

## EagleBurgmann Espey GmbH General Delivery and Payment Terms and Conditions Last updated in January 2022

### 1. Scope, General

1.1 The following delivery and payment terms and conditions ("DPTC") apply exclusively to all deliveries, services, contracts and offers as well as associated auxiliary services (jointly "deliveries") of EagleBurgmann Espey GmbH ("we", "us") and only in relation to companies, legal entities governed by public law and special funds under public law within the meaning of Section 310 Para. 1 of the German Civil Code (*Bürgerliches Gesetzbuch*) (jointly "customers").

1.2 These DPTC apply in the version as amended from time to time as a framework agreement with the same customer for future contracts for deliveries even if they are not expressly re-agreed; we shall promptly inform the customer of any changes to our DPTC where such occur.

1.3 Our DPTC apply exclusively. General terms and conditions of the customer which depart from, contradict or supplement these DPTC are hereby expressly rejected; they are only incorporated into the contract if and to the extent we have expressly agreed to their application. This requirement for agreement applies in any case; for example also in the event that we, being aware of the customer's general terms and conditions, carry out an unconditional delivery to the customer. In the event of participation in electronic platforms or other electronic/automated systems of the customer and the activation of check boxes (or the like) to be activated for the use of such system, this shall not constitute a legally binding acceptance of the respective terms of use or other general terms and conditions.

1.4 Legal statements and notices which the customer is required to give us in the context of deliveries (e.g. the setting of deadlines, notifications of defects, withdrawal from contract or payment reduction notices) must be submitted in writing (i.e. within the meaning of these DPTC in written or in text form, e.g. e-mail, letter, fax). Formal requirements under applicable statutory law and our right to demand further evidence, in particular in the event of doubts about the legitimacy of the person making the declaration, shall remain unaffected.

1.5 References to the application of statutory provisions only have the purpose of clarification. The statutory provisions therefore apply even without such clarification, unless to the extent they are directly modified in these DPTC or expressly excluded.

1.6 Individual arrangements made with the customer for specific cases (including side agreements, additions and amendments) shall in any case take precedence over these DPTC. Subject to proof of the contrary, the content of such individual arrangements is determined by way of a written contract or our written confirmation.

1.7 Should any provision of the present DPTC be invalid, this shall not affect the validity of the remaining provisions thereof.

### 2. Offer, entry into a contract and supporting documentation, industrial property rights

2.1 Our offers are subject to confirmation and non-binding; in particular, we reserve the right to change products, prices and other conditions. The placement of an order or an assignment for a delivery by the customer ("order") is treated as a binding contractual offer. Unless otherwise provided in the order, we are entitled to accept this contractual offer within 21 days following its receipt by us. A contract shall only come into force upon our order confirmation. If the order is not confirmed by us in writing, the contract shall come into force at the latest upon performance of the order.

2.2 **We point out that our employees entrusted with the execution of deliveries or representatives are not authorised to enter into verbal side agreements or to give verbal assurances which go beyond the content of agreements already concluded. Such telephone or verbal clarifications by our representatives are therefore not legally valid unless we have confirmed them expressly in writing.**

2.3 The documents and information submitted in connection with the offer such as, for example, sealing description, drawings, illustrations, descriptions of operating data and installation space, measurements and weights in price lists, brochures or other documents are values that are provided to the best of our knowledge but which only become binding when fixed in the concluded contract. If the offer refers to operating, assembly and maintenance instructions, these shall also apply.

2.4 We reserve all proprietary rights and copyrights to cost estimates, concepts, designs, drafts, drawings and other documents; these may be modified or made available to third parties only with our explicit approval. These documents must be returned to us upon request at any time and in any event if the order is not placed with us.

2.5 In the case of call off orders we are entitled to acquire materials for the entire order and to manufacture the entire amount of the order immediately. Any amendment requests on the part of the customer can therefore no longer be taken into account once the order has been placed unless this has been expressly agreed.

2.6 In case of doubt the Incoterms, as amended from time to time, govern the interpretation of commercial terms.

### 3. Samples, test parts, tools, costs and title

3.1 We reserve the right to charge for the samples and test parts and the tools required for their preparation. In case of doubt payment falls due following acceptance of the initial sample, test part or tool, unless otherwise agreed (see Clause 2.1). Unless otherwise agreed we will add the costs of procuring or manufacturing the tools required for series production to the invoice.

3.2 Unless otherwise agreed, we retain title to all tools and appliances manufactured or procured by us even where the customer has borne the procurement or manufacturing costs either in whole or in part. We are not obliged to surrender the tools and appliances.

### 4. Statement of work

4.1 The requirements of the deliveries are conclusively determined by performance indicators expressly agreed (e.g. specifications, markings, release instructions and other information). No warranty or guarantee (e.g. according to Sections 443, 639 of the German Civil Code) for a specific application or a specific suitability for use, usage period, durability, functionality, compatibility, other subjective or objective requirements or conformity with sample or model is provided except where and to the extent expressly agreed in writing. In advance of an order, the customer is obliged to explicitly inform us regarding any subjective and objective requirements of the delivery item relevant for the customer. For the rest, the risk relating to the delivery item's suitability for purpose and application is the exclusive responsibility of the customer. We reserve the right to minor or technically unavoidable variations in physical and chemical measurements including colours, formulae, methods and the application of raw materials, as far as this is not unreasonable towards the customer. This also applies to other insignificant deviations from the agreed requirements or impairments of the usability.

4.2 Accessories, packaging, assembly and other instructions, specifications or recommendations for inspection, storage, installation, testing, operation or maintenance (jointly: "manuals") shall only be part of the deliveries and be handed over by us if that (i) is expressly agreed or customary in the industry or (ii) can usually be expected according to the nature of the deliveries. The customer is obliged to install the delivery items in accordance with the state of the art. If there are any special requirements for installation and assembly, the customer shall inform us thereof prior to the conclusion of the contract. If the customer does not explicitly name any requirements in this respect, the installation risk shall be borne solely by the customer. We are entitled to hand over the manuals with the delivery or to refer to them in delivery documents (e.g. by referring to a relevant website). The customer is obliged to follow the manuals and to observe the relevant regulations such as standards of DIN (German Institute for Standardisation) or other industry standards.

4.3 Neither such product information nor the performance indicators/applications expressly agreed release the customer from the obligation to test that the delivery item is suitable for its intended purpose.

### 5. Delivery, delivery period, place of fulfilment, transfer of risk, default in delivery, acceptance and default in acceptance

5.1 The contractual agreements made (see Clause 2.1) shall be decisive for the delivery date, method and volume of the delivery.

5.2 Delivery term of goods is FCA WAREHOUSE/FACTORY (Incoterms® 2020) which is also the location of the place of performance (also for any subsequent performance). The goods may be sent to a different destination (sale by dispatch) at the customer's request and expense. If our export declaration won't be closed at customs by the forwarder specified by the customer, we will charge the local VAT to the customer.

5.3 Unless otherwise agreed, we are entitled to specify how delivery items are dispatched (in particular the transport company, the dispatch route, packaging). Packaging is invoiced at cost price. We do not take back transport and other packaging material falling under the provisions of the German Packaging Regulation (*Verpackungsverordnung*). With the exception of transport pallets, such packaging material becomes the property of the purchaser. The goods are insured on the customer's request and on his expense.

5.4 The risk of accidental loss and of accidental damage to the goods passes to the customer no later than upon transfer of possession (*Übergabe*). However, upon a sale by dispatch (see Clause 5.2), the risk of accidental loss and of accidental damage to the goods, as well as the risk of delay, passes to the customer once the dispatcher, the carrier or other person or institution designated responsible for shipping the items receives the good. In the event that an acceptance (*Abnahme*) is required for deliveries, such acceptance shall be decisive for the transfer of risk (*Gefährübergang*). For the rest, the statutory provisions of German law on contracts for works (*Werkvertragsrecht*) shall apply accordingly to an agreed acceptance. If the customer is late in accepting the delivery item, this is equally deemed to be a delivery or acceptance.

5.5 Delivery times are – even where a delivery date is agreed with the customer – only approximate and non-binding, unless the delivery date has been expressly agreed as a fixed delivery date, i.e. it has been specified in writing that the customer is not interested in the delivery anymore once the specified date has passed. The delivery period for delivery items commences not before the required technical data, supporting documentation, approvals and releases to be obtained by the customer have been provided or before receipt of an agreed advance payment, if applicable. The delivery period is deemed complied with the timely notification of readiness for dispatch or collection. Compliance with the delivery period requires the customer to have met its contractual obligations to cooperate.

5.6 Where we have been unable to comply with binding delivery deadlines for reasons for which we are not responsible (non-availability of the item or service owed by us), we will promptly inform the customer of this and simultaneously give notice of the anticipated new delivery period. Where the item or service is unavailable within the new delivery period, we are entitled to withdraw from the contract in whole or in part; we will promptly repay any consideration already paid by the customer. In particular, where we have concluded a corresponding transaction, it is treated as a case of non-availability of the item or service in this sense if there is a late delivery to us by our subcontractor (reservation of self-supply) and neither we nor our subcontractor acted deliberately or negligently and we have not assumed any special procurement risk for this specific case. The same applies to cases in which the customer specified the suppliers or raw materials to be used and they are not available.

5.7 The content of this Clause 5 is without prejudice to the customer's rights under Clause 7 of these DPTC or to our statutory rights, in particular in case of an exclusion of a performance obligation (e.g. on grounds of impossibility or unreasonableness of performance and/or subsequent performance).

5.8 In case the customer becomes subject to insolvency proceedings, or comparable proceedings under foreign law, provides a formal information of financial status (*Vermögensauskunft*) according to Section 807 German Code of Civil Procedure (*Zivilprozessordnung*), experiences payment difficulties or if there is a significant deterioration of the customer's financial situation, we are entitled to suspend deliveries immediately and to refuse the fulfilment of current contracts, unless the customer provides the respective consideration or, upon our request, provides appropriate securities.

5.9 In case the customer is in default of acceptance or in culpable breach of any auxiliary obligations (e.g. owed acts of collaboration), the customer shall pay us for any damages caused and any additional costs (e.g. storage expenses) related thereto. Further claims and rights shall remain unaffected. In case of the customer's default of acceptance or payment, the risk of accidental loss and damage of the goods shall pass to the customer.

### 6. Warranty (claims for defects)

6.1 Unless otherwise specified below in this Clause 6, the statutory provisions apply with regard to the customer's rights in case of material defects and defects of title (including wrong delivery and short delivery, improper assembly/installation and errors in the manuals) of the delivery. In all cases this is without prejudice to the statutory special provisions governing the final supply of the unprocessed good to a consumer.

6.2 The basis of our liability for defects is only the agreement made regarding the requirements of the deliveries (especially including product descriptions, drawings and manuals). Notwithstanding this, our deliveries are not intended for installation in any kind of nuclear and similar applications (e.g. nuclear power plants); the use for such applications is only permitted if this was expressly confirmed by us prior to the conclusion of the contract; the customer is obliged to pass on these restrictions to its customers.

We accept no liability for public statements by third parties (e.g. advertising messages, test institutes, customers) in connection with the item supplied by us. In particular, the occurrence of a technically unavoidable leakage in the mechanical seal (*Gleitringdichtung*) and the packings (*Stopfbuchspackung*) shall not be recognized as a product defect. Only after detailed examination of the actual operation conditions, the actual product version (e.g. production tolerances) and the actual installation conditions can it be decided, based on our experience and the state of the art, whether a leakage is unacceptably high and as such does not meet the requirements.

6.3 The customer's claims for defects require that it has complied with its obligations to examine the goods and to notify defects. We must be promptly notified in writing if a defect becomes apparent during or subsequent to an inspection. The notification is deemed prompt if given within two weeks after the discovery of the defect in which case, for compliance with the deadline, it suffices that the notification is sent on time. Our liability is excluded in relation to the defects not notified or not notified in time in those cases where the customer omits to carry out the proper inspection and/or notification of defects.

6.4 We assume no warranty for insignificant deviations as described in Clause 4.1 or for defects in construction based on drawings, plans or other documents provided by the customer or as far as the defect is caused by non-compliance with operating, installation and maintenance instructions, use outside the defined limits of use, unsuitable or inappropriate use or storage, inappropriate or negligent handling, installation or commissioning or natural or usual wear and tear or is attributable to interference by the customer or third parties in relation to the delivery item. The same applies insofar as the defect can be attributed to unsuitable equipment, replacement materials, defective construction work, unsuitable ground for building, chemical, electro-chemical, electrical or operational factors, provided that we are not responsible for the same.

6.5 Where a delivered good is defective we can choose to carry out the subsequent performance (*Nacherfüllung*) either by removing the defect (subsequent improvement) or through delivery of a defect-free item (replacement delivery). This is without prejudice to our right, under certain statutory conditions, to refuse subsequent performance. The customer shall be entitled to decline subsequent performance if he cannot be reasonably expected to accept subsequent performance.

6.6 We are entitled to make the subsequent performance owed conditional upon the payment of the price owed by the customer. The customer shall have a right of retention only to the extent that it is in due proportion to the respective defect and provided that the customer's counterclaim is based on the same contractual relationship.

6.7 The customer must give us the necessary time and opportunity to carry out the subsequent performance owed and must, in particular, surrender the rejected delivery item for the purposes of inspection. Where we deliver a replacement item the customer must return the defective delivery item to us in accordance with the statutory provisions. Subsequent performance covers neither the de-installation of the defective good nor its re-installation, unless we were originally obliged to carry out such installation.

6.8 Where there is actually a defect, we bear or reimburse the costs of inspection and subsequent performance, in particular the costs of transport, travel, labour and materials (but not the costs of de-installation or installation), with the exception of the costs incurred as a result from the fact that the goods have been transferred to a place different from the agreed place of performance after the passing of risk. This exception does not apply in case such transfer corresponds with the normal use of the goods and was known to us. However, we may claim reimbursement from the customer of the costs (especially inspection and transport costs) incurred if it turns out that the customer's claim for the removal of defects was unjustified.

6.9 If subsequent performance is unsuccessful or a reasonable period for subsequent performance to be set by the customer expires without success or such period can be dispensed under the statutory provisions, the customer may withdraw from the contract (*Rücktritt*) or reduce the price (*Minderung*). There is, however, no right to withdraw where the defect is insignificant. Any claims for damages for defective goods shall be subject to two useless attempts of subsequent performance.

6.10 The customer's claims for damages or reimbursement of futile expenditure only exist to the extent as stipulated in Clause 7; beyond that, they are excluded.

6.11 The customer may not make the warranty claims, mentioned in this Clause 6, for any delivery items, which, according to mutual agreement, we do not deliver as new goods.

### 7. Liability (claims for damages)

7.1 Unless otherwise provided in these DPTC (especially Clauses 7 and 8), our liability for damages in case of a breach of contractual or non-contractual obligations is governed by the applicable statutory provisions.

7.2 Our liability resulting from wilful misconduct or gross negligence by us, our legal representatives or our vicarious agents is unlimited.

7.3 In case of simple negligence, under exclusion of our liability in all further regards, we are only liable:

- for damage arising from loss of life, personal injury or damage to health for which we, our legal representatives or our vicarious agents are responsible;
- for damage resulting from any breach of a material contractual duty (an obligation which, if not performed, renders the proper implementation of the contract impossible and on the performance of which the contractual counterparty regularly relies and may rely, the so-called "material contractual obligation" (*Kardinalpflichten*)) by us, our legal representatives or our vicarious agents. However, in this case our liability is limited, in terms of its legal basis and extent, to damage that we could reasonably have predicted upon entry into the contract given the circumstances we were aware of at that time.

7.4 The limitations of liability mentioned above do not apply insofar as we maliciously conceal a defect or insofar as we have agreed to guarantee certain properties of the goods. Other indispensable statutory liability provisions, in particular according to the provisions of the German Product Liability Act (*Produkthaftungsgesetz*), remain unaffected. 7.5 We are liable in accordance with the above provisions in this Clause 7 for any breach of intellectual property rights in association with the sale or use of the delivery item if and to the extent such intellectual property rights – applicable within the Federal Republic of Germany and published at the time of our delivery – are breached by us through the contractual use of the delivery item. This does not apply where we manufactured the goods in accordance with drawings, models, samples or other descriptions or information from the customer and did not know or were not obliged to know that third parties' intellectual property rights would thereby be breached. The customer is obliged to inform us immediately of any potential or claimed breach of intellectual property rights of which it becomes aware and to indemnify us against all third-party claims associated with the documents it has supplied and all costs and expenditure reasonably incurred. Should third parties prohibit us, e.g. from manufacturing and delivering the goods manufactured according to the customer's documents within the meaning of Sentence 2 above with reference to intellectual property rights, then we are entitled, without being obliged to verify the legal situation, to suspend any further activity and claim damages in accordance with the statutory provisions (see also Clause 12).

7.6 The customer only has a right of recourse against us to the extent that it has not entered into any arrangements with its buyer that go beyond the claims for defects and liability provisions provided by statutory law. Unless otherwise agreed in writing, to the extent the customer has any potential right of recourse against us the provisions of Clauses 6 and 7 apply accordingly.

7.7 A free right of termination of the customer (in particular according to Sections 650, 648 of the German Civil Code) is excluded.

## 8. Force majeure

8.1 "Force majeure" means the occurrence of an event or circumstance that prevents a party ("affected party") from performing one or more of its contractual obligations under the relevant contract, including these DPTC, if and to the extent that the affected party proves that (i) such impediment to perform is beyond its reasonable control, and (ii) such impediment to perform was not reasonably foreseeable at the time of entering into the relevant contract, and (iii) the effects of such impediment to perform could not reasonably have been avoided or overcome by the affected party (e.g. natural disasters, war, terrorism, sabotage, epidemics, government measures, embargoes, sanctions, strikes and lockouts, business interruptions). For the avoidance of doubt, the existence of a force majeure shall not be excluded merely because it directly affects one of our sub-suppliers.

8.2 To the extent and for the duration of force majeure, the affected party is released from its obligations and from any liability in connection with deliveries (e.g. due to delayed performance) from the time of the occurrence of the force majeure event, and the non-affected party shall be informed thereof. In this case, inter alia, we reserve the right to reduce quantities in the case of deliveries of goods if there is a loss of production due to force majeure or if we ourselves are not supplied at all or in time.

8.3 If the duration of the force majeure results in a party being deprived of what it had reasonably expected as performance under the contract in question, or if the effects of force majeure continue uninterrupted for more than 120 days, either party shall have the right to withdraw from the contract in question by giving written notice to the other party with the effect of the release from any performance obligations.

8.4 For the avoidance of doubt, the provisions in this Clause 8 neither lead to any extension of the liability under Clause 7, in particular not to any form of strict liability, nor do they prevent the affected party from invoking other applicable legal instruments or defences in connection with default (e.g. impossibility, unreasonableness, frustration of contract).

## 9. Prices and payment

9.1 Unless otherwise agreed in writing, our prices are quoted in EUR and FCA WAREHOUSE/FACTORY (Incoterms® 2020) from which the good is delivered, plus statutory VAT and packing costs. Our invoices are payable immediately without discount. No deduction may be made from the balance unless previously agreed in writing. We retain the right to transmit invoices electronically. We are not obliged to accept cheques or other promises of payment. Their acceptance is always on account of performance. We do not accept payment by bill of exchange.

9.2 We are entitled to make appropriate price adjustments as a result of any not insignificant changes to the cost of raw materials, labour, energy and other items not anticipated by us and beyond our control. The customer will be given prior written notice of the relevant adjustment. At the same time, the customer will be expressly advised that unless an objection is received in writing within a term of two weeks from the notification of the adjustment, the relevant adjustment will be incorporated into the existing contract between the parties. If the customer objects, each party is entitled to terminate the contract in writing upon giving ten business days' notice. As far as such a price adjustment relates to an increase in the price for deliveries, this is not possible within four months after the conclusion of the contract.

9.3 In case of partial deliveries each delivery may be separately invoiced. Where no prices have been agreed upon the entry into the contract, the applicable prices are those applicable on the day of the conclusion of the contract (see Clause 2.1).

9.4 Payment is deemed received on the date on which the amount becomes available to us or is credited to our bank account. If the customer is in default, we may charge interest at the statutory interest rate (in the case of claims for remuneration, 9% per annum over the relevant base interest rate). This does not prejudice the right to bring further claims for damages (e.g. lump sum for default costs according to Section 288 Para. 5 of the German Civil Code (BGB)) in the total amount of EUR 40) or other contractual rights.

9.5 We do not pay interest on advance payments or payments on account.

## 10. Assignment and right of retention; set-off

10.1 The customer is entitled to assign its claims arising from the contractual relationship with us only with our prior written consent; Section 354 of the German Commercial Code (*Handelsgesetzbuch*) remains unaffected.

10.2 The retention of payments or set-offs (including invoice reductions) due to any counterclaims by the customer is not permitted unless these counterclaims are not disputed by us or determined by a non-appealable court judgement; Clause 6.6 remains unaffected.

## 11. Retention of title

11.1 Until settlement in full of all our current and future claims arising from the contract for the deliveries and ongoing commercial relations (secured claims), we reserve title to the goods sold to the customer (reserved goods). Should the retention of title need to be entered in a public register or the effectiveness of the retention of title otherwise requires the customer's cooperation, the customer is obliged to undertake the necessary acts of cooperation at its own expense.

11.2 The customer shall treat the reserved goods with the care of a prudent businessman and is obliged to insure them adequately against fire, burglary and other usual risks at its own expense. If maintenance and inspection work has to be carried out, the customer shall carry this out in due time at its own expense. The reserved goods may neither be pledged nor transferred by way of security to third parties prior to the settlement of the secured claims in full. The customer must immediately notify us in writing if and to the extent that third parties obtain access to the reserved goods (e.g. by way of distraints).

11.3 In case the customer acts in breach of contract, in particular in case of non-payment of the due purchase price, we are entitled, under the statutory provisions, to withdraw from the contract and/or demand the return of the reserved goods on the basis of retained title. The claim for return is not automatically considered to be also a notice of withdrawal from the contract; rather, we are entitled just to demand the return of the goods and to reserve the right of withdrawal. Where the customer does not pay the due purchase price we may only enforce these rights if we have previously set the customer a reasonable payment deadline or the setting of such a deadline is not required under the statutory provisions.

11.4 Until revocation (see Clause 11.4.3 below), the customer is entitled to dispose of and/or process or combine the reserved goods in the context of its normal commercial operations. In this case the following provisions also apply:

11.4.1 The reservation of title also extends to the full value of the products arising as a result of the processing, mixing or combining of the reserved goods, whereby we are treated as the manufacturer. Where the reserved goods are processed, mixed or combined with goods belonging to third parties and the latter's title right continues to exist, we acquire joint ownership and title pro rata to the invoice values of the goods that have been processed, mixed or combined. Beyond that, the same shall apply to the resulting product as for the reserved goods.

11.4.2 For security purposes the customer hereby assigns us the claims against third parties arising from the further sale of the reserved goods or of the product it was processed with in the amount of any share in the joint property under the Clause 11.4.1. We accept such assignment. The customer's obligations described in Clause 11.2 continue to apply in view of the assigned claims.

11.4.3 In addition to us, the customer also remains authorised to collect the receivables. We undertake not to revoke the authorisation of the customer to further dispose of the reserved goods and to collect receivables as long as the customer (i) is neither in whole nor in part in default with the performance of its secured payment obligations, (ii) does not experience cash flow problems due to a material deterioration in its financial situation and (iii) properly performs the contractual obligations it otherwise owes to us. In the event of revocation, the customer is obliged to disclose the debtors of the assigned receivables, to provide all necessary documents for this purpose as well as to notify the debtors of the assignment upon our first written demand.

11.5 Where the realisable value of the existing securities exceeds our claims against the customer by more than 10%, we will release securities of our choice upon the customer's request.

## 12. Limitation periods

12.1 Contrary to Section 438 Para. 1 No. 3 of the German Civil Code the general limitation period for claims in relation to material defects and defects of title according to Clause 6 is one year from delivery, respectively one year from notice that the item is ready for dispatch, if the customer has to collect the delivery item. Where an acceptance was explicitly agreed, the limitation period begins with the completion of acceptance, unless otherwise agreed.

12.2 However, if the delivery item is a building or an item which, in its normal application, is used in construction and caused defects in the building (building material), the limitation period is, in accordance with the statutory provisions, five years from delivery (Section 438 Para. 1 No. 2 of the German Civil Code). This is without prejudice to special statutory limitation provisions applicable for claims in rem by third parties for surrender (Section 438 Para. 1 No. 1 of the German Civil Code), malice on the part of the seller (Section 438 Para. 3 of the German Civil Code) and for claims for recourse against the supplier in case of the final supply to a consumer (Sections 445a, 445b of the German Civil Code).

12.3 The above limitation periods under the law relating to the sale of goods also apply to contractual and non-contractual claims for damages asserted by the customer based on a defect in the goods, unless the application of the normal statutory limitation period (Sections 195 and 199 of the German Civil Code) would lead to a shorter limitation period. This is in any case without prejudice to the limitation periods under the German Product Liability Act. Other damages claims of the customer under Clause 7 of these DPTC are exclusively governed by the statutory limitation periods.

## 13. Industrial property rights of third parties

13.1 If we are commissioned on the basis of drawings and plans provided by the customer, the customer is liable for the non-existence of colliding industrial property rights, copyrights or other third-party rights, that no third-party intellectual property is infringed and that no statutory or official prohibitions are breached, unless the customer can prove not to be responsible for this.

13.2 To the extent of its liability under Clause 13.1, the customer is obliged to indemnify us against all claims brought against us by third parties as a result of or in connection with the deliveries.

This indemnity obligation covers all necessary expenditure incurred by us due to or in connection with any claim asserted by a third party.

## 14. Confidentiality

14.1 "Confidential information" includes – regardless of the form (written, verbal, electronic, etc.) – any information, formulations, drawings, models, tools, technical records, procedural methods, presentations, software or other technical or commercial know-how or deliverables made available by us or output thereby obtained, insofar as they are marked as confidential or their confidential nature results from the circumstances of the disclosure or the nature of the information. However, information shall not be deemed to be confidential information in this sense if (i) the customer has developed it itself and independently of the receipt of confidential information from us, (ii) it was public knowledge at the time of its disclosure or becomes public knowledge later without any breach of confidentiality by the customer, (iii) it was already known to the customer or becomes known later without any breach of law recognisable to the customer, (iv) there is an administrative or judicial order or other obligation of disclosure or a legally mandatory right of disclosure for it. The customer is obliged to inform us immediately and under enclosure of the necessary evidence if he wishes to invoke one of the above exceptions against us.

14.2 The customer is obliged to keep all confidential information secret, also after the termination of the business relationship and such information must not be used in the customer's business for purposes which go beyond the specific contractual purpose of the contract entered into with us. Confidential information may only be made directly or indirectly accessible to such persons who must, in the context of the business relationship, have knowledge of the confidential information and are bound by an obligation of secrecy under the requirements of this Clause 14 to the extent permitted by law. Beyond the purpose of the contract, confidential information (in particular cost estimates, drafts, construction drawings, progress reports, process descriptions and analyses of materials made available) must not be amended, duplicated or published without our approval and must not be used to register own property rights (e.g. patents or designs) or those of third parties.

14.3 Furthermore, product samples, prototypes, etc. provided by us must not be analysed, decompiled, modified or disassembled with regard to their composition ("reverse engineering"), either by the customer itself or by third parties, unless this is technically absolutely necessary for the realisation of the project.

14.4 We reserve all rights to the confidential information disclosed by us, in particular property rights and copyrights; any kind of licence thereto requires a separate agreement. All documents submitted by us in connection with offers must be returned at our request at any time and in any case if the order is not placed with us. The customer shall not be entitled to a right of retention with regard to confidential information or corresponding documents or materials.

14.5 The contractually agreed protection of confidential information pursuant to this Clause 14 is independent of and in addition to the applicable statutory provisions on the protection of certain information (e.g. pursuant to the German Trade Secret Protection Act (*Geschäftsgeheimnisgesetz*)).

## 15. Compliance, export controls

15.1 With regard to the existing business relationship with us, the customer undertakes to comply with all laws applicable to it as well as the specifications in compliance codes or other codes notified to it by us in accordance with the German Supply Chain Act. This includes, in particular, not to deal with or otherwise cooperate, neither directly nor indirectly, with any terrorist or terrorist organisations or any other criminal or anti-constitutional organisations and to establish appropriate organisational measures to implement applicable embargoes, the European regulations against terroristic and criminal acts and the respective requirements under US law and/or any other law applicable to the business relationship, in particular by implementing adequate software systems. Once the goods left our relevant premises, the customer is solely responsible to ensure compliance with the provisions cited above and will indemnify us against claims and costs (including reasonable legal and consultancy fees or court fees or fines resulting from the said legal breaches) based on a legal breach in this respect on the part of the customer, its affiliated company or employees, representatives and/or vicarious agents, unless the customer is not responsible for it.

15.2 We refer to the fact that the validity of our offer or the customer's order is subject to the issuance of an export permit by the authorities. An agreed delivery date is also subject to the availability of an export permit. Therefore, when placing the order the customer should take into account that this could lead to postponements of delivery dates that are beyond our control. In case of any subsequent export the customer is solely responsible to comply with the relevant export control provisions, e.g. the verification of the recipient or end user. For the export to embargo countries, the foreign trade law requirements must be observed, in particular with any applicable export control regulations under German, EU and US law.

## 16. Place of performance, jurisdiction and applicable law, arbitration clause

**16.1** The place of performance for all rights and obligations arising from the contractual relations, in particular from our deliveries, is the relevant site from which delivery is made. If the customer is a merchant within the meaning of the German Commercial Code, a legal entity under public law, the courts of Wolfratshausen, Upper Bavaria, Germany have jurisdiction over all disputes concerning rights and obligations arising from or in connection with the contractual relations. We are, however, also entitled at our discretion to sue the customer at any other general or particular legal venue in accordance with the applicable law.

**16.2** Where the customer has its registered office outside the Federal Republic of Germany, then we are additionally entitled, at our discretion, to have all claims, disputes or differences of opinion arising from the business relations with the customer, excluding the ordinary jurisdiction of state courts, to be finally decided by arbitration in accordance with the arbitration rule of the German Institution of Arbitration e.V. (DSI). The court of arbitration is based in Munich. The arbitration proceedings will be conducted in German, unless the customer requests them to be held in English.

**16.3** The law of the Federal Republic of Germany shall apply exclusively to these DPTC and to the entire legal relations between ourselves and the customer. The application of the UN Convention on Contracts for the International Sale of Goods (CISG) and other bilateral or multilateral treaties for the purpose of unifying international sales is excluded.

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This is a convenience translation of our German General Terms and Conditions of Delivery and Payment (*Allgemeine Liefer- und Zahlungsbedingungen*) with some regional modifications.

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