

## General Terms and Conditions of AFH Antriebstechnik GmbH

### I. General

1. Our supplies and services shall be exclusively made, or performed, on the basis of the following General Terms and Conditions (referred to hereinafter as AGB), unless something else has been agreed in writing.
2. If the client (AG) wishes to object to the AGB, this shall be done in writing within 3 working days. Deviating Terms and Conditions of the client are hereby objected to, unless we accept them in writing.

### II. Conclusion of contract

1. Our offers are subject to change and not binding.
2. A contract shall be deemed to have been concluded only, when the client's order has been confirmed by us in writing or when we have started executing it.

### III. Scope of services/Purchase order modifications

1. The scope of services conforms basically to our order confirmation. We shall be entitled to render partial services, unless the client is not interested; partial services shall be separately remunerated.
2. We shall confirm requests for modifications in writing which the client requires after the work initially ordered has been performed. We shall execute such modifications only, if they are compatible with the state-of-the-art and do not cause an unreasonably high input of work on our part. Any additional expenditure hereby incurred shall be remunerated.
3. If we confirm the client's requests for modifications in writing or if we describe the impact of such modifications on the work ordered, the modification order shall be deemed to have been accepted after two weeks, even if the client does not respond.
4. If we notify the client in writing to what extent the contract terms change as a result of the client's requests for modifications, the modified contract terms shall be deemed to have been accepted by the client after two weeks, even if the client does not respond to our notification.
5. As long as no agreement has been reached about the modifications, the work shall be continued on the basis of the existing contract. The client can then demand that the work shall, partly or wholly, be suspended or ceased. The client shall then put us in the same financial position, as if the contract had been performed.
6. We shall be entitled to commission sub-contractors, in order to perform our contractual obligations.

### IV. Remuneration

In the absence of any other written agreements, the remuneration shall be based on our currently valid price list and list of terms, or on our internal remuneration rates, with the packaging and freight costs as well as the sales tax (VAT) valid at the date of delivery being added. A time-based remuneration shall also become due for the time spent traveling. Traveling and other expenses, incidental costs etc. shall basically be remunerated in accordance with our internal rates.

### V. Payments, setoff/retention

1. Unless anything else has been agreed, the contractually agreed remuneration shall become due immediately after the object of purchase has been handed over, after the work has been accepted or after the services have been rendered.
2. If the contract provides for clearly definable partial services, pro-rata payments shall be due in accordance with the share of the partial service(s) in the overall service(s) to be performed, after the partial service(s) has/have been rendered.
3. The client can only claim a right of setoff or a right of retention, if his claims are either undisputed or legally established. Warranty claims shall not entitle the client to refuse the contract performance, unless such notifications of defect have been acknowledged by us in writing.

### VI. Deliveries and delivery periods

1. A (delivery) deadline shall not be binding, unless we have committed us to such deadline in writing.
2. The risk of accidental loss and accidental deterioration of the goods shall pass to the client upon delivery, in the case of the goods being shipped upon delivery to the carrier, the forwarding agent or any other person commissioned to dispatch the goods.

### VII. Duties of the client

Before the commencement of the contractually agreed services, the client shall take reasonable safety precautions in his company. He shall carefully test, whether the contractual services are suitable for the intended use, before using them under operating conditions. He shall secure his data and other technical facilities in accordance with the state-of-the-art. He shall ensure the proper handling of the machines and especially that the pressure or speed are not too high, when being operated, and that only suitable materials are used. He shall also ensure that the personnel he employs are sufficiently instructed and that the product recommendations are duly observed. We shall not be held liable for any damage caused by a violation of the client's duties.

### VIII. Acceptance

If an acceptance is contractually required, or required by law, the work shall be accepted within one week in writing; if one of the contracting parties demand a formal acceptance procedure, the service shall be deemed to have been accepted two weeks after the risk has passed. Any defects notified prior to that shall be construed as a reservation of rights on the part of the client in the event of defects. Minor defects shall not entitle the client to refuse acceptance. Identified defects shall be reported within two weeks.

### IX. Warranty

1. Should a delivered item be defective, the client shall demand from us the rectification of the defect within a reasonable period.

2. If the defect cannot be rectified within a reasonable period, or if the rectification of the defect or the replacement delivery must be considered failed for other reasons, the client shall be entitled, at his own choice, to demand a reduction of the purchase price (price abatement) or to withdraw from the contract. A failure of rectifying a defect can only be assumed, after two attempts of rectifying the defect have been made without achieving the desired result, if the rectification of the defect and a replacement delivery prove to be impossible, if we have refused them or if they are unreasonably delayed, if justified doubts exist as regards the prospects of success or if the unreasonableness of such attempts has been established for other reasons.

3. The client shall only be entitled to withdraw from the contract, if he sets us a grace period of at least four weeks in writing, after an attempt to rectify the defect has failed and this grace period has expired without any further success.

4. We shall not assume the rectification costs incurred in the event of a defect, if the purchased item has been taken after its delivery to the registered address to another location, unless this removal conforms to the intended use of the item delivered.

### XI. Limitation of action

1. Claims on the grounds of defects in quality shall become statute-barred two years after the delivery of the goods.

2. If the client is entrepreneur, claims arising from defects in quality shall become statute-barred one year after the delivery of the goods. The statutory limitation of recourse claims (pursuant to Article § 479 of the [German] Civil Code [BGB]) shall not be affected.

3. The periods of limitation referred to in sub-sections 1 & 2 hereof shall not apply, if a defect has been fraudulently concealed, where we have warranted the condition of the item delivered.

4. Nor shall the periods of limitation referred to in sub-sections 1 & 2 hereof apply to any claims on the grounds of defects in quality, where life, limb and health are put at risk, to claims under the Product Liability Act, in the event of a grossly negligent violation of duties or a culpable violation of significant contractual duties.

### XII. Liability

1. We shall exclude our liability for a slightly negligent violation of duties, provided they do not concern the violation of duties and claims referred to in section XI, sub-section 4, hereof. As for the rest, our liability shall be restricted to such kind of damage, the emergence of which must be typically expected under such contract and the amount of which is covered by taking out a third-party liability insurance. Hence, the liability shall be covered by a maximum sum insured of € 2 000 000 for each case of damage involving persons, by a maximum sum insured of € 1 000 000 for each case of property damage and by a maximum sum insured of € 100 000 for each case of damaged assets. In the event of materials damaged or lost that the client left with us in trust, the liability shall be restricted to the value of the material concerned.

2. The above limitation of liability shall also apply to any violation of duties on the part of our vicarious agents.

3. Except for the claims due to a defect, a one-year period of limitation shall apply to all claims against us for damages or reimbursement of futile expenditure, except in cases of willful intent or personal injury. The period of limitation shall commence with the event causing the loss or damage and end with the expiry of the maximum limitation periods stipulated in Article § 199, sub-sections 3 & 4, BGB.

### XIII. Secrecy/data protection

1. The contracting parties shall keep the secrecy about the trade and business secrets as well as all other confidential information of which they got knowledge during the contract performance and protect them against being accessed by unauthorized third parties to the extent possible.

2. This is to notify the client that we shall collect, store and process his data, and pass them on to third parties, to the extent necessary for the contract performance any by giving due consideration to the currently valid data protection regulations.

### XIV. Reference list

We shall be entitled to include the client in our reference list and inform the general public by publications in the press, in electronic media etc. that we have executed orders for the client, unless the client has expressly objected to such publicity in writing.

### XV. Final provisions

1. The client shall not be entitled to assign any claims as a whole or individual rights and duties arising from contracts concluded with us, or to transfer otherwise, partly or wholly, any rights and duties arising from contracts concluded with us to third parties without having obtained our approval.

2. All contractual agreements shall be executed in writing. The requirement of the written form shall also apply to a modification of this requirement.

3. Should any individual provision of these General Terms and Conditions, or any part of it, be ineffective, the validity of the remaining provisions hereof shall in no way be affected. In such case, the contracting parties shall replace the ineffective provisions by relative provisions coming as close as possible to the economic purpose of the ineffective ones. The same shall apply in the event of a loophole in the contract.

4. Our obligations shall be performed on our business premises, unless something else has been agreed.

5. The exclusive place of jurisdiction for all disputes arising from this contractual relationship shall be Krefeld.

6. This contract shall be exclusively governed by the law of the Federal Republic of Germany.

7. In the event of a contradiction between the German version of these AGB and a version in any other language, the German version shall prevail.

#### **XVI. Data protection**

1. We collect, process and use personal data of the client, if this is necessary for rendering contractual services for, or as agreed with, the client.
2. The personal data will basically not be passed on to any third parties, unless this is required for rendering contractual services for, or as agreed with, the client. Services of third parties, such as those of the Webhosting provider, will be used for rendering some of the services. We take care that the service providers can access the client's personal data only, if the statutory requirements are satisfied, or not at all.
3. The client can, at any time and with effect for the future, revoke his permission allowing us to use such personal data.
4. As for the rest, our separate data protection declaration shall be applicable.

**Krefeld in May 2018 AFH Antriebstechnik GmbH**