

Terms and Conditions of Sale

1. General

- 1.1 The following terms and conditions apply to all deliveries to the Buyer. The terms and conditions apply exclusively. Opposing or differing conditions on the part of the Buyer shall not be recognised by us unless we have consented to their application expressly and in writing (consent sent by e-mail or fax is sufficient). Nor shall we be deemed to have accepted differing conditions, if we unconditionally carry out an order in the knowledge that the Buyer has opposing conditions or conditions differing from our terms and conditions.
- 1.2 Verbal declarations made by our representatives or employees require our written confirmation, whereby confirmation sent by e-mail or fax is sufficient.

2. Offers

- 2.1 Our offers are not binding. An order is considered as accepted only when it has been confirmed in writing (confirmation sent by e-mail or fax is sufficient). The confirmation determines the contents of the order.
- 2.2 We may correct any errors in our offers, price lists or other documentation caused by our mistake and may not be held responsible for loss or damage arising from such errors.

3. Prices

- 3.1 The prices of our price list having validity at the time of delivery shall apply unless otherwise stipulated.
- 3.2 Unless otherwise agreed, our prices are ex works in EUR excluding sales tax, duty, freight, packing, insurance, etc. These costs shall be borne additionally by the Buyer.
- 3.3 If costs increase by more than 5% in the period between entry into the contract and performance of the contract as a result of a change in the market price of raw materials or in the costs of purchased parts or personnel expenses or an increase in the fees demanded by third parties involved in contract performance, we may demand a higher price to match the increase. If the increased price exceeds the agreed price by 20% or more, the Buyer is entitled to rescind the contract. This right must be exercised immediately after notice of the increased price is given. If the aforementioned costs decrease by more than 5%, we will also take the decrease into account in the price.

4. Packing

The selection of the appropriate packing to be used will be made by us and invoiced at cost.

5. Shipment

- 5.1 Shipment is always effected for the account and at the risk of the Buyer. With respect to risk, this also applies if we, by way of exception, bear the shipping costs. Unless otherwise agreed, we shall determine the method and route of shipment.
- 5.2 Special wishes of the Buyer (e.g. accelerated method of shipment, special packing, employing a particular shipping agent) will be followed as far as possible and any additional costs incurred will be charged.
- 5.3 The risk is transferred to the Buyer when we hand over the goods to the shipping agent.

6. Delivery

- 6.1 Delivery dates are non-binding unless the binding force of a delivery date is explicitly agreed. A binding delivery date is considered maintained if the goods have left our works on time or notification of readiness for dispatch has been given in the case of pickup by the customer.
- 6.2 If non-compliance with a binding delivery date is due to force majeure (e.g., war, sabotage, natural disasters, epidemics, pandemics, disruptions to operations, fire, flood, bad weather, strikes, lock-outs, political action or orders imposed by authorities, embargoes, customs duties, global transport problems, shortages of raw or primary materials or supplier shortages, etc.) or other circumstances for which we are not responsible, the delivery date shall be automatically extended for as long as the circumstances persist. If the circumstances persist for more than three months, either party is entitled to rescind the contract.
- 6.3. If we do not receive deliveries despite having placed orders with reliable suppliers, we will be released from our performance obligation and may rescind the contract. We have no obligation to notify the Buyer that the delivery or service is unavailable, and if we rescind the contract, we will immediately refund any payments already made by the Buyer.
- 6.4. We are entitled to make partial deliveries.
- 6.5. If we fail to perform or are in default, the Buyer must give us a reasonable grace period (except where danger is imminent) of at least half of the original delivery period, but no fewer than 20 working days. After that, if the statutory requirements are met, the Buyer may rescind the contract in respect of transactions not yet fulfilled. The Buyer may only rescind in respect of partially fulfilled transactions if it has absolutely no interest in partial delivery or a partial service. The Buyer may only claim damages for default if these terms and conditions do not exclude or limit our liability, and even then, such claims are limited to damage that was foreseeable at the time of entering into the contract and may not exceed a total of 2% of the value of the outstanding partial or full delivery or service, provided it can no longer be used by the Buyer within the required time or in accordance with the contract as a result of the delay or failure to deliver. We remain entitled to produce evidence to demonstrate that the Buyer did not suffer any loss or suffered substantially less loss than the loss claimed.

7. Complaints and Defects

- 7.1 Complaints relating to recognisable defects or recognisable incompleteness or incorrect delivery must be made to us immediately in writing, but not later than 7 days after receipt of delivery. Other defects must be notified to us in writing immediately after discovery.
- 7.2 In the event of complaints or defects not being notified within the said period, the goods are deemed accepted. If notification is made in due time, the warranty shall be determined by Clause 8.

8. Warranty

- 8.1 The right to make alterations in the design or finish which adversely affect neither the serviceability nor the value of the article is reserved and such changes do not constitute a defect as long as they do not impair usability for the contractually stipulated purpose.
- 8.2 Representations and warranties must be in writing and be expressly described as such.
- 8.3 Should a defect be present, we are entitled to remedy it by removing the defect or by delivering a defect-free item (supply of replacement). We have the right to choose

whether to remove the defect or to supply a replacement. Our right to refuse repair or replacement on the grounds of unreasonable expense (Section 439 (3) German Civil Code, BGB) remains unaffected. The Buyer is however entitled to choose at its discretion either to withdraw from the contract or to demand a reduction in the purchase price if the remedy of the defect is unsuccessful, particularly if it is impossible, if we are unable to remedy it within an appropriate amount of time, if we refuse to perform the remedy, or if delays in the remedy are culpably caused by us.

- 8.4 The Buyer shall allow us the necessary time and opportunity to carry out repairs or supply replacement goods, failing which we shall be released from our liability for defects.
- 8.5 We may refuse to repair or replace the goods as long as the Buyer has not fulfilled all obligations not connected with the defective part of the goods
- 8.6 Parts that we replace become our property.
- 8.7 We accept no responsibility for damage which occurs after the passing of risk to the Buyer as a result of unsuitable or improper shipment, faulty assembly or start up by the Buyer or third parties, modifications or attachments not explicitly approved by us, normal wear, faulty or negligent handling by the Buyer or third parties, improper storage, climatic effects, etc.
- 8.8 The warranty period is 12 months from the date of delivery of the item.
- 8.9 The Buyer's claims to compensation for damages and expenses on the grounds of a defect are governed by Clause 9 of these terms and conditions.

9. Claims for Damages and Expenses

- 9.1 If damage is caused through a breach of an obligation by us, we are not liable for compensation for damages or expenses if we prove that we are not responsible for the breach of obligation. If we are responsible for the breach of obligation, we are liable for compensation for damages or expenses in accordance with the statutory provisions, insofar as paragraphs 2 and 3 do not stipulate otherwise.
- 9.2 If our governing bodies or executive employees negligently breach a material obligation (*Kardinalpflicht*) or our vicarious agents breach such an obligation through gross negligence, we will only be liable for typically foreseeable loss not exceeding 25% of the value of the delivery or service. Claims that are subject to limited liability will also become time-barred one year from when the loss or damage occurred.
- 9.3 In the case of minor negligence, our liability for compensation for damages or expenses is excluded. In particular, we are not liable for loss of profit and other financial loss of the Buyer resulting from minor negligence.
- 9.4 The exclusion of liability in accordance with paragraph 2 does not apply to claims arising from a guarantee, in the event of injury to life, body or health, for claims arising from the Product Liability Act (ProdHG) and in the case of a minor negligent breach of essential contractual obligations. However, in the case of a minor negligent breach of contractual obligations whose fulfilment is a fundamental prerequisite for the proper implementation of the contract in the first place and for which compliance may be relied upon as a matter of course by the contractual party (essential contractual obligations), compensation is limited to foreseeable, typical damages.
- 9.5 In so far as our liability is excluded or limited, this shall also apply to the personal liability of our employees, representatives and vicarious agents.

10. Rescission in the event of Breach of Duty

- 10.1 The Buyer shall not be entitled to a right to rescind on the grounds of a service not rendered by us or not rendered in accordance with the contract, if we are not responsible for the breach of duty.
- 10.2 Item 10.1 does not apply, if an absolute right to rescind on the part of the Buyer arises from special agreements (e.g. fixed-date transactions). Furthermore, item 10.1 does not apply in the case of defect goods, in this case the legal requirements of the law relating to sales shall apply, unless otherwise stipulated in these conditions.

11. Retention of Title

- 11.1 The goods supplied by us shall remain our property until the Buyer has discharged all our claims against him from the current business relationship in full. In the case of drafts and cheques, payment is deemed to have been made only when they have been fully honoured.
- 11.2 The Buyer may resell the goods as to which we have retained title in the ordinary course of business unless he is in default or has suspended payments. The Buyer shall neither pledge the goods as security nor place them in escrow.
- 11.3 The Buyer shall notify us immediately of seizures of the reserved goods, enclosing the inventory of goods seized (copy).
- 11.4 If claims exist against third parties arising from the damage or destruction of goods not yet fully paid for, the Buyer undertakes now to assign to us his pecuniary claims therefrom. If the Buyer resells the goods, he undertakes now to assign to us in pending payment of all our receivables, his rights against his customer arising from the resale, including all ancillary rights and securities. If the Buyer's receivables from the resale of the reserved goods are placed in a current account, then the Buyer undertakes now to assign to us his pecuniary claim in the amount of the respective and recognised balance, to the extent of our claims against the Buyer. We shall accept this assignment. The Buyer may collect the claims assigned to us unless the Buyer is in default or has suspended payments.
- 11.5 The Buyer undertakes in any case to co-operate in procuring official approvals or any other formalities insofar as these become necessary.
- 11.6 If the value of the collateral granted to us exceeds our claims on the Buyer by more than 20 per cent, we are obliged to release goods to that extent at the Buyer's request.
- 11.7 If in the case of export deliveries we are required to carry out certain measures in the importing country in order for the retention of title or other rights as described in this paragraph to be effective, the Buyer must notify us accordingly and carry out such measures at his own cost. If the law of the importing country does not permit retention of title, but allows the Seller to reserve other rights as to the goods supplied, we may exercise all such rights. Insofar as an equivalent guarantee for our claims on the Buyer is not achieved in this way, the Buyer is obliged to provide us with other security for the goods supplied or other collateral at his own cost.

12. Payment

- 12.1 Our invoices are payable in the net amount within 30 days from receipt of invoice, unless otherwise agreed in writing. Payments are always applied against the oldest outstanding invoice due. We are entitled to bill electronically for our deliveries and services. The Buyer consents to invoices, credit notes and, if applicable, reminder notices, being sent by e-mail in pdf form and undertakes in this context to provide us with its e-mail address to ensure it receives these electronically transmitted documents. The Buyer must raise any objections to our invoices within 14 days of invoice receipt at the latest.

- 12.2 If the Buyer defaults on payment, we are also entitled to withhold any further deliveries and services and make them conditional upon payment by the Buyer of all outstanding amounts, and to generally revert to advance payments and/or demand security. In addition, we will not be obliged to take further action to meet any delivery dates or quantities (e.g., purchasing, preparation for production, etc.).
- 12.3 The Buyer may set off only against those of this claims which are uncontested or recognised by final binding legal judgement.
- 12.4 All payments shall be made free of charges. The Buyer shall bear bank, discount and collection expenses even without express agreement. Payments by bill of exchange require our prior consent.
- 12.5 If the payment due date is exceeded, we are entitled, without notice, to charge the Buyer interest from the date of default in the statutory amount. This interest rate shall be upwardly adjusted if we furnish evidence of a higher actual interest burden.
- 12.6 If a considerable deterioration in the financial circumstances of the Buyer occurs after placement of the order or if a prior deterioration of its financial circumstances comes to our attention after placement of the order, we are entitled at our own discretion to demand either payment in advance or the provision of security. Payments may be made only directly to ourselves or to persons explicitly authorised in writing or by a power of collection. We reserve the right to process orders with a value of less than EUR 50 and orders from customers unknown to us on a cash on delivery basis.

13. Place of Performance and Venue and Invalid Provisions

Unless otherwise – e.g. in Distribution Agreements – agreed, the following will apply:

- 13.1 The place of performance for deliveries and services is the location of our supplying factory. The place of performance for payments is Waiblingen.
- 13.2 German law shall be applied with respect to all relations between the Buyer and ourselves. The UN Convention on Contracts for the International Sale of Goods does not apply.
- 13.3 Insofar as legally permissible it is agreed that Stuttgart, Germany, is the exclusive venue for all disputes, including those arising out of drafts or cheques, provided, however, that we reserve the right to bring suit at the location of the Buyer.
- 13.4 If individual provisions of these terms and conditions are or become wholly or partially invalid, this will not affect the validity of the other provisions. The invalid provision shall be replaced by a valid provision that most closely reflects the identifiable commercial purpose sought to be achieved by the invalid provision. The same applies in the event of an omission.

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