

General Terms and Conditions of Business for Supplying Tools and Equipment

I. General provisions

Our General Terms and Conditions of Business set down hereinafter apply on an exclusive basis. We do not acknowledge terms and conditions of the customer that conflict with or deviate from our General Terms and Conditions of Business unless we have expressly consented in writing to the application thereof. We do not acknowledge terms and conditions of the customer that deviate herefrom even if we execute the order without reservations while knowing of terms and conditions of the customer that conflict with or deviate from our General Terms and Conditions of Business. Our sales associates are not authorized to conclude oral side agreements or to make representations or warranties that go beyond the written agreement.

II. Offer; entry into contract

1. Our offers are non-binding and subject to change until the contract is concluded.
2. The customer's order constitutes a binding request to conclude a contract to produce a work. The customer is bound by its request for two weeks. The declaration of acceptance takes place by way of sending a written order confirmation or through our written confirmation of a declaration of acceptance that we have received in response to an offer from us.
3. Side agreements, amendments, addenda and/or other deviations from the present Terms and Conditions of Business are valid only if this has been agreed in writing. The written form requirement does not lapse even in the case of subsequent side agreements, amendments, and/or addenda to the order.
4. Our offer documents, drawings, descriptions, samples, and cost estimates must not be shared with others, published, reproduced, or otherwise made accessible to third parties without our permission. Upon request, these documents must be returned without retaining any copies.
5. We are, as a basic principle, not liable for errors or faults that arise from the documents submitted by the customer or from unclear or oral information.

III. Prices; price changes

Prices are to be understood as being in euros, plus value-added tax (VAT) at the statutory rate.

Prices are to be understood as ex works, exclusive of packaging.

The price must be paid within 14 days after receipt of our invoice. Regardless of the means of payment used, payment is not deemed to have been made until the full invoiced amount is irrevocably credited to our account.

If it is agreed that the delivery is to take place more than four months after the contract is concluded, we reserve the right to increase the price if there is an increase in the costs of materials and labour on the basis of the original price calculation.

IV. Setoff; rights of retention

The customer has no right to withhold payment or to offset counterclaims of its own except to the extent that its counterclaims are undisputed or have been determined with final, binding legal force.

V. Delivery; delivery times

1. The scope of performance is determined according to the written contract and the performance specifications underlying the contract, including the drawings agreed in the contract. If the contractor requests changes in the tool / equipment after the contract is concluded, we are obligated to make the change if the change, including its effects on the price and timeline, is agreed between the customer and us in a written contractual addendum.
2. Delivery dates or time limits are binding only if they have been agreed in writing. Compliance with the obligation to provide goods and services presupposes that the customer has fulfilled its obligations of cooperation properly and on time. In particular, the delivery time limit does not commence before the customer has turned over to us any and all documents to be procured by it or countersigned execution drawings transmitted by us for review and returned these to us. If the customer falls into default of its obligations of cooperation, we are permitted to demand reasonable compensation pursuant to Sec. 642 of the German Civil Code (BGB) and to exercise the rights provided in Sec. 643 BGB.
3. The delivery period is deemed to have been observed if the customer has been notified that the goods are ready to ship before this period elapses. If a formal acceptance procedure is required, then – except in the case of justified refusal of acceptance – the operative factor is the date of this procedure, or, alternatively, the date of notification that the order is ready for acceptance.
4. If the pick-up or acceptance of the delivered goods is delayed for reasons for which the customer is responsible, the costs arising from the delay shall be billed to the customer starting one month after notification of readiness for pick-up or acceptance, as the case may be.
5. If the failure to observe the delivery period is attributable to *force majeure*, labour disputes, or other events lying outside our sphere of influence, the delivery period shall be extended by a reasonable amount. We will notify the customer of the start and end of such circumstances as soon as possible.

VI. Passage of risk; sampling/formal acceptance

1. The risk passes to the customer as soon as the delivered goods have been turned over to the person or entity carrying out the transport. If the shipping is delayed or not performed at the customer's instigation, the risk passes to the customer at the time of notice of readiness to ship. Partial deliveries are permissible to the extent that these are reasonable for the customer.
2. Unless stipulated in the contract, deadlines for sampling or formal acceptance procedures must be mutually agreed between the customer and us. Sampling or formal acceptance procedures by the customer must take place in the presence of a representative of our company. If, on formal acceptance, the delivered goods are found to have merely minor defects, the customer is not entitled to refuse to accept the delivered goods. The delivered goods are deemed to have been accepted by the customer if the customer begins production with the delivered goods or uses the delivered goods in some other manner.

VII. Claims regarding defects

1. All parts that turn out to be defective as a result of a circumstance that applied prior to the passage of risk must be repaired or replaced without defects, at no

charge, at our discretion. We must be notified in writing without delay if any such defects are determined to exist. In all other respects, Sec. 640 (2) BGB applies. Replaced parts become our property.

2. The customer must give us the time and opportunity necessary to perform any and all repairs and replacement deliveries that we deem necessary. Otherwise, we are released from liability for the consequences arising therefrom.
3. The customer has a right to rescind the contract within the scope of the statutory provisions if we allow a reasonable period set by the customer to perform a repair or replacement delivery due to a material defect to elapse fruitlessly. If only a minor defect is present, the customer has merely a right to reduce the price.
4. Claims concerning defects cannot be asserted if the defects are attributable to unsuitable or improper use, defective assembly, installation, or commissioning by the customer or third parties, natural wear, improper or negligent handling, or improper maintenance.
5. The warranty term shall be 12 months from delivery or, if agreed or required under the law, from acceptance of the delivered goods.
6. For parts or components belonging to the scope of delivery which we ourselves obtain from our suppliers, the warranty and liability towards the customer shall only exist to the extent that our supplier has provided us with a warranty and is liable toward us. Wearing parts are excluded from the warranty.

VIII. Liability

1. Our liability for damages and for compensation for expenditures incurred in vain – regardless of the legal basis therefor – is limited to gross negligence and intent. This also applies to breaches of duty on the part of our statutory representatives and vicarious agents.
2. In the event of ordinary negligence, we are liable – regardless of the legal basis therefor – only in case of breach of essential contractual duties. The amount of a possible claim for damages is limited in this case to compensation for the damage and/or losses that are typical and foreseeable. The customer is obligated to notify us of any particular risks in writing before the contract is concluded. Liability for any consequential damage and/or losses in excess thereof, lack of economic success, indirect damage and/or losses, and damage and/or losses arising from third-party claims is ruled out.
3. All limitations of liability do not apply to claims associated with loss of life, bodily injury, or impairment of health or to claims arising from the German Product Liability Act (ProdHaftG).

IX. Retention of title

1. We retain title to the delivered goods until such time as all payments arising from the supply agreement, including for any ancillary performance that may be owed in addition, are received. In the event of default of payment, we are entitled to take back the delivered goods after issuing a warning, and the customer is obligated to surrender these. This also applies in the event of other conduct on the customer's part in breach of contract.
2. In the event of attachment or other intervention by third parties, the customer must notify us without delay and inform the creditor or other third parties of the retention of title.
3. The customer is entitled to resell the delivered goods in the course of its normal business activities. However, it hereby assigns to us all claims accruing to it from the resale against the customer or third parties. The customer is authorized and empowered to collect on these claims even after the assignment. Nothing herein shall affect our authority to collect on these claims ourselves. The customer's authority to collect on the claims shall lapse if the customer falls into default of its payment obligations toward us or if it has been revoked or a request for opening of insolvency proceedings has been filed concerning the customer's assets. We are permitted to demand that the customer notify us of the claims that have been assigned and the debtors thereof and provide us with all information necessary to collect on these, along with the associated documentation.
4. Any processing or transformation of the delivered goods by the customer always takes place on our behalf. If the delivered goods are processed together with other objects that do not belong to us, we will acquire co-ownership of the new object in relation to the value of the delivered goods to the other objects processed at the time of processing.
5. If the delivered goods are inseparably combined or mixed with other objects that do not belong to us, we will acquire co-ownership of the new object in relation to the value of the delivered goods to the other objects combined or mixed therewith at the time when they are combined or mixed. If this combination or mixing is done in such a way that the customer's goods are to be seen as the primary materials, the Parties hereby agree that customer will assign a percentage of co-ownership of the goods to us. The customer shall hold our sole or co-owned property on our behalf.
6. We undertake to release the items of security to which we are entitled at the customer's request to the extent that these exceed the value of the claims to be secured by more than 10%.

X. Payment

Unless otherwise agreed, our invoices are payable without any deductions after billing. If we become aware of circumstances that call the customer's creditworthiness into question, we are entitled to demand advance payments or provision of security. If the customer falls into default of payment, we are entitled to charge default interest at the then-applicable statutory rate. We reserve the right to assert further damages caused by a default of payment. In the cases detailed above, the customer retains the right to prove that the amount of damage and/or losses sustained was lower.

XI. Applicable law; place of jurisdiction

The law of the Federal Republic of Germany shall apply on an exclusive basis to all legal relationships between us and the customer. If the customer is a merchant, legal entity under public law, or special fund under public law, Rottweil is the exclusive place of jurisdiction.

Last amended: October 2019