

# General Terms and Conditions

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## 1. Applicability

This English Translation of our General Terms and Conditions is only for your information and convenience! Legally binding is only the German Original of our General Terms and Conditions, which can be found under <https://www.eputec.de/agb/> or send to you upon request.

These General Terms and Conditions apply to all current and future business relationships between us, i.e. Eputec Drucklufttechnik GmbH, and customers (buyers) who are entrepreneurs, legal entities under public law and funds under public law in the meaning of Section 310 (1) of the German Civil Code (BGB). We will not accept any general terms and conditions of customers, even if we do not expressly object to such.

## 2. Offers and Order

Our offers are subject to confirmation. Orders, supplements, amendments and side agreements must be made in text form. The buyer shall be bound to his order for a period of four (4) weeks from its submission. By placing his order, the customer effectively declares that he accepts the offer. A contract will come into existence only if we confirm the order in writing or deliver the goods.

## 3. Information in Brochures

Images and information in brochures do not represent binding offers to conclude a purchase contract.

## 4. Cost of Delivery, Risk Transfer

Unless otherwise agreed in writing, the shipment will take place for the account and at the risk of the customer. The risk of accidental loss and/or accidental deterioration passes to the customer upon handover, or, in the case of despatch, upon surrender of the goods to the forwarder, carrier or other person engaged for the execution of the despatch. If the customer is in default of acceptance, this shall have the same effect as the handover. From a goods value of €500, transport insurance will be taken out for the shipment. The reasonable costs incurred for this, which are specified in the offer, shall be borne by the customer.

## 5. Delivery Time

5.1 All delivery periods and dates specified by us are only approximate, unless the periods are expressly designated as binding in the contract. If delivery periods have been agreed, they shall begin as of the date of our order confirmation.

5.2 All delivery obligations are subject to the condition that our upstream suppliers supply us correctly and in due time. We will without delay inform the customer of any delays.

5.3 The delivery periods specified in the contract shall be duly extended in the event of strike, operational disruption (including shortage of raw material), lockout, war, embargo and other cases of *force majeure*. In these cases, we may rescind the contract, and the customer shall not have any claims for damages against us.

5.4 Partial delivery and partial performance shall be permissible insofar as the customer can reasonably be expected to accept such.

5.5 If the customer is in default of acceptance or if the customer breaches other cooperation obligations, we may demand compensation for the damage thus incurred, including any additional expenses. We reserve the right to assert further claims.

5.6 Should the agreed delivery time be delayed for reasons for which the customer is responsible, we shall be released to the same extent from our obligation to comply with the agreed delivery periods. If the customer does not comply with our request to remedy the situation, we may claim damages or grant the customer a reasonable period for the fulfilment of the contract and declare that we will rescind the contract should the period pass unsuccessfully. In the event of termination of the contract, we shall be entitled to compensation for all expenses incurred by us until then.

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5.7 Should the delivery and performance time be extended for reasons for which we are not responsible, the customer cannot derive any claims for damages from this. In the event of late delivery for which we are responsible, the customer shall only have the right to rescind the contract. Any claims for damages remain unaffected.

### 6. Prices

6.1 Our prices are quoted ex works, exclusive of packaging costs and statutory value-added tax. Transport, shipping, loading and freight costs are not included in the prices and will be charged separately. The prices are quoted in Euro. As a matter of principle, the prices and conditions specified in writing in our order confirmation shall apply.

6.2 In the event of changes of the material prices, wages, freight or other cost factors, we shall be entitled to adjust the prices insofar as a period of at least four (4) months lies between the conclusion of the contract and the delivery date, unless we are responsible for the delay. Notwithstanding the aforesaid, fixed prices, if agreed, shall remain unchanged.

6.3 Fees and costs of procuring and certifying certificates of origin, consular invoices, approvals, etc. will be billed separately. In the event of delivery outside the EU, we may retroactively charge the statutory value-added tax if the customer does not send the evidence of exportation pursuant to Section 6 (4) of the German Value-Added Tax Act (UStG) and Sections 8 to 12 of the German Value-Added Tax Implementation Ordinance (UStDV).

### 7. Payment

7.1 Our invoices shall be paid immediately without any deductions within 14 days of the receipt of the invoice, unless we agree otherwise in writing with the customer. The date on which the invoice amount is credit to our bank account is relevant for the determination whether the payment has been made in due time.

7.2 The customer may only offset claims or assert a right of retention if counterclaims have been legally established or recognised by us.

7.3 Partial delivery and partial performance may be invoiced separately insofar as the customer can reasonably be expected to accept such.

7.4 If the customer falls into arrears with payments, our receivables from the entire business relationship shall become due insofar as this does not conflict with any other defence of the customer; moreover, we shall be entitled to demand advance payment.

7.5 The customer will automatically be deemed to be in arrears with payments after the deadline specified in the invoice, without the need for a reminder. If the customer falls into arrears with payments, we may, notwithstanding other claims, charge default interest amounting to 9 percentage points over the base interest rate of the European Central Bank. This does not require any further payment reminder. As soon as the customer falls into arrears, we may charge a fee of €40. Should we be able to furnish evidence of a greater damage due to the default, we may assert it, subject to deduction of the fee.

### 8. Retention of Title and Extended Retention of Title

8.1 We will retain the title to the delivered goods until we receive all principal and subsidiary payments from the business relationship. In the event of behaviour of the customer in breach of the contract, especially if the customer is in arrears with payments, we may claim back the purchased item. However, this shall not be construed as a rescission of the contract, unless the rescission is expressly declared in writing. After taking back the purchased item, we may sell it. The sales proceeds will be offset against the liabilities less reasonable costs of sale.

8.2 In the event of third party access to good subject to retention of title (especially seizure), the customer shall draw attention to our ownership and without delay inform us in writing.

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8.3 The customer shall treat the goods with care and duly insure them at his own expense for the replacement value. The customer shall perform any required maintenance and inspection work at his own expense and in due time.

8.4 Subject to revocation at any time, the customer may process the goods and combine them with other items in his proper business transactions. The business transactions will no longer be deemed to be "proper" if the customer's operations are encumbered by assignment as collateral, payment delays, pledges and cheque or bill of exchange protests.

8.5 The customer may resell goods delivered by us in the course of his ordinary business operations. In this case, however, the customer hereby proactively assigns his receivables from the resale to us in the following scope:

8.5.1 If the goods belong to us alone, the full receivable will be deemed assigned to us.

8.5.2 If we are merely co-owners, the part of the receivable that corresponds to our co-ownership share will be deemed assigned to us. The customer may collect the assigned receivables as long as he fulfils his payment obligations.

8.6 After the assignment, the customer is still authorised to collect the receivables from his end customers. We reserve the right to collect the receivables directly if the customer fails to duly fulfil his payment obligations towards us and falls into arrears with payments. In this case, the customer shall also inform the end customer of the assignment.

8.7 We undertake to release the securities we are entitled at the request of the customer insofar as their recoverable value exceeds the claims to be collateralised by more than 10 percent. We may select the securities to be released at our own discretion.

### 9. Defect Reports, Notification Deadline

9.1 The customer shall without delay inspect the goods delivered to him for any defects. The customer shall report any defects of the goods to us in text form within seven (7) calendar days of his receipt of the goods. We will not accept any defect reports that are submitted later on. Thus, we do not accept any liability for defects that are reported too late.

9.2 In the event of concealed defects, the defect report shall be submitted within seven (7) calendar days of the date on which the customer identified the defect. We will not accept any liability for defect reports submitted thereafter. Moreover, we exclude any liability for defects reported by the customer more than 12 months after the risk transfer.

### 10. Warranty, Liability, Statute of Limitation

10.1 Our liability and that of our legal representatives or agents is limited to cases of intent or gross negligence. In the event of a breach of material contractual obligations, we shall, as a matter of principle, be liable according to the statutory provisions. However, claims for damages are limited to the foreseeable damage that is typical for this contract. The liability for damage by the contractual item to other legal rights of the customer is excluded, provided that the damage was not caused by way of intent or gross negligence.

10.2 We do not accept any liability for errors resulting from documents and information provided by the customer. Should the delivered goods—despite the exercise of due care—have a defect that already existed at the time of the risk transfer, the customer shall first be entitled to supplementary performance, but not to rescission. We may, at our own discretion, rectify the goods or provide replacement within a time period that corresponds to the original delivery period. Should the supplementary performance fail, the customer may rescind the contract or reduce the purchase price. However, this shall apply only if the customer first requested us in writing us to perform rectification, determining a reasonable period for us to do so, and we failed to comply with this request or the rectification was unsuccessful.

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10.3 Immediately after submitting a defect report, the customer shall enable us to inspect the goods. On request, the customer shall send back the goods to us. We will bear the associated transport costs if the defect report is justified. If the customer does not enable us to perform the inspection and/or if he refuses to send back the goods to us, he will forfeit his rights to rectification or replacement and cannot assert any other replacement rights against us.

10.4 All defect claims of the customer including the claims for damages and compensation of expenses will expire one year after the delivery of the goods to the customer.

10.5 Claims for defects shall not exist in the case of minor deviations from the agreed properties, minor impairment of the usability, natural wear and tear or damage that arises after the risk transfer due to faulty or negligent handling, excessive strain, unsuitable utilities, deficient construction work or special external influences that are not presumed under the contract. Moreover, no claims for defects shall exist for unqualified repair or modifications performed by the customer or third parties or for any consequences resulting from such. In the case of a defect caused by faulty installation, we shall only be under the obligation to provide warranty services if the installation or assembly of the sold item was performed in a qualified manner. The customer shall substantiate and prove the qualified performance.

### 11. Severability

Should any provision of these General Terms and Conditions be or become invalid, this shall not affect the validity of the other provisions and of the remaining part of the contract. The parties shall replace any invalid or void provisions with provisions that come as close as possible to the economic regulations contained in the invalid or void provisions, but in a legally permissible way. The same shall apply in the event of a gap in the contract. To fill any gap, the parties agree to work towards supplementing this contract with appropriate regulations that come as close as possible to what the parties would have determined under consideration of the meaning and purpose of the contract if they had considered the respective issue.

### 12. Product Information

In case the delivered product is accompanied by product information, the customer undertakes to enclose such when passing on the goods to a third-party customer and to draw the third-party customer's attention to such. If this provision is not complied with, any warranty for defects of the goods due to improper treatment of the product shall be excluded.

### 13. Force Majeure

In the event of *force majeure*, labour disputes, unrest and other unforeseeable, inevitable and serious events that affect our operations, we may rescind the contract. In this case, the customer shall not be entitled to damages.

### 14. Amendments to the General Terms and Conditions

Amendments to the agreed General Terms and Conditions are subject to written agreement. To be valid, such amendments must be expressly approved in writing by us.

### 15. Jurisdiction

This contract and all legal relationships between the parties are governed by the laws of the Federal Republic of Germany, under exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG). The place of fulfilment and the exclusive place of jurisdiction for all disputes from contracts concluded under these General Terms and Conditions is Landsberg/Lech, Germany.

### 16. Special Rules for Developer Agreements

Apart from these General Terms and Conditions, additional regulations to be agreed in the individual case shall apply when we are requested to develop a product.