

## General Terms and Conditions for Deliveries and Services

### Section One: General Regulations

#### 1. Scope of application/Conclusion of contract/Confidentiality

1.1 These General Terms and Conditions of Business apply to all services and deliveries which are rendered by LICON on the basis of contractual agreements vis-à-vis an entrepreneur within the meaning of § 14 of the German Civil Code (BGB), legal entities under private or public law or vis-à-vis special funds under public law. Services and deliveries shall be rendered by LICON exclusively on the basis of the current version of these General Terms and Conditions of Business. Upon formation of the contract, other conditions shall not become the subject matter of the contract even if LICON does not expressly object to them. Any differing terms and conditions of purchase of the customer shall only apply if they have been expressly confirmed by LICON in writing.

1.2 A contract shall come about with the written order confirmation of LICON, which shall apply solely to the obligation of both parties and to the order content. If a deadline has been set for the customer for acceptance of an offer, a contract shall only come about upon punctual acceptance.

1.3 LICON shall unconditionally reserve the rights of exploitation with regard to ownership and copyrights to quotations, samples, drawings and similar information. It is irrelevant whether the information is embodied or otherwise (e.g. electronically) perceptible. The information may only be utilised by the customer after obtaining prior consent from LICON. This does not apply if the use of information serves to set up, put into operation, use or maintain the delivery or repair item. The customer shall only be entitled to reproduce the information or disclose it to third parties after obtaining the prior written consent of LICON. Information which has been utilised by the customer or made accessible to third parties shall be returned to LICON without delay upon request if LICON does not receive the order or the order has been completed as per the contract. The aforementioned provisions shall apply accordingly to information of the customer; however, it may be made accessible to such third parties to whom LICON has admissibly transferred the rendering of services. LICON shall undertake to only disclose information marked confidential by the customer to third parties with its consent.

1.4 The customer has the non-exclusive right to use standard software and firmware with the agreed performance factors in an unmodified form on the agreed devices. The customer may create a backup copy of the standard software without an express agreement.

#### 2. Offer/Delivery/Performance/Advance payment

2.1 The details and information contained in the offer of LICON with respect to the delivery item or with respect to the other contractually owed performance do not constitute quality guarantees. The quality of the delivery item or the other performance arises exclusively from the agreement reached between the parties and is not guaranteed by LICON. Statements in brochures, catalogues, quotations or general technical documents are only binding if they are expressly confirmed by LICON vis-à-vis the customer in writing and referred to as binding.

2.2 LICON shall be entitled to modify the delivery item or amend the contractual volume of services within the scope of technical further development and in the course of decisions relating to purchasing policy insofar as this is acceptable to the customer.

2.3 Insofar as no limits for deviations have been expressly agreed in the order confirmation with respect to the performance to be rendered by LICON, deviations which are customary in the trade shall be admissible in each case.

2.4 LICON shall be entitled to render part performances insofar as they are acceptable to the customer.

2.5 LICON shall be entitled to demand an appropriate advance payment from the customer upon conclusion of the contract.

#### 3. Cooperation and technical assistance of the customer with regard to assembly/repairs outside the factory

3.1 The customer shall support the assembly/repair staff with the execution of work at its own expense.

3.2 The customer shall take the necessary special measures to protect persons and objects at the workplace. It shall also inform the assembly/repair manager of any existing special safety regulations if they are of importance for the assembly/repair staff. It shall inform LICON of violations of such safety regulations by assembly/repair staff. In the event of serious violations, it may refuse the violator access to the workplace in consultation with the assembly/repair manager.

3.3 The customer shall be obliged to render technical assistance at its own expense, especially to:

- a. provide the necessary, suitable assistants in the numbers required for the work and for the necessary period of time; the assistants shall follow the instructions of the assembly/repair manager. LICON shall not accept any liability for the assistants provided by the customer. If a defect or loss has been caused by the assistants on the basis of instructions issued by the assembly/repair manager, the provisions pursuant to subsection 6 of this section shall apply accordingly.
- b. carry out any construction, bedding or scaffolding work including the procurement of the necessary building materials.
- c. provide the necessary appliances and heavy tools and the necessary commodities and materials.
- d. provide heating, lighting, operating power, water, including the necessary connections.
- e. provide the necessary dry and lockable premises for storing the tools of the assembly/repair staff.
- f. protect the workplace and materials from harmful influences of any kind; clean the workplace.
- g. provide suitable, theft-proof rest rooms and workrooms (with heating, lighting, washing facilities, sanitary amenities) and first aid for the assembly/repair staff.
- h. provide materials and carry out all other actions that are necessary to adjust the assembly/repair item and to carry out a contractually stipulated trial.

3.4 The technical assistance of the customer must guarantee that the work can be started immediately after the arrival of the assembly/repair staff and can be carried out without delay up until acceptance by the customer. If special plans or instructions are required, LICON shall make them available to the customer in good time.

3.5 If the customer fails to meet its obligations, LICON shall, after fixing a time limit, be entitled, but not obliged, to carry out the actions incumbent upon the customer at its premises and at its expense. Furthermore, the statutory rights and claims of LICON shall not be affected.

#### 4. Assembly/repair periods

4.1 Statements relating to assembly/repair periods shall only be binding if they are expressly confirmed by LICON in writing and referred to as binding.

4.2 The binding assembly/repair period has been adhered to if by its expiry the assembly/repair item is ready for acceptance by the customer and, in the event of a contractually stipulated trial, is ready for the said trial to be conducted.

4.3 In the case of additional orders placed at a later date or in the case of necessary additional assembly/repair work the agreed period shall be extended accordingly.

4.4 If the assembly/repair is delayed due to measures within the scope of industrial action, especially strikes and lockouts, and due to the occurrence of circumstances for which LICON is not to blame, the period for assembly/repair shall be extended appropriately insofar as such hindrances can be proven to have a considerable impact on the completion of services; this shall also apply if such circumstances occur after LICON has fallen into arrears.

## 5. Acceptance

5.1 The customer shall be obliged to accept the assembly/repair work as soon as it has been informed of its completion and any contractually stipulated trial of the assembled/repared item has taken place. Should it transpire that the work is not in accordance with the contract, LICON shall be obliged to remedy the defect. This does not apply if the defect is irrelevant to the interests of the customer or is based on circumstances attributable to the customer. If a trivial defect exists, the customer may not refuse acceptance.

5.2 If acceptance is delayed, without LICON being to blame, the acceptance shall be deemed to have taken place after the expiry of two weeks following notification of completion of the assembly/repair work.

5.3 Upon acceptance the liability for identifiable defects shall no longer apply unless the customer has reserved the assertion of a specific defect.

## 6. Warranty for defects

6.1 If the delivery item does not conform to the agreed quality upon transfer of risk or if the assembly or repair work does not conform to the agreed quality after acceptance, LICON may meet the right of the customer to subsequent performance at its discretion by supplying a replacement item free of charge or by reworking the defective parts free of charge. To carry out all the rectification measures or replacement deliveries that appear necessary to LICON at its reasonable discretion, the customer shall always grant the necessary time and opportunity after consultation with LICON, otherwise LICON shall be released from the duty of subsequent performance.

6.2 The customer may withdraw from the contract or reduce the agreed fee if a reasonable period of time set by the customer for subsequent performance has expired to no avail or the setting of a time period for subsequent performance is superfluous according to statutory provisions.

6.3 All other claims of the customer are excluded – irrespective of the legal basis – as well as the reimbursement of damage of whatever kind, even such damage which has not incurred by the delivery item itself (e.g. loss of use/production, lost profit or other consequential damage).

This exemption from liability does not apply to intent or gross negligence on the part of LICON or its vicarious agents or to the culpable infringement of essential contractual obligations. In the event of the negligent infringement of essential contractual obligations, LICON shall only be liable for contractually typical, reasonably foreseeable damage – apart from in cases of intent and gross negligence.

The exemption from liability shall also not apply in cases where, pursuant to §§ 1 and 4 of the Product Liability Law, liability is stipulated for personal or material damage to objects used privately if there are defects in the delivery item. It shall also not apply in the case of a guaranteed quality if the guarantee was especially intended to protect the customer against damage which is not incurred by the delivery item.

The exemption from liability shall also not apply if LICON has caused loss of life, personal injury or illness due to a culpable breach of duty.

6.4 The warranty period for material defects existing in the delivery item at the time of the transfer of risk is 12 months. This does not apply to claims for damages of the customer which are based on loss of life, personal injury or illness and on a negligent breach of duty by LICON or the intentional or negligent breach of duty of a legal representative or vicarious agent of LICON. The twelve-month warranty period also does not apply to other damage which has been suffered by the customer due to a grossly negligent breach of duty by LICON or an intentional or grossly negligent breach of duty by a legal representative or vicarious agent of LICON.

Repair work and replacement deliveries within the scope of the right of the customer to subsequent performance are not subject to a separate warranty period; the warranty period for the original delivery item applies.

## Section Two: Delivery of machinery, machinery parts and other goods

### 1. Prices and payments

1.1 The prices specified in the order confirmation shall apply exclusively. Any additional performances shall be billed separately unless LICON is legally obliged to render them.

1.2 All prices are net prices exclusive of value added tax, which the customer has to pay in addition in the respective statutory amount.

1.3 Unless otherwise expressly agreed, the prices shall apply ex works. The customer shall bear any additional freight charges, packaging costs that exceed the type of packaging which is customary in the trade, public charges and duties.

1.4 LICON shall be entitled to refuse delivery by lodging a plea of uncertainty if it becomes apparent after the conclusion of the contract that the claim to the purchase price is at risk due to a lack of productivity on the part of the customer. This shall apply until the due counter-performance is effected or security is furnished. If the customer has not effected the counter-performance or furnished security within a reasonable time period notified in writing, LICON may withdraw from the contract.

1.5 Payments shall be effected on account without any discount within 14 days from the invoice date. The punctuality of payments shall be determined by the date on which LICON receives the amount. Bills and cheques shall only be deemed to have been accepted as payment after they have been cashed or honoured, as the case may be, and shall be accepted without any obligation for punctual presentation or act of protest.

### 2. Delivery period/Delivery delay

2.1 Delivery dates shall only be deemed agreed after express written confirmation by LICON. Compliance therewith by the supplier is subject to all commercial and technical issues having been clarified between the contracting parties and the customer having met all the obligations incumbent upon it, such as supplying the necessary official certificates or permits or paying a deposit. If this is not the case, the delivery period shall be extended. This does not apply if the supplier is to blame for the delay. Delivery dates shall be deemed to have been adhered to upon punctual notification of readiness for dispatch if the delivery item cannot be dispatched on time without LICON being to blame for this state of affairs. If acceptance has to be effected, adherence to the delivery date shall – apart from where refusal of acceptance is justified – be determined by the date of acceptance, or alternatively notification of readiness for acceptance.

2.2 If non-compliance with the delivery date is attributable to force majeure, industrial action or other events which are beyond the control of LICON, the delivery date shall be extended appropriately. This shall also apply if these circumstances occur at the premises of subcontractors. LICON shall inform the customer of the start and end of such circumstances without delay.

2.3 In the case of time periods and dates which are not expressly referred to as binding in the order confirmation, the customer may set an appropriate time period for delivery two weeks after their expiry. LICON may only fall into arrears upon expiry of this final deadline.

### 3. Execution of delivery/Transfer of risk

3.1 Delivery shall take place ex-works through acceptance or through dispatch. If acceptance has not been effected by the customer or its representative as of the agreed delivery date, LICON shall be entitled to dispatch the delivery item on the account of and at the risk of the customer.

3.2 Unless otherwise expressly agreed, dispatch and transportation shall be effected at the expense and risk of the customer. The risk shall pass to the customer as soon as the delivery item has been transferred to the customer or to a representative of the customer or to the carrier or haulage contractor. If acceptance has to be carried out, this is decisive for the transfer of risk. Acceptance may not be refused by the customer if only a trivial defect exists.

3.3 If dispatch is delayed due to circumstances for which the customer is to blame, the risk shall pass to the customer from the day of notification of the readiness for dispatch.

3.4 If the customer defaults on acceptance, LICON shall be entitled to demand reimbursement of the expenses incurred; upon the occurrence of the acceptance default, the risk of accidental deterioration or accidental loss shall pass to the customer.

#### **4. Retention of title**

4.1 LICON shall reserve the title to the delivery item (reserved goods) until all the claims to which LICON is entitled vis-à-vis the customer have been met as per the contract.

4.2 Unless otherwise agreed, the customer shall not be entitled to pledge or assign as security the reserved goods during the existence of the retention of title. The customer shall only be allowed to resell the reserved goods in the course of normal business dealings and only on condition that it receives the purchase price from its buyer or it shall be subject to the proviso that the transfer of ownership to the buyer shall only take place once its payment obligations have been met. The retention of title shall also continue to apply if the claims are included in a current invoice and the balance is struck and recognised.

4.3 If the customer sells on the reserved goods, it shall hereby already assign its future claims arising from the resale vis-à-vis its buyer with all accessory rights – including any balance claims – to LICON by way of security without any other special declarations being required. If the reserved goods are resold together with other items without a unit price having been agreed for the reserved goods, the customer shall assign to LICON the part of the total price claim that corresponds to the price of the reserved goods invoiced by LICON.

4.4 The customer shall be allowed to process the reserved goods or blend or combine them with other items. The processing shall always be carried out for LICON. The customer shall hold the resultant new item in safe custody for LICON with the diligence of a prudent businessman. The new item shall be deemed reserved goods.

4.5 LICON and the customer are hereby already agreed that in the case of combination or blending with other items that do not belong to LICON, LICON shall in each case be entitled to joint title of the new item to the sum of the share arising from the ratio of the value of the combined or blended reserved goods compared with the value of the other delivery item at the time of combination or blending. The new item shall in this respect be deemed reserved goods.

4.6 The provision relating to the assignment of claims pursuant to subsection 4.3 of this Section shall also apply to the item newly created through combination, blending and processing. However, the assignment shall only apply up to the sum of the amount which corresponds to the value of the combined, blended or processed reserved goods invoiced by LICON.

4.7 If the customer combines the reserved goods with real property or movable items, it shall also, without any other special declarations being required, assign to LICON by way of security its claim to which it is entitled as a fee for the combination, with all accessory rights, to the sum of the ratio of the value of the combined reserved goods compared to the other combined goods at the time of combination.

4.8 Up until revocation the customer shall be entitled to collect the assigned claims arising from the resale. If good cause exists, especially in the case of payment default, cessation of payments, institution of insolvency proceedings, bill protest or justified indications of overindebtedness or pending insolvency of the customer, LICON shall be entitled to revoke the collection authorisation of the customer. In addition, LICON may disclose the assignment of security after giving prior warning in compliance with a reasonable time period and utilise the assigned claims.

4.9 The customer shall inform LICON without delay of any seizures, confiscations, other disposals or interventions by third parties with respect to the delivery item.

4.10 If the customer breaches any obligations, especially with regard to payment default, LICON shall be entitled to withdraw after a reasonable time for performance, which had been set for the customer, has expired to no avail; the statutory provisions with regard to the dispensability of fixing a deadline shall not be affected. The customer shall be obliged to surrender the reserved goods. The retraction or assertion of the retention of title or the seizure of the reserved goods by LICON do not constitute grounds to withdraw from the contract unless LICON expressly declares this.

4.11 The customer shall be obliged to cooperate with measures that LICON takes to protect the right of ownership or a right superseding it with respect to the delivery item.

#### **5. Liability for defects**

5.1 The assertion of claims for defects by the customer is contingent upon it having properly met the duty to examine and object to defects incumbent upon it pursuant to § 377 of the German Commercial Code (HGB). If the customer detects a defect, this must be notified to LICON in writing without delay. If the customer does not report an obvious defect within 14 days from delivery, any warranty by LICON is excluded.

5.2 No responsibility is accepted for damage caused by the use of force, use that does not conform to the regulations, repairs by staff not authorised or trained by LICON, the use of lubricants and machines/equipment with unsuitable specifications or parts not supplied by LICON. LICON shall also not accept any responsibility for expendable parts and damage based on natural wear and tear.

The provisions pursuant to subsection 6 of Section One of these General Terms and Conditions of Business shall also apply.

#### **6. Industrial property rights/Copyrights**

6.1 If claims are lodged against the customer due to the infringement of an industrial property right or a copyright because it uses the delivery/performance in the contractually specified manner, LICON shall secure the customer the right to further use. This is contingent upon the customer informing LICON without delay in writing of such claims by third parties and LICON retaining the right to take any defensive or out-of-court measures. Should further use of the delivery/performance not be possible on economically justifiable terms according to these prerequisites, it shall be deemed agreed that LICON will, at its discretion, either modify or replace the delivery/performance to remedy the defect in title or take back the delivery/performance and reimburse the paid purchase price minus an amount that takes account of the age of the delivery/performance.

6.2 The customer shall not be entitled to any further claims due to infringements of industrial property rights or copyrights unless essential contractual obligations have been infringed or an infringement of other contractual obligations has taken place either intentionally or in a grossly negligent manner. LICON shall not be obliged pursuant to subsection 6.1 if legal violations are caused by the delivery/performance not being used in the contractually specified manner or being used in combination with deliveries/performances other than those rendered by LICON.

### **Section Three: Assembly work**

#### **1. Assembly price/Invoice**

1.1 Where costs for assembly work relate to labour costs, these shall generally be charged on the basis of time spent unless a fixed price has been agreed. The rates for working time, travelling time and for assembly preparation time and, where applicable, maintenance times can be found in the "Assembly Rates Annex" attached to these General Terms and Conditions of Business.

1.2 If a fixed price has been agreed for assembly, this shall only apply to uninterrupted assembly. Should a delay or interruption of assembly occur for reasons for which LICON is not to blame, the customer shall reimburse all the resultant costs.

1.3 Assembly work will be billed after it has been rendered in full. LICON shall reserve the right to issue interim invoices for assembly work of more than 4 weeks duration.

1.4 Assembly invoices shall be payable by the customer within 14 days from the invoice date on account without any deduction.

1.5 For domestic assembly work, the statutory value added tax shall be listed separately. If the competent tax authority demands the value added tax from LICON in the case of foreign assembly work, the customer shall be obliged to reimburse this.

## 2. Compensation payments by the customer

If the appliances or tools supplied by LICON are damaged or lost at the assembly location without LICON being to blame, the customer shall be obliged to compensate this damage. This does not include damage which is attributable to normal wear and tear.

## Section Four: Repairs to machinery and equipment

### 1. Quotation

1.1 At the request of the customer, LICON shall state the expected repair price upon conclusion of the contract. Otherwise, the customer may set cost limits. If the repair cannot be carried out at the estimated price or if LICON deems the execution of additional work necessary during the repair, the customer's consent must be obtained if the stated costs are exceeded by more than 15%.

1.2 LICON shall only submit binding quotations at the express request of the customer and only after checking the repair item. The quotation shall only be binding if it has been submitted in writing and has been expressly referred to as binding. LICON shall be bound to this quotation until the expiry of three weeks after its submission.

1.3 The services rendered to submit the quotation shall not be charged to the customer if they can be utilised whilst carrying out the repair.

### 2. Non-viable repairs

2.1 The services rendered to prepare a quotation and the other time outlay accrued and to be proven by LICON (time spent searching for fault equals working time) shall be charged to the customer if the repair cannot be carried out for reasons for which LICON is not to blame, especially because

- a. the queried fault did not arise during the inspection,
- b. spare parts cannot be procured,
- c. the customer has negligently missed the agreed deadline,
- d. the contract was terminated during implementation.

2.2 The repair item only needs to be returned to its original condition at the express wish of the customer against reimbursement of costs after repair work already carried out unless the work carried out was not necessary.

2.3 In the case of non-viable repairs, LICON shall not be liable for damage to the repair item, infringement of contractual accessory obligations or material damage not incurred by the repair item itself, irrespective of which legal basis the customer cites. This does not apply to intentional or grossly negligent conduct on the part of LICON or to the culpable infringement of essential contractual obligations.

In the event of the negligent infringement of essential contractual obligations, LICON shall only be liable for contractually typical, reasonably foreseeable damage – apart from in cases of intent and gross negligence.

### 3. Repair price/Payment

3.1 When invoicing repair work, the prices for utilised parts, materials and extra performances and the prices for work output, travel and transport costs shall be listed separately. If the repair is carried out on the basis of a binding quotation, reference to the quotation shall suffice; only deviations in the volume of services have to be listed separately.

3.2 The value added tax shall be listed separately in the statutory amount.

3.3 Any correction of the invoice by LICON and any queries by the customer must be effected in writing at the latest 4 weeks after receipt of the invoice.

3.4 Payment shall be effected on account without any discount within 14 days after acceptance and handover or forwarding of the invoice.

### 4. Transport and insurance for repairs at the factory

4.1 The repair item shall be collected by LICON at the express written request of the customer at its expense and delivered back to the customer after the repair has been carried out at the factory. Transport shall include any packaging and loading. Otherwise, the repair item shall be delivered to

LICON by the customer at its expense and collected from LICON again by the customer after the repair has been carried out.

4.2 The customer shall bear the transport risk.

4.3 At the request of the customer, the outward and, if applicable, return transport shall be insured against the insurable transport risks, e.g. theft, breakage, fire, at its expense.

4.4 No insurance cover shall apply during the repair period in the factory. The customer shall ensure that the existing insurance cover is maintained for the repair item, e.g. with respect to fire, mains water, storm and machinery breakdown. Insurance cover may only be obtained for these risks at the express request and expense of the customer.

### 5. Retention of title/Extended right of lien

5.1 LICON shall reserve the title to all utilised accessories, spare parts and replacement power units until all payments arising from the repair contract have been received. Further security agreements may be drawn up.

5.2 LICON shall be entitled to a right of lien to the repair item of the customer which has come into its possession on the basis of the contract due to the claim arising from the repair contract. The right of lien may also be asserted due to claims arising from work, deliveries of spare parts and other services carried out previously if they are connected to the repair item. The right of lien shall only apply to other claims arising from the business connection if they are undisputed or legally valid.

### 6. Compensation payments by the customer

If the appliances or tools supplied by LICON are damaged or lost at the repair location during repair work carried out outside the factory, without LICON being to blame, the customer shall be obliged to compensate this damage. This does not include damage which is attributable to normal wear and tear.

## Section Five: Final provisions

1. Any collateral agreements or assurances as well as any amendments or modifications to a contract concluded in writing must be in writing.

2. The customer may only offset against claims which are undisputed or have been finally established in law.

3. The law of the Federal Republic of Germany applicable to the legal relationships between domestic parties shall apply exclusively to all legal relationships between LICON and the customer – especially to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).

4. If the contract is concluded between merchants, Laupheim is the exclusive place of jurisdiction.