

General Terms for Services and Spare Parts Deliveries

SCHMIDT Technology GmbH (version: October 2020)

§ 1 Scope of application

(1) All services and spare parts deliveries of SCHMIDT Technology GmbH (hereinafter "Seller") are subject to these General Terms for Services and Spare Parts Deliveries. They are integral part of all contracts Seller concludes with his contractual partners (hereinafter "Client") regarding services or spare parts deliveries provided by him. They shall also apply to all similar future supplies and services provided to Client, even if not explicitly agreed upon in separate agreements.

(2) Any terms and conditions of Client or third parties shall not apply even if Seller does not explicitly reject them in individual cases. Even if Seller refers to a document that includes Client's or third parties' general terms and conditions or refers to them, this shall not be construed as agreement with the applicability of these terms and conditions.

(3) These General Terms for Services and Spare Parts Deliveries shall apply only to entrepreneurs within the meaning of the German Civil Code (BGB) Sections 14 and 310, Paragraph 1, legal entities under public law or special funds under public law.

§ 2 Offer and conclusion of contract

(1) All offers of Seller are subject to alteration and non-binding unless explicitly indicated as binding or if a certain acceptance period is mentioned. Seller may accept purchase orders or sales orders within 14 days after receipt.

(2) The only relevant factor for legal relationships between Seller and Client is the contract concluded in written form and/or Seller's order confirmation including these General Terms for Services and Spare Parts Deliveries. The contract and/or the order confirmation covers all agreements made by the contracting parties with regard to the subject matter. The Seller's oral promises made before conclusion of this contract are not legally binding, and oral agreements made by the contracting parties shall be replaced by the written contract unless it can be clearly deduced that they are still binding.

(3) Any additions and changes to the agreements made, including these General Terms for Services and Spare Parts Deliveries, shall be made in writing to be effective; transmission by telecommunication, in particular by fax or e-mail, shall suffice.

(4) Details provided by Seller with regards to the item to be delivered or the service to be rendered (such as weights, measures, tolerances and technical data) as well as illustrations hereof (e.g. drawings, presentations, illustrations or catalog content) are only approximate unless usability for the contractually intended purpose requires exact matching. They are not guaranteed qualities but descriptions or designations of supply or service. Customary deviations and deviations made due to legal requirements or which are technical improvements as well as replacement of components by similar parts are permitted insofar as they do not affect the usability for the contractually intended purpose.

(5) Seller retains ownership or copyright in all offers and cost estimates submitted by him as well as in drawings, illustrations, calculations, brochures, catalogs, models, tools and other documents and auxiliary means provided to Client. Without Seller's explicit approval, Client may not make these objects accessible to third parties in form and content, disclose them, use them himself or allow third parties to use them nor copy them. On Seller's request, he shall return such objects completely to him and destroy any copies made if they are no longer necessary for him in his ordinary business or if negotiations do not result in the conclusion of a contract. This excludes storage of electronically provided data for the purpose of data backup.

§ 3 On-site service at Client's premises

(1) The provisions of this § 3 shall apply to all supplies and services provided by Seller on Client's premises.

(2) The scope of the supplies and services to be provided is defined in Seller's order confirmation. By means of the order confirmation, Client is informed of all prerequisites to be met before on-site service is possible. Should shipment of Seller's tools and service means to Client be required for a service, all costs incurred for it – also for return to Seller's facilities – shall be borne by Client. If it is noticed during service work that supplies and services exceeding the agreed scope are required, the Seller's service technician on site informs Client hereof, documents the extra scope in writing and agrees it including all costs required for it. Performance

changes may lead to a modification of the price mentioned in the order confirmation; the modified price shall be paid by Client. The Seller's service technician may decline performance of his work on site if the conditions agreed for it with Client are not met (e.g. if ambient conditions do not match the required specifications for calibrations). Any travel costs shall be borne by Client in any case.

(3) Consumables and wear parts required during service work shall additionally be charged according to the actual costs provided they are not already included in the scope as defined in paragraph (2). The used materials are charged at Seller's prices which are valid at time of delivery. Services agreed in addition to those mentioned in paragraph (2) shall be charged based on the actual expenditure of time. Costs for arrival and departure, accommodation, transport of luggage and tools as well as other costs being incurred in the context of the service job shall be borne by Client.

(4) Client shall use, clean, maintain and check the function of all products of Seller according to the instructions.

(5) Before Seller's services start, Client shall have met all necessary prerequisites so that any work can be carried out directly after arrival of the Seller's service technician safely and without interruptions and obstacles. Already delivered spare parts must be available. Client ensures that all necessary supply connections are provided. He also bears all costs for provision and use of energy, compressed air, lifting devices, etc. Qualified contact persons of Client shall support the Seller's service technician in the performance of his service work at Client's expense insofar as this is required to render the service. Client takes all necessary measures to protect people and material at the place of performance. He previously informs Seller about any special safety regulations insofar as they are relevant for the Seller's service technician. Costs incurred due to waiting and cleaning times caused by Client shall be borne by Client.

(6) The supplies and services provided by Seller shall be accepted promptly by Client. Acceptance may not be denied due to insignificant defects. A denial of acceptance shall be promptly reported to Seller; otherwise, the service work shall be deemed accepted. Time, place, type and extent of the defect must be described in detail. Acceptance is carried out by signing the completed service order. The service shall be deemed accepted at the latest when Client uses the device that has undergone service work in his business activities. When acceptance is delayed, the risk passes to Client.

§ 4 In-house service in Seller's facilities

(1) The provisions of this § 4 shall apply to all supplies and services carried out by Seller in his facilities.

(2) The scope of the supplies and services to be provided shall be determined by Seller after inspecting the device to be repaired/maintained. Client receives a cost estimate. If Client has not accepted the cost estimate or placed an order within 14 days after receiving the cost estimate, Seller shall return the device carriage forward to Client. Client bears the transport risk. If, during supplies and services or a trial run, it is detected that further supplies and services exceeding the agreed scope of performance are required, Seller shall inform Client hereof. If the actually incurred repair costs exceed the cost estimate by not more than 15%, no further agreement with Client is necessary; in this case, Client shall pay the possibly higher amount to Seller. In other cases, additionally required supplies and services require a written agreement. If Client does not order an offered repair, Client shall pay to Seller the analysis and transport costs incurred for preparing the offer. Client bears the transport risk.

(3) Consumables and wear parts required during service work shall additionally be charged according to the actual costs provided they are not already included in the scope as defined in § 4 paragraph (2). The used materials are charged at Seller's prices which are valid at time of delivery. Provisions of § 3 apply for commissioning of the device by a service technician of Seller at the Client's.

§ 5 Calibrations

(1) The provisions of this § 5 apply to all calibrations irrespective of where they are carried out.

(2) Calibrations (adjustments) are carried out at Client's expense by Seller after contractual agreement. If the item has to be calibrated/adjusted, Client receives two calibration certificates on request and against payment. A calibration certificate (input calibration) shows the values determined before calibration and a second one (output calibration) after calibration.

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(3) The calibration certificate shows the measurement results at the moment and at the place of calibration. Changes of the ambient conditions or modifications of the relevant equipment might lead to the loss of validity of the calibration certificate. The conformity assessment shall be based on the manufacturer's specification limits according to the RL-ST-200 directive in its current version. After previous agreement, the conformity assessment may also be carried out using a Client's procedure. Calibration by Seller shall be deemed completed irrespective of the result of the conformity assessment.

§ 6 Replacement devices

(1) In case of device repairs, Seller provides replacement devices free-of-charge to Client for 6 weeks, starting with the date of delivery ex works St. Georgen. After this period has elapsed, rental fees shall be charged.

(2) Client shall be responsible for dispatch as well as transport risk of the replacement devices.

(3) The replacement devices must be in their undamaged original condition when returned. The devices shall be returned clean and in flawless condition. Costs incurred due to repairs, damages, cleaning, loss and the like of the replacement devices due to Client's fault shall be reimbursed by him to Seller.

§ 7 Prices and payment

(1) The prices apply to the scope of supplies and services as stated in the contract or order confirmation. The prices are quoted in EUR ex works, plus packaging, plus legally applicable value added tax and, in case of exports, plus customs duties and fees and other public charges.

(2) Provided the prices are based on Seller's list prices and delivery is estimated to be effected more than four months after conclusion of the contract, Seller's list prices valid at the time of delivery shall apply (less any agreed percentage or fixed discount).

(3) Invoice amounts shall be paid within 14 days without deduction, unless otherwise agreed in writing. Decisive for the date of receipt is the date when the payment is received by Seller. If Client does not pay by the due date, interests amounting to 9 percentage points over the base interest rates on the open amounts shall be charged from the due date; the right to claim higher interests or further damages due to late payment shall remain unaffected. Client shall generally make payments for exports by means of an irrevocable, confirmed letter of credit.

(4) Client may only offset his counterclaims or retain payments due to such counterclaims if these counterclaims are undisputed or have become res judicata or result from the same order under which the relevant delivery was made.

(5) Seller is entitled to make outstanding deliveries or render outstanding services only against prepayment or to demand securities if, after conclusion of the contract, he learns about circumstances that are probable to significantly reduce Client's creditworthiness and by means of which Client's payment of Seller's open claims arising out of the contractual relationship (including other individual orders under the same framework agreement) is jeopardized.

§ 8 Delivery and delivery term

(1) Deliveries are made ex works of Seller's place of business.

(2) Terms and deadlines for supplies and services mentioned by Seller are just estimates unless a fixed term or deadline has explicitly been confirmed or agreed. If dispatch was agreed, delivery terms and deadlines refer to the moment of handing over to the forwarding agent, carrier or other third party commissioned with the transport. The delivery term starts when the order confirmation is sent but not before all details regarding execution of the order have been clarified and not before any agreed prepayment or provision of material has been received.

(3) Seller may – irrespective of his rights resulting from Client's default – request an extension of delivery and performance terms or a postponement of the delivery and performance deadlines by the period in which Client does not fulfill his contractual duties towards Seller. Should more services be rendered or agreed services be changed on Client's request during execution of the contract, the terms for supplies and services shall be extended by the period required for their execution. Provided an agreed delivery and/or performance deadline cannot be met,

default shall start only after an additional period of minimum two weeks granted by Client in writing has elapsed.

(4) Seller shall not be responsible for impossibility of delivery or for delayed deliveries due to force majeure or other events unforeseeable at the time of concluding the contract, which are beyond Seller's control (e.g. any type of business interruptions, difficulties to procure material or energy, transport delays, strikes, lawful lockouts, manpower shortage, lack of energy or raw material, difficulties to procure necessary official approvals, governmental measures or failed, incorrect or not punctual delivery by suppliers). Provided such events make delivery or performance considerably harder or even impossible for Seller and hindrance is not only temporary, Seller shall be entitled to rescind the contract. In case of temporary hindrances, delivery or performance terms shall be extended or delivery or performance dates shall be postponed by the hindrance period plus an adequate starting period. Provided acceptance of delivery or performance cannot be requested from Client due to the delay, he may rescind the contract by means of a prompt written information to Seller.

(5) Seller shall only be entitled to partial deliveries if

- partial deliveries are useful for Client in the context of the contractual purpose,
- delivery of the remaining ordered goods is guaranteed and
- Client does not have any considerable extra effort or incurs additional costs due to it (unless Seller agrees to bear these costs).

(6) If Seller is in default with a delivery or service or if delivery or service becomes impossible for whatever reason, Seller's liability shall be limited to damages according to § 11 of these General Terms for Services and Spare Parts Deliveries.

(7) Client shall call and accept call orders in time and based on agreed partial quantities. In case of call orders without agreed terms, production batches and acceptance dates, Seller may request a binding commitment at the latest 3 months after order confirmation. If Client does not answer this request within 3 weeks, Seller shall be entitled to fix an additional period of two weeks and rescind the contract or decline delivery or claim damages after this period has elapsed without results. If the contractually agreed quantity is exceeded by means of the individual call orders, Seller is entitled to deliver the surplus quantity, but he is not obligated to do so. The surplus can be charged at the prices valid at call-off or delivery.

§ 9 Place of performance, dispatch, packaging, passing of risk, acceptance

(1) The place of performance for all contractual duties is 78112 St. Georgen, Germany, unless otherwise agreed.

(2) The mode and route of dispatch and the packaging are subject to the dutiful discretion of Seller, who does not assume any obligation for the cheapest dispatch. Special requests are at Client's expense.

(3) The risk shall pass to Client at the latest when handing over the delivery item to the forwarding agent, carrier or other third party commissioned with the dispatch (the decisive moment is the beginning of the loading process). This shall also apply in case of partial deliveries or if Seller has carried out other services as well (e.g. dispatch or installation). If dispatch or transfer is delayed due to circumstances the cause of which lies with Client, the risk shall pass to Client at the date on which the delivery item is ready for dispatch and Seller has informed Client hereof.

(4) Storage costs after passing the risk shall be borne by Client. In case Seller stores the goods, storage costs amount to 0.25% of the invoice amount of the delivery items to be stored for each elapsed week. The right to assert and prove further or lower storage costs shall be reserved.

(5) The dispatch shall be insured against theft, breakage, transport, fire and water damage or other insurable risks by Seller only on Client's explicit request and at Client's expense.

§ 10 Warranty, material defects

(1) The warranty period is one year from delivery or, insofar as acceptance is required, from the moment of acceptance. This period does not apply to Client's claims for damages from injury to life, limb or health or resulting from deliberate or grossly negligent violations of obligations by Seller or his vicarious agents; they shall become time-barred according to legal regulations. This period shall neither apply for limitation of recourse claims in the supply chain according to the German Civil Code (BGB), Section 445b, paragraph 1. The suspension of expiry of limitation according to the German Civil Code, Section 445b, paragraph 2, remains unaffected hereof.

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(2) The delivered items shall be carefully inspected immediately after delivery to Client or to a third party designated by him. They shall be deemed accepted by Client with regard to obvious defects or other defects that would have been noticeable during a prompt, careful inspection unless Seller receives a written complaint within seven working days after delivery. With regard to other defects, the delivered items shall be deemed accepted if the complaint is not received by Seller within seven working days from the moment in which the defect became obvious; if the defect was already obvious at an earlier stage of normal use, this earlier moment is decisive for the beginning of the complaint period. On Seller's request, a rejected delivery item shall be sent carriage paid to Seller. In case of justified notice of defects, Seller reimburses the costs of the cheapest mode of dispatch; this shall not apply if the costs are higher because the delivery item is at another place than the place of intended use. To remedy the defect, Client shall grant Seller the time and opportunity required at its reasonable discretion. Replaced parts become the property of Seller.

(3) In case of material defects of the delivered objects, Seller is obligated and entitled in the first place to rectification or replacement delivery at his choice, which has to be made within a reasonable period. In case of failure, i.e. impossibility, unreasonableness, rejection or unacceptable delay of rectification or replacement delivery, Client may rescind the contract or reduce the purchase price appropriately.

(4) If a defect is due to Seller's fault, Client may claim damages under the conditions mentioned in § 11.

(5) Returns and return shipments of whatever type shall be announced to Seller by Client before sending the defective item (Return Merchandise Authorization). The RMA number shall be previously requested from Seller by Client to be sent together with the item and a description of the defect to Seller. Incoming goods without RMA number shall be returned by Seller at Client's expense.

(6) If components delivered by other manufacturers have defects that Seller, for licensing or factual reasons, cannot remedy, Seller shall assert his warranty claims against the manufacturers and suppliers for the account of Client or assign them to Client. Any warranty claims for such defects against Seller shall only exist under the other conditions and according to these General Terms for Services and Spare Parts Deliveries if legal enforcement of the above-mentioned claims against the manufacturer and supplier was unsuccessful or if there was no reasonable chance, for example due to insolvency. For the duration of the litigation, the limitation period of Client's warranty claims against Seller shall be suspended.

(7) Warranty is void if Client, without Seller's consent, modifies the delivered good or has it modified by third parties so that remedy of the defects becomes impossible or unreasonably difficult. In any case, Client shall bear the extra costs for remedy incurred due to the modification.

(8) If a complaint made by Client is unfounded and Client is responsible for the defect, Seller may charge all costs incurred due to inspection and remedy to Client.

(9) A delivery of second-hand objects as agreed with Client in individual cases shall be made excluding any warranty for material defects.

§ 11 Liability for damages due to fault

(1) Seller's liability for damages, irrespective of the legal cause, in particular due to impossibility, default, faulty or incorrect supply, violation of the contract, violation of duties in contract negotiations and tortious act, shall be restricted according to this clause § 11 as far as the case is based on fault.

(2) Seller shall not be liable in case of simple negligence of his bodies, legal representatives, employees or other vicarious agents provided it is not a violation of essential contractual duties. Essential contractual duties include the duty to deliver and install the supplied good on time, that it is free from defects of title and such material defects that affect its functionality or fitness for use more than just insignificantly as well as duties to consult, protect and care, which should allow Client the contractual use of the delivery item or have the purpose to protect the health and life of Client's staff or his property against considerable damage.

(3) Provided Seller is liable for damages on the merits according to § 11 paragraph (2), this liability shall be limited to damages that Seller would have foreseen as possible consequence of a contract violation at conclusion of the contract or that he should have foreseen when exercising due care. Collateral damages and consequential damages as a consequence of the

defective delivery item may only be reimbursed insofar as such damages could have been expected typically if the delivery item were used as intended.

(4) The above-mentioned exclusions and limitations of liability shall apply in the same extent in favor of bodies, legal representatives, employees and other vicarious agents of Seller.

(5) Provided Seller provides technical information or consultation and this information or consultation is not part of the contractually agreed performance owed by him, this shall be done free-of-charge and excluding any liability.

(6) The limitations of this § 11 shall not apply to Seller's liability due to intentional behavior, injury to life, limb or health or under the German Product Liability Act (ProdHaftG).

§ 12 Retention of title

(1) The retention of title agreed in the following shall be used as security of all existing and future claims of Seller against Client (including balance claims for a current account exclusively limited to this supply relationship).

(2) The goods delivered by Seller to Client remain property of Seller until all secured claims have been completely paid. The goods as well as the goods subject to retention of title being used as replacement according to the following provisions shall hereinafter be referred to as "Retained Goods".

(3) Client stores the Retained Goods free-of-charge for Seller.

(4) Client shall be entitled to process and sell the Retained Goods in ordinary business until an enforcement event (paragraph 9) occurs. Pledges and security assignments are not allowed.

(5) If Retained Goods are processed by Client, it is agreed that processing is done in the name and on the account of Seller as manufacturer, and ownership or – if materials of several owners are used for processing or the value of the processed item is higher than the value of the Retained Goods – the co-ownership (percentage ownership) in the new item in the proportion of the value of the Retained Goods to the value of the new item directly passes to Seller. In the event that no such ownership acquisition by Seller should occur, Client already assigns his future ownership or – the above-mentioned proportion of the – co-ownership in the new item to Seller as security. If the Retained Goods are combined with other objects to form a uniform item or inseparably mixed and one of the other items is considered the main item, Seller, provided the main item belongs to him, assigns co-ownership of the uniform item in the proportion mentioned in sentence 1 to Client.

(6) If Retained Goods are resold, Client hereby assigns the resulting receivables against the purchaser – in case of Seller's co-ownership in the Retained Goods in the proportion according to his co-ownership – to Seller by way of security. The same applies to other claims, which take the place of the Retained Goods or which otherwise arise with regard to the Retained Goods, such as insurance claims or claims due to tortious act in case of loss or destruction. Seller revocably entitles Client to collect the receivables assigned to Seller in his own name. Seller may only revoke this authorization to collect in case of an enforcement event.

(7) If third parties gain access to the Retained goods, in particular by seizure, Client shall promptly inform them about Seller's ownership and also inform Seller hereof to allow him to enforce his ownership rights. If the third party is not able to reimburse to Seller any judicial or extrajudicial costs incurred in this context, Client is liable towards Seller.

(8) Seller shall release the Retained Goods as well as all items or claims that have taken their place when their value exceeds the amount of the secured claims by more than 20%. Seller may select the items to be released in this case.

(9) If Seller rescinds the contract in case of breach of contract by Client – in particular, default in payment – (enforcement event), he shall be entitled to demand the return of the Retained Goods.

(10) Seller is entitled any time to access Client's warehouse and business premises to remove, withdraw or mark the Retained Goods. On request, Client shall provide all relevant information about the Retained Goods to Seller and hand over required documents. Client is obligated to comprehensively insure the Retained Goods in favor of Seller at his own expense and to provide evidence of the insurance upon request. He hereby assigns all insurance claims resulting from this to Seller; Seller accepts the assignment.

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(11) An assertion of the reservation of title shall not be considered rescission of the contract. Client's right to own the Retained Goods shall expire if he does not fulfill his obligations arising out of this or any other contract. Seller is then entitled to take possession of the Retained Goods himself and to utilize them in the best possible way by private sale or auction irrespective of the Client's payment and other obligations towards Seller. The revenue obtained by utilization shall be offset against the Client's liabilities after having deducted any costs. Any surplus shall be paid to him.

(12) If the reservation of title or the assignment are not effective according to the law of the country in which the Goods are located, the security corresponding to the reservation of title or assignment in this regard shall be deemed agreed. If Client's cooperation is required, he shall take all measures that are required to establish and keep such rights.

§ 13 Final provisions

(1) The place of jurisdiction for all disputes resulting from the business relationship between Seller and Client shall be – at Seller's choice – 78112 St. Georgen, Germany, or Client's headquarters. For claims against Seller, however, the exclusive place of jurisdiction shall be 78112 St. Georgen, Germany, in these cases. Mandatory legal regulations regarding exclusive places of jurisdiction remain unaffected of this provision.

(2) The relationships between Seller and Client are exclusively subject to the law of the Federal Republic of Germany. The United Nations Convention on Contracts for the International Sale of Goods of 1980-04-11 (CISG) shall not apply.

(3) Insofar as the contract or these General Terms for Services and Spare Parts Deliveries contain loopholes, the legally effective provisions which the contracting parties would have agreed with regard to the economic objectives of the contract and the purpose of these General Terms for Services and Spare Parts Deliveries if they had recognized the loophole shall apply to fill these loopholes.