

General Terms and Conditions of Business for Sale of Spare Parts, Inspection / Maintenance and Repair work

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A. Common regulations for the sale of spare parts, inspection / maintenance and repair work

1. General aspects

- a. Our services and offers shall be based on these General Terms and Conditions of Business, provided the ordering party is a merchant, a legal entity under public law or a special fund under public law. The said shall apply also for all future business relations, even if the said has not been agreed upon specifically. Confirmation to the contrary and reference making to the own General Terms of the ordering party shall be opposed expressly herewith.
- b. All our offers are subject to confirmation.
- c. We reserve property rights, protection of intellectual and industrial rights on samples, quotes, drawings and similar information irrespective of which form; the said shall not be made accessible to third parties.

2. Prices and payments

- a. The respectively legally charged value-added tax shall be invoiced separately.
- b. Offset and withholding shall be ruled out, unless the ordering party is entitled to counterclaim subject to our recognition or a legally binding ascertainment. In case of delay of payment we shall be permitted to charge the legal interest rates as from the default date. The proof of higher default damages by us shall be permitted.
- c. If payment by direct debiting by SEPA (Single Euro Payments Area) has been agreed upon between the ordering party and us, the said shall be carried out on the basis of the written provision of a SEPA mandate by the ordering party. Direct debiting mandates already existing shall be re-interpreted as SEPA direct debiting mandate. The term for the pre-notification shall be reduced to one day. We shall inform the ordering party of the pre-notification about the exact debiting date. The ordering party shall ensure the cover of the account. Costs arising for the non-payment or return of the direct debit shall have to be borne by the ordering party provided the non-payment or return is not caused by us.
- d. Otherwise, the special regulations in other paragraphs shall apply for prices and payments.

3. Warranty

- a. In case of a defective performance we shall warrant as follows:
- b. The warranty period for work services shall amount to one year after hand over (Abnahme) of the work. For newly delivered parts, the warranty period shall amount to one year as from delivery, at the longest, however, 1.5 years after notification of the readiness for dispatch.
- c. Provided the work services or the newly delivered parts have verifiably material defects, in particular due to faulty construction type, bad material or poor execution, the said shall be repaired by us free of charge or shall be delivered a new according to our choice (supplementary performance). For the supplementary performance, the ordering party shall have to grant us the necessary time and opportunity to a reasonable extent. The parts replaced shall pass into our property.
- d. The liability for defects of material (Sachmängel) shall be ruled out, if the said can be traced back to natural wear and tear of wearing parts (O ring seals, spindle nuts, rubber parts) or to damage caused after transfer of risks and/or hand over by faulty or negligent treatment, excessive use, unsuitable operating means, wrong operation, unsuitable foundation or chemical, electro-mechanical, electrical or similar influences. The warranty shall not apply if, without our approval, the ordering party changes the newly delivered parts or the work carried out or has the said done by a third party, and the removal of the defect is rendered impossible or is made unreasonably difficult. As the case may be, the ordering party shall have to bear the additional costs of the defect remedy caused by the change.
- e. If we do not or cannot comply with a supplementary performance request despite a corresponding defect and after a written deadline set or if the ordering party cannot be reasonably expected to accept another supplementary performance attempt, the ordering party can have the improvement carried out by a third party and can charge us with the necessary reasonable outlay. If the supplementary performance carried out by us has failed repeatedly, the ordering party at his choice can avail himself or herself of the legal right of reduction of price or withdrawal from the contract.
- f. Other claims of the ordering party against us due to defective work or defective newly delivered parts shall be ruled out, in particular with respect to compensation of consequential damages, such as downtimes as well as lost profit. This shall not apply for the mandatory liability in keeping with the German Product Liability Act in case of personal injury or damage to privately used matter or in cases of intent, gross negligence or violation of essential contractual obligations. Claims of the

ordering party for damage which has been caused to object of the work itself shall be based on Section (A) IV.

7. Other liability

Our liability for compensation, irrespective of the legal reason, shall be restricted as follows, provided a fault (Verschulden) is concerned: We shall not be liable for simple negligence even of our subcontractors, provided no violation of essential contractual obligations is concerned. If we are liable for compensation on its merits, the liability shall be limited to damage which we have foreknown as a consequence of a contractual violation during contract conclusion or should have foreseen by applying due care. These restrictions shall not apply to our liability due to intentional behaviour, for guaranteed characteristics, due to injury of life, body or health or due to product liability act.

8. Replaced, exchanged or newly delivered parts

Exchanged or replaced parts may differ from the original parts in shape, material and colour, provided the quality, functionality or shelf life of the said is not fallen short of or lower.

8. Venue, place of performance, applicable law, severability clause

- a. The exclusive place of jurisdiction shall be Ulm, also for judicial dunning and bill of exchange matters.
- b. For all legal relationships between ordering parties and us, the laws of the Federal Republic of Germany shall apply exclusively as for the legal relationship between German parties.
- c. The potential ineffectiveness of individual contractual regulations shall not affect the validity of the other stipulations and of the contract as well.

B. Special rules for inspection / maintenance and repair work

1. Preparation and follow-up processing of the facility by the ordering party

- a. In the cases, in which the order has to be carried out on site, the ordering party shall have to ensure:
- b. that the facility is depressurised, if possible, and empty in resting state and accessible to our staff, and that the required plant-specific tools, such as scaffoldings, ladders, fork-lift trucks, cranes, water, power, compressed air, gas measuring devices or heavy respiratory protective gear, etcetera, are available free of charge.
- c. that the fittings, if necessary, are activated and/or basins can be emptied.
- d. that in case of weights over 20 kg corresponding lifting assistants or mounting helpers are available free of charge.
- e. that a normal condition of the fittings with roughly cleaned objects are available.
- f. that, if necessary, a workplace for drawings and document storage as well as suitable changing rooms and washing facilities are available.
- g. moreover, the ordering party shall be obligated to point out all specific hazards of the facility.
- h. that for the initial operation of fittings the entire facility has to be mechanically, electrically, pneumatically and hydraulically completely installed and functional. For filling the facility, sufficient medium (water, gas, or similar) has to be available in very short time (max. 1 hour). Waiting times shall be charged at actual expense according to the current service and maintenance conditions.

2. Commissioning of third parties

For the performance of inspection and repair work, we shall be permitted to employ sub-contractors as well.

3. Written confirmation

- a. For all services, we require a written order indicating the place of deployment.
- b. Agreements on service appointments shall have to be confirmed in writing by the ordering party at least one week prior to the final departure date. In case of training, we need for the performance the precise information on the place of deployment, deadlines, number of participants and the requested training contents.

4. Hand Over (Abnahme)

- a. If the ordering party or one of his or her representative is not present despite notification of the completion of the work in due time, the ascertainment made by our service staff shall be considered binding. The ordering party shall perform the hand over of the work contractually set up within a week after completion of the work. Acceptance of hand over with reservation is not permissible.

- b. If the ordering party operates the objects on which we have performed work services other than for sole test purposes, the services shall be considered as handed over.

5. Cost estimate

Estimates of overall costs or the duration of time of inspection or repair work are non-binding, unless nothing else has been agreed upon in writing. The ordering party is obligated to pay the calculated amount even if the cost estimate referred to a binding is exceeded by up to 20 per cent. For the calculation of our services, the hourly rates and material prices shall be decisive that were applicable at the conclusion of the contract.

6. Prices and payments

- a. We shall charge the cost rates valid at the time of placing the order for every working, travelling or waiting hour, irrespective of whether it is a matter of overtime, night-time or Sunday hours.
- b. We shall charge waiting time, which we are not responsible for, as well as working time for all other additional services not agreed upon in keeping the special working time register.
- c. We shall charge the respectively next higher cost rate for employment under difficult conditions as well as for activities subject to the radiation protection ordinance (Strahlenschutzverordnung).
- d. The travelling costs for the service vehicle shall be charged at the settlement rate (travelling allowances) applicable at the time of execution; as an alternative, costs of train ticket, 2nd class, air fare plus potential supplements for luggage, parts and tools transport.
- e. We shall charge for the spare parts installed according to the respective current list prices.
- f. We shall charge our prime costs for material, the provision (Beistellung) of which would have been the task of the ordering party.
- g. We shall charge the costs and lump-sum amounts in keeping with section B8 for cancellations.
- h. We shall charge other costs, such as telephone and similar fees, upon proof.
- i. The basis for calculating the account shall be the working time register filled in by the ordering party / purchaser / final customer. If for an important reason, a signature of the working time register should not be possible; the hours listed by the service staff shall be applicable.
- j. The signature confirms at the same time the correctly performed mounting services. If for some reasons, the mounting service could not be carried out to the satisfaction of the customer, this fact shall have to be noted down in short form under "Remarks:" on the working time register.
- k. Payments shall have to be made immediately and without deductions. The prices shall apply ex works Heidenheim in Euro excluding packaging. Potentially required packaging shall be charged at cost.

7. Price adjustments

In case of changes of a cost factor by legal or tariff-related changes as well as material and incidental cost increase, we shall be permitted to adjust the price correspondingly. The increase of the price may be carried out at the earliest after two years after conclusion of the contract and previous written announcement with a deadline of six weeks to the end of the quarter.

8. Cancellation

- a. If the ordering party cancels the contract prior to the completion of the work without us have responsibility, we shall be entitled to compensation as defined in Section {649} of the German Civil Code.
- b. Instead of the claims defined in Section {649} of the German Civil Code, we may demand the following lump sum amounts for our expenses and the lost profit:
 - 15 per cent of the entire remuneration agreed upon, if cancellation arrives 1 to 19 working days prior to the delivery date.
 - 25 per cent of the entire remuneration agreed upon, if the order is cancelled on the delivery day itself.

The said shall not apply if the ordering party can prove that the amount to be paid in keeping with Section {649} of the German Civil Code is considerably lower than the lump-sum amount.

C. Special regulations for the sale of spare parts

1. Retention of titles

- a. Until complete payment, the devices and objects we delivered shall remain our property. The so-called extended retention of title shall apply, which means that the devices and objects supplied shall remain our property until complete payment of all claims from the current business relationships.
- b. However, within the framework of the ordinary business transactions, the ordering party shall be permitted to resell. The said shall assign to us his claims from the resale to the amount of the amounts due now already. This shall apply independently of whether the devices and objects we supplied have been processed prior to reselling or whether they are linked to a property or to mobile matters or not. In case of reselling after processing with objects which are not our property or in case of connection with a property or moveable matter, the claim of the ordering party towards his buyer shall be considered assigned to us to the amount of the prices agreed upon between the ordering party and us.
- c. The ordering party shall be permitted to collect the assigned claim for as long as he fulfils his payment obligations towards us as agreed upon by contract. The ordering party shall not be permitted to any other disposal of the objects under title retention (such as chattel mortgage or pledge). In case of intervention of creditors of the ordering party with respect to the objects under title retention, the ordering party shall have to inform us immediately in writing and the creditor of the title retention has to be notified in writing as well. If we should file a suit in conformity with Section (771) of the German Code of Civil Procedure in case of seizure or other intervention by third parties, and if the third party is not able to reimburse us with the judicial and extra-judicial costs in case of win, the ordering party shall be liable for the loss incurred.
- d. Upon request we obligate us to release the security due to us to such an extent that the value of the assigned claim does not exceed more than 20 per cent, as long as it is due to be paid.
- e. If the ordering party defaults in payment (Zahlungsverzug), an application is filed to open insolvency proceedings over the assets of the ordering party; or if the ordering party stops his payments, we can request that the ordering party and his debtor inform us, presenting us with all data required for the collection, hands over documents, and informs his debtors about the assignment.
- f. The ordering party shall be obligated to insure the devices and objects, we have supplied, against all possible risks (such as fire, water, theft, break-in, vandalism, etcetera) for the duration of the title of retention at his own costs at a contractually stipulated price. The said shall assign the claims against the insurance to the amount of the value of the object and/or to the amount of our unpaid claims.