

General Terms and Conditions Sale of KLINGER SCHÖNEBERG GmbH

Last updated: 01 September 2023

1. Scope

- 1.1 The following conditions shall apply exclusively to all deliveries or services – including future deliveries or services – (referred to in the following only as deliveries) to companies, legal entities under public law and public law special funds, unless otherwise agreed in writing.
- 1.2 Any terms and conditions of our customers or third parties shall not apply unless we agree to them in writing. Terms and conditions of our customers or third parties shall likewise not apply if we refer to a document that contains or refers to such terms and conditions.
- 1.3 The Incoterms ® 2020 rules by the International Chamber of Commerce (ICC) shall apply to all our deliveries and services as well as our offers or order confirmations which are made on the basis of Incoterms ®.

2. Offers, conclusion of contract

- 2.1 All of our offers are non-binding. The customer is bound to their order for 14 days after we receive it, unless otherwise indicated in the order. Contracts shall come about only through our written order confirmation or delivery.
- 2.2 Our employees are obligated to confirm oral ancillary agreements or commitments in writing if they go beyond the content of the written contract or change these delivery and payment conditions to our disadvantage.
- 2.3 The images, drawings, colour, weight and dimensional information as well as other technical data and tolerance limits associated with the offer or the order confirmation are not considered binding agreed properties, but only approximate values, unless precise compliance with them is required based on the circumstances of use for the contractually agreed-upon purpose, or unless they are specified as binding. They are not considered guaranteed properties, but rather only descriptions or designations of the delivery or service. Customary deviations and deviations due to legal regulations or that represent technical improvements, as well as replacing components with equivalent parts are permitted, as long as they do not negatively impact usability for the contractually intended purpose.

3. Prices and payments

- 3.1 Prices shall apply for the scope of delivery indicated in the order confirmation. Additional or special services shall be charged separately.
- 3.2 Prices are quoted in Euro and are ex works and exclusive of packaging, shipping and freight costs, insurance, statutory VAT, customs duties, fees and other public charges.
- 3.3 If the agreed prices are based on our list prices and if the delivery is to be completed more than four months after the contract is concluded, then the list prices valid at the time of delivery apply, whereby an agreed percentage-based or fixed discount will be deducted in the specific case.
- 3.4 Payments must be made net within 30 days, without any discounts and free to our payment office. Individual contractual regulations are excepted from this.
- 3.5 Payments are considered made only to the extent that we can freely dispose over them at our bank. Payment via check or bill of exchange is excluded unless otherwise agreed in an individual case; in this case, we will accept checks and bills of exchange only on account of payment. The customer shall pay banking fees, which are due immediately.

3.6 The interest rate is 9 percentage points above the basic rate in accordance with Sec. 247 BGB (German Civil Code), and at least 10 %. Any further claims due to late payment shall remain unaffected.

3.7 The customer shall only have a right to withhold payment or right to offset against counter-claims if their counter-claims are undisputed or have been established in a court of law.

3.8 We are entitled to carry out any outstanding deliveries or services only in return for advance payment or a security payment, if we become aware of circumstances after concluding the agreement that could significantly damage the credit standing of the client and that could endanger payment of our outstanding claims by the client resulting from the respective contractual relationship (including those resulting from other individual contracts within this framework agreement). If the customer does not fulfil this request within a reasonable time period, we can withdraw from the part of the agreement that has not yet been fulfilled. There is no need to set a deadline if the customer is not able to make a security payment.

4. Shipment and packaging

- 4.1 If we have agreed to handle shipping, then we can determine the shipping method and packaging at our discretion.
- 4.2 Additional costs incurred to deviating requests by the customer shall be borne by the customer.
- 4.3 Packaging shall be charged to the customer at the cost price.
- 4.4 If we believe special packaging is necessary based on the delivered goods, and if the customer rejects this packaging, then they cannot make any claims in case of damage due to our purportedly faulty packaging.

5. Delivery term

- 5.1 Deliveries shall be made ex works.
- 5.2 Our projected delivery deadlines are only approximate, unless a fixed term has been agreed as binding.
- 5.3 The delivery term shall begin upon sending of the order confirmation, but not before all details related to carrying out the order and technical questions have been clarified, until the customer has provided documents, permits and approvals they are required to provide, and until receipt of any advance payment agreed for the delivery.
- 5.4 The delivery term is considered complied with if goods have been handed over by the end of the term to the freight forwarder, carrier, or other third party commissioned to carry out transportation. If the shipment is delayed without any culpability on our part, the delivery term is considered complied with if we have notified the recipient that goods are ready to ship.
- 5.5 Requests for changes by the customer will extend the delivery term by the time necessary for us to check the feasibility of the requests and by the time necessary to implement the desired changes in production. If the requested change requires an interruption of ongoing production, we can give preference to and complete other contracts. We are not obligated to keep production capacity free during the delay.
- 5.6 We are entitled to make partial deliveries if the customer can use the partial delivery and if this will not result in any significant additional expenses for the customer.

- 5.7 In call-off agreements, the delivery term is at least four weeks from our receipt of the call, unless otherwise agreed. Otherwise, the above regulations shall apply accordingly.
- 5.8 If we make deliveries to a consignment warehouse on behalf of the customer, then the date of removal shall be considered the date of delivery.
- 5.9 Unforeseeable, unavoidable events for which we are not responsible (such as force majeure, strikes and legal lockouts, operating disruptions, difficulties in acquiring materials or energy, transportation delays, official measures and obstacles posed by national or international regulations, difficulties in obtaining necessary permits, in particular import and export licenses) shall extend the delivery term by the length of the issue, plus a reasonable start-up period. We will inform the customer of the beginning and expected end of such obstacles in important cases.
- 5.10 Clause 5.9 shall likewise apply if the obstacles affect our preliminary suppliers or during a default which is already ongoing.
- 5.11 If the events indicated in clause 5.9 make delivery significantly more difficult or impossible and the obstacle is of more than just a temporary nature, we are entitled to withdraw from the agreement.
- 5.12 The customer can withdraw from the agreement if we become conclusively unable to complete the service before the transfer of risk, unless the customer is solely or primarily responsible for the circumstances that made this impossible. If it becomes conclusively impossible to carry out part of the delivery, and if the customer has a legitimate interest in rejecting partial deliveries, then they can withdraw from the overall agreement.
- 5.13 In case of a default of delivery, our liability for default damages shall be limited – if we, our statutory representatives or agents have acted in a simply negligent manner – to 0.5 % per full or partial week of the delay, and to a maximum of 5 % of the net order value of the part of the delivery affected by the default. Claims for damages in lieu of service according to clause 9 shall remain unaffected. The customer shall inform us at the latest by the time the contract is concluded about any promises for contractual penalties it has entered into towards its own customers.
- 5.14 If shipping is delayed at the request of the customer or due to circumstances for which we are not responsible, we will charge the customer the costs incurred for storage, and at least 0.5 % of the net order value of the stored delivery if stored in our plant; both we and the customer can also assert and verify that storage costs were higher or lower. We are furthermore entitled to provide the customer with a reasonable term to accept the delivery and to withdraw from the contract after it ends, if this includes the stored delivery. In this case, we can otherwise dispose of the stored delivery.

6. Transfer of risk, storage and transportation insurance

- 6.1 Risk shall be transferred to the customer once we hand the goods over to the transportation company or, if shipment is delayed upon request by the customer without any culpability on our part, once we have informed the customer that the delivery is ready for shipment. This is the case even if we have agreed to other payments or services, for instance to pay the shipping costs or to handle transportation with our own transportation personnel. In the case of permitted partial deliveries, this shall also apply for the partial delivery.
- 6.2 If it becomes impossible to complete the delivery while the customer is in default of acceptance, or if the customer is solely or primarily responsible for the circumstances that make it impossible to complete the delivery, then the customer remains obligated to make payment.

- 6.3 Delivered objects must be accepted by the customer, regardless of the rights set forth in clause 8, even if they have minor defects.
- 6.4 We will only provide transportation insurance or insure the goods against other insurable risks if this is expressly agreed, and at the cost of the customer. If goods are lost or damaged during transportation, the customer is responsible for promptly notifying us of the damage; without such notification, insurance claims will not be processed.
- 6.5 If we have agreed to provide transportation insurance, we will invoice the premium at € 0.10 per full or partial € 25.00 of net product value.
- 6.6 If the shipment is delayed at the request of the customer or due to circumstances for which we are not responsible, we will obtain the insurance the customer asks for if requested to do so.
- 6.7 Credits due to damages for which an insurance policy was concluded will be issued only after the insurance company has reimbursed the insured amount.

7. Retention of ownership

- 7.1 We reserve ownership of the delivered goods until all payments have been received and until any checks or bills of exchange accepted in relation to the business relationship with the customer have been credited irrevocably. If there is a current account relationship, the retention of ownership shall also extend to the recognised balance.
- 7.2 The customer is obligated to treat the reserved goods carefully and to maintain them; in particular, the customer is obligated to insure them against loss and damage with sufficient coverage at their new value. The insurance policy and proof of premium payments must be provided to us upon request. The customer hereby already assigns any claims resulting from the insurance relationship to us. We are entitled to conclude an insurance policy for the reserved goods at the cost of the customer if the customer does not provide us with verification that they have concluded an insurance policy or that it is ongoing, despite being provided a reasonable term in which to do so.
- 7.3 The customer is entitled to process and sell the reserved goods in the normal course of business. They may not pledge the reserved goods nor transfer them as a security. If third parties access the reserved goods, the customer must inform them promptly of our ownership and inform us promptly of the access. Costs incurred to prevent access shall be borne by the customer if they cannot be collected from third parties.
- 7.4 Any processing of the reserved goods by the customer shall always be carried out on our behalf, without this resulting in any obligation for us. If the reserved goods are processed, combined, or mixed with other objects, we will obtain partial co-ownership of the new object, in relation to the invoiced value of the reserved goods compared to the other goods with which they are processed, combined, or mixed. If the reserved goods are combined or mixed such that the other object is considered the primary object, the customer shall assign us partial co-ownership on a proportional basis, if they own the primary object. The same conditions shall apply to the product produced by processing, combination or mixing as for the reserved goods.
- 7.5 The customer shall assign their claims to us resulting from resale of the reserved goods, or if the seller is co-owner of the reserved goods shall do so proportionately according to their percentage of co-ownership in full, and with all ancillary rights in advance that the customer is entitled to against third parties as a result of the sale or for any other legal reason (for instance due to unlawful actions or for insurance benefits) in relation to the reserved goods.

- 7.6 The customer is entitled to collect claims assigned to us in the normal course of business on its own account and in its own name, as long as we do not revoke this right. Our right to collect the claims ourselves shall remain unaffected. However, we will not collect the claims and will not revoke the collection authorisation as long as the customer properly fulfils their payment obligations.
- 7.7 If the customer does not fulfil their payment obligations, we can demand that the customer informs us of the assigned claims and their debtors, provides us with all information necessary to collect, gives us associated documentation, and informs their debtors of the assignment. We are entitled to disclose the assignment to their debtors.
- 7.8 If the customer falls into default of payment, we are entitled to take back the reserved goods until they are paid for in full as long as we have provided the customer with a reasonable payment deadline in advance which the customer does not meet, and have issued a warning that we plan to take back the goods. Taking back the reserved goods shall not be considered withdrawal from the agreement. If we do declare withdrawal, we are entitled to dispose of the goods freely.
- 7.9 If the collectible value of the securities exceeds our claims by more than 20%, upon request by the customer we will release our securities in this regard at our discretion.
- 7.10 If the retention of ownership is not effective according to the law of the country where the reserved goods are located, the customer shall provide an equivalent security at our request. If they do not fulfil this request, we can demand immediate payment of all outstanding invoices regardless of the agreed payment deadlines.

8. Liability for defects

- 8.1 The customer shall inspect the received goods for defects immediately after delivery to the customer or to the third party designated by the customer. The goods shall be deemed approved if we do not receive a written notice of defects in due time. With regard to obvious defects and such defects that were recognizable upon careful inspection, the notice of defect shall be deemed to be in due time if it is received by us immediately upon delivery of the goods. In the case of hidden defects, the notice of defect shall be deemed to be in time if it is received by us immediately after the defect has been discovered.
- 8.2 If we have agreed to certain properties for the goods with the customer, then objective requirements for the goods shall not be used to evaluate a material defect.
- 8.3 Each contractual partner shall inform the other partner promptly and in writing if any claims are asserted against them due to a violation of third party intellectual property rights or copyrights. If our delivered goods violate third party intellectual property rights or copyrights, we will generally either modify or replace the goods, at our discretion and at our cost, so that the third party rights are no longer violated and the goods continue to have the agreed properties, or obtain rights of use for the customer by concluding a licensing agreement. If we are not able to do so within a reasonable term set by the customer, the customer can demand a price reduction or withdraw from the agreement and demand claims for damages according to clause 9 in lieu of performance.
- 8.4 We will replace or repair delivered objects that prove to be defective due to circumstances that occurred before the transfer of risk at our discretion (supplementary performance). Replaced parts will become our property. If a replacement delivery also has faults or if supplementary performance fails, is denied unjustly or delayed, the customer can request a reduction in the price after a reasonable grace period has passed or – in the case of significant defects – withdraw from the agreement and demand claims for damages according to clause 9 in lieu of performance.
- 8.5 We will reimburse expenses necessary for the purpose of supplementary performance. If the customer has installed a defective object in another object according to its type and intended purpose, or has attached another object before the defect was found, we will reimburse the customer for expenses necessary to remove the defective object and install or attach the repaired or new object.
- 8.6 We shall not be liable for any deterioration of the goods or subsequent damages if they are caused by unintended use, incorrect installation or operation, incorrect or insufficient maintenance or use of improper operating materials by the customer or third parties, improper construction work or an improper building subsurface, or if they are caused by normal wear and tear, unless we are responsible for said circumstances. The customer shall bear additional costs of supplementary performance caused by these circumstances.
- 8.7 We will not be responsible for additional costs of supplementary performance because goods were moved after delivery to another location besides the customer's business location, the destination of the delivery or the place where the goods are to be used as intended.
- 8.8 In case of material defects or defects of title affecting components of the goods that we cannot correct for actual reasons or reasons under licensing law, we will either assign defect liability claims and rights to which we are entitled against the manufacturers or suppliers of the components to the customer or assert them on the customer's account, at our discretion. The customer shall be entitled to defect liability claims against us for such defects in accordance with these delivery conditions only if we were not able to enforce the above claims against the manufacturer or supplier of the components in court. In this case, the customer shall once again be entitled to the rights under clauses 8.3 to 8.5.
- 8.9 The limitation period is 12 months from the time of delivery, or 60 months for goods typically used for a building that caused it to be defective.
- 8.10 Within the scope of our statutory obligations, we will reimburse the customer's expenses in the framework of recourse claims in the supply chain, unless the customer has concluded an agreement with their purchaser going beyond the statutory obligations. Recourse claims by our customer against us shall expire at the latest two months after the end of the term indicated in clause 8.9, if the last contract in the supply chain is not a consumer goods purchase.
- 8.11 If a delivery of used goods is made in agreement with the customer in an individual case, we shall have no liability for material defects, including any recourse claims, in the supply chain.
- 8.12 In case of an illegitimate defect complaint, we reserve the right to invoice the customer for the costs incurred, including our internal costs.

9. Liability

- 9.1 Claims for damages of any kind against us are excluded, insofar as liability is based on culpability, if we, our statutory representatives or agents caused the damages through simple negligence.
- 9.2 The exclusion of liability in clause 9.1 does not apply to violations of significant contractual obligations that must be fulfilled to carry out the agreement properly, and which the customer does and should regularly be able to trust will be fulfilled, and which would endanger the achievement of the contractual purpose were they violated.
- 9.3 If we are essentially liable for damages according to clause 9.1 or 9.2, then our liability shall be limited to damages which we could foresee at the time the contract was concluded would be potential consequences of a breach of contract, or which we should have foreseen had we done our due diligence. Indirect damages and

subsequent damages that are consequences of defects in the goods can be reimbursed only if such damages are typically expected during the intended use of the goods. The restrictions in clause 9.3 shall not apply in case of intentional or grossly negligent conduct on the part of our statutory representatives or executive employees.

- 9.4 The above exclusions and restrictions of liability shall apply in the same scope for our statutory representatives, executives and other agents.
- 9.5 The restrictions of this clause 9 shall not apply for our liability due to intentional conduct, due to a contractual guarantee in an individual case, due to injury to life, body or health, or according to the Product Liability Act.
- 9.6 Claims for damages against us resulting from defect liability shall expire in accordance with clause 8.9. Claims resulting from providing a warranty shall expire according to the warranty provisions. Claims according to the Product Liability Act, claims resulting from injury to life, body or health, and claims due to intentional or grossly negligent breach of duty shall expire in accordance with the law. Other claims for damages against us shall expire one year after the customer becomes aware of the damages and our reimbursement obligation, or should have been aware had they not been grossly negligent.

10. Ownership and copyrights, confidentiality

- 10.1 We reserve ownership or copyright to all documents, data and other objects of all kinds, such as samples, drawings, tools, models, etc., including in electronic form, which we provide to the customer in conjunction with an order or with processing a contract. The customer may not use such objects for their own purposes nor make them available to third parties. These objects must be returned to us free of charge and without requiring a request to do so, and any copies made shall be destroyed if negotiations did not result in the conclusion of a contract or if they are no longer needed to carry out a contract granted to us; storing data provided electronically as part of normal backups is excluded.
- 10.2 The customer hereby undertakes to treat all confidential information, in particular details of our offers and services, like quantities, technical execution, conditions, etc. and confidential information they receive intentionally or incidentally from us as confidential with respect to third parties. Our company may only be included in a list of references or used for advertising purposes with our prior written approval.

10.3 The customer hereby undertakes to pay a contractual penalty of 20 % of the contract value in case of violations of the obligations set forth in clauses 10.1 or 10.2, unless they were not responsible for the violation. The contractual penalty can be reduced in accordance with the law.

10.4 Otherwise, in case of violations of this obligation, after requesting that the customer correct the breach of duty within a reasonable term without success, we are entitled to dissolve the entire contractual relationship with the customer without compensation. In case of particularly severe violations, it is not necessary to set a deadline. Particularly severe violations include, in particular, if the customer provides or discloses knowledge gained from us to a third party in competition with us.

11. Applicable law, place of fulfilment, place of jurisdiction

- 11.1 The law of the Federal Republic of Germany applies exclusively to all legal relationships between us and the customer, excluding the UN Convention on the International Sale of Goods (11/04/1980).
- 11.2 The place of fulfilment is Bruchsal.
- 11.3 The place of jurisdiction for all disputes arising from the contractual relationship is Bruchsal, if the customer is a full merchant, legal entity under public law, or special fund under public law. However, we are also entitled to file complaints at the customer's headquarters.

12. Severability clause

- 12.1 If one of the above provisions is legally invalid, this shall not affect the validity of the remaining provisions and the agreement.
- 12.2 If provisions become invalid or are deleted from the contract, then the content of the contract shall be interpreted in accordance with the law.
- 12.3 If the agreement or these delivery conditions contain a loophole, then the parties hereby agree on the legally effective regulation to close the loophole which they would have agreed to based on the economic objectives of the agreement and purpose of the delivery conditions, had they been aware of the loophole.