in a timely manner:
 - a.) all earthworks, construction work and other subsidiary work outside the Supplier's sector, including the necessary specialist staff, labour force, building materials and tools;
 - b.) the utensils and materials required for assembly and commissioning, such as scaffolding, lifting gear and other equipment, fuel and lubrication agents;
 - c.) energy and water at the place of use, including connections, heating and lighting;
 - d.) suitable dry, lockable rooms of sufficient size for the storage of machine parts, equipment, materials, tools etc., and appropriate work and recreation rooms for the assembly staff, including sanitary facilities appropriate to the situation, at the assembly site; additionally, to protect the Supplier's and assembly staff property, the Customer must implement the same security measures at the construction site as it would apply to protect its own property;
 - e.) such protective clothing and safety equipment as are necessary in consequence of the specific circumstances of the assembly site.
- 2.) Prior to the start of assembly work, the Customer must supply the necessary information about the location of concealed electricity, gas and water lines or similar facilities, and the required static data, without being asked.
- 3.) Before assembly or mounting begins, the provisions and objects required for accepting the work must be in place at the site of assembly or mounting, and all preliminary work before the start of construction must be advanced to a sufficient extent that the assembly or mounting can begin as agreed and performed without interruption. Access roads and the site of assembly or mounting must be levelled and cleared.
- 4.) If assembly, mounting or commissioning are delayed by circumstances that are not the Supplier's responsibility, then the Customer shall, to a reasonable extent, bear the costs for the waiting period and any necessary additional travel by the Supplier or the assembly staff.
- 5.) The Customer must provide the Supplier without delay with weekly certification of the duration of the assembly staff working hours, and certification of the completion of assembly, mounting or commissioning.
- 6.) If the Supplier has requested acceptance of the supplies after completion, then the Customer shall carry this out within two weeks. If this does not occur, then it shall be

deemed that acceptance has occurred. Acceptance is also deemed to have occurred if the supplies are put into operation, if necessary after completion of an agreed test phase.

VII.) Acceptance

1.) The Customer may not decline to accept supplies on grounds of insignificant faults.

VIII.) Material defects

The Supplier shall be liable for material defects as follows:

- 1.) All those parts or services that display a material defect within the statutory limitation period – regardless of length of operational service – shall, at the Customer's discretion, be repaired, replaced, or provided as new products free of charge, as long as the cause thereof already existed at the time of transfer of risk.
- 2.) Claims for material defects are limited to 12 months. This does not apply if the regulations according to Section 438 Para. 1 No. 2 (Building works and materials for building works), Section 479 Para. 1 (Claims to reimbursement of expenses) and Section 634a Para. 1 No. 2 (Construction defects) of the German Civil Code (BGB) prescribe longer periods of time, or in cases of injury to life, body or health, breach of obligation by the Supplier in the form of intent or gross negligence, or fraudulent concealment of a defect. The statutory regulations regarding suspension, interruption or recommencement of limitation periods remain unaffected.
- 3.) The Customer must lodge a written complaint about material defects with the Supplier without delay.
- 4.) Where defects have been notified, the Customer may withhold payments to an extent that bears a reasonable relationship to the material defects that have arisen. The Customer may only withhold payments when a notice of defect has been lodged whose justifiability is not in question. If the notice of defect was unfairly lodged, the Supplier shall be entitled to demand compensation from the Customer for the costs incurred.
- 5.) In the first instance, the Supplier must be granted opportunity for supplementary performance within a reasonable period.
- 6.) If such supplementary performance is not fulfilled, the Customer – irrespective of any possible compensation claims in the sense of Section XI – shall be entitled to withdraw from the contract or reduce payment.
- 7.) Claims for defects shall not exist in cases of only minor deviations from the agreed quality, minor impairment of serviceability, natural wear and tear or damage that occurs after the transfer of risk as a result of inappropriate or negligent handling, excessive stress, unsuitable operating materials, defective building work or unsuitable assembly site, or because of particular external influences which are not stipulated in the contract, or in the case of non-reproducible software errors. If inappropriate changes or maintenance work are undertaken by the Customer or by third parties, then no claims for defects shall arise in this respect or in respect to attendant consequences.
- 8.) Claims by the Customer arising from costs incurred in connection with supplementary performance, in particular transport, travel, labour and material costs, shall be excluded if expenses have increased due to subsequent relocation of the object supplied to a site other than the Customer's place of business, unless relocation of this kind is considered the intended purpose.
- 9.) Claims for recourse by the Customer against the Supplier, in the sense of Section 478 of the German Civil Code (Recourse of the entrepreneur), shall exist only if the Customer has not made any agreements with its purchasers that exceed the statutory claims for defects. Moreover, regarding the extent of the Customer's claim for reimbursement against the Supplier in the sense of Section 478 Para. 2 of the German Civil Code, Item 8 above applies accordingly.
- 10.) In the case of compensation claims, Section XI (Other compensation claims) also applies. Wider-reaching claims, or claims other than those stipulated in Section VIII of these Terms and Conditions, by the Customer against the Supplier and their vicarious agents on grounds of material defect shall be excluded.

IX.) Industrial and intellectual property rights; defects of title

- 1.) Unless otherwise agreed, the Supplier is obliged to provide the supplies free from industrial property rights and intellectual property rights of third parties (hereinafter: property rights) only in the country of the point of delivery. If a third party raises a claim against the Customer arising from infringement of property rights, justified on the grounds of supplies provided by the Supplier and used as contractually stipulated, the Supplier shall be liable towards the Customer, within the period prescribed in Section VIII Item 2, as follows:
 - a.) The Supplier shall, at its own discretion and expense, either obtain a right of use for the goods and services concerned, change said goods and services in such a way that the

property rights are not infringed, or exchange them. If this is not possible for the Supplier under any reasonable conditions, the Customer shall be entitled to the statutory right of withdrawal or reduction in price.

- b.) The Supplier's responsibility for compensation is determined according to Section XI.
 - c.) The responsibilities of the Supplier named above shall exist only if the Customer informs the Supplier of the claims lodged by third parties without delay and in writing, does not acknowledge any infringement, and concedes all defensive measures and settlement negotiations to the Contractor. If the Customer ceases to use the supplies to minimise damage or for other important reasons, it shall be obliged to inform the third party that the cessation of use does not constitute any acknowledgement of an infringement of property rights.
 - 2.) Claims by the Customer shall be excluded if the Customer is responsible for the infringement of property rights.
 - 3.) Claims by the Customer shall also be excluded if the infringement of property rights is caused by specific instructions issued by the Customer, by usage which could not have been predicted by the Supplier, or by the fact that the supplies have been altered by the Customer or used with other products not supplied by the Supplier.
 - 4.) In addition to the claims stipulated in Item 1a, the provisions of Section VIII, Items 4, 5 and 9 shall apply accordingly insofar as property rights have been infringed.
 - 5.) Where other defects of title exist, the provisions of Section VIII shall apply accordingly.
 - 6.) Wider-reaching claims, or claims other than those stipulated in Section IX of these Terms and Conditions, by the Customer against the Supplier and their vicarious agents on grounds of defects of title shall be excluded.
- X.)** Impossibility; amendment of contract
- 1.) If it is impossible to deliver the supplies, the Customer shall be entitled to demand compensation, unless the Supplier is not responsible for the impossibility. However, the claim for compensation by the Customer is limited to 10% of the value of that part of the supplies that, because of the impossibility, cannot be used for its intended operational purpose. This limitation does not apply if, in cases of intent or gross negligence, or on account of injury to life, body or health, liability is mandatory; the foregoing provisions do not constitute any change in the burden of proof to the Customer's disadvantage. The right of the Customer to withdraw from the contract remains unaffected.
 - 2.) If unforeseeable events in the sense of Section IV, Item 2 change the economic importance or content of the supplies to a major extent, or have major effects on the Supplier's operations, the contract shall be amended accordingly in good faith. If this is not economically feasible, the Supplier has the right to withdraw from the contract. If the Supplier wishes to make use of this right of withdrawal, it must communicate this fact to the Customer without delay after recognition of the magnitude of the event, and even then, only if an extension to the delivery time has previously been agreed with the Customer.
- XI.)** Other compensation claims
- 1.) Claims for compensation and reimbursement of expenses by the Customer (hereinafter: compensation claims), irrespective of legal foundation, in particular on account of breach of obligation arising from the debtor relationship or inadmissible actions, are excluded.
 - 2.) The above does not apply if liability is mandatory, e.g. according to product liability law, in cases of intent or gross negligence, on account of injury to life, body or health, or because of neglect of essential contractual duties. Claims for compensation for the neglect of essential contractual duties are, however, limited to the foreseeable damages typical for the contract in question, unless intent or gross negligence exists, or because liability is mandatory owing to injury to life, body or health. The foregoing provisions do not constitute any change in the burden of proof to the Customer's disadvantage.
 - 3.) If the Customer is entitled to compensation claims according to Section XI above, such claims shall cease to have effect upon expiry of the limitation periods applicable to material defect claims according to Section VIII Item 2. In cases of compensation claims according to the product liability legislation, the statutory limitation periods apply.
- XII.)** Place of jurisdiction and applicable law
- 1.) If the Customer is a business trader, the sole place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship is the registered business address of the Supplier. The Supplier however shall be entitled to lodge claims at the registered business address of the Customer.
 - 2.) German material law, with the exception of the United Nations Convention on Contracts for the International Sale of Goods (CISG), applies to all legal relationships connected with this contract.

XIII.) Binding force of the contract

- 1.) Even if individual stipulations should become legally ineffective, the remaining parts of this contract shall remain binding. This does not apply if adherence to the contract would represent an unacceptable hardship for one of the parties.