

FAT Förder- und Anlagentechnik GmbH

GENERAL TERMS AND CONDITIONS OF PURCHASE

For the use in business transactions with entrepreneurs, legal entities under public law and special funds under public law

These Terms and Conditions of Purchase shall exclusively govern all our legal relationships with the Supplier, including future ones. Any amendment to these terms and conditions shall require our written confirmation in order to be effective.

Any terms and conditions of the Supplier that conflict with or deviate from our terms and conditions of purchase, including, to the extent that deviating, supplementary clauses or clauses modifying our terms and conditions should be contained in offers or letters of confirmation, are hereby already expressly rejected.

The Supplier acknowledges the sole validity of our terms and conditions of purchase upon acceptance, at the latest upon execution of the order, even if he refers to his own terms and conditions. Acceptance of the Supplier's delivery and service by us or payment thereof does not imply consent to the Supplier's terms and conditions.

1.) Quotation/Order/Order Confirmation

1.1 Only orders placed in writing are legally binding. Orders placed orally or by telephone as well as their amendment and supplementation require our subsequent written order to be legally valid, which may also be placed by remote data transmission or fax.

1.2.1 Cost estimates shall be binding and shall not be remunerated unless expressly agreed otherwise .

1.3 If the Supplier does not accept the order within 5 days of receipt, we are entitled to revoke it . Delivery call-offs become binding if the Supplier does not object in writing within 3 working days of receipt .

2.) Delivery/Delay/Force Majeure

2.1.1 Unless otherwise agreed, the goods shall be shipped freight prepaid to the factory/receiving department specified in the order letter, including packaging and freight insurance.

The risk shall not pass until the goods are made available at the shipping address or place of use requested by us. The Supplier shall enclose a delivery note with each individual consignment, precisely broken down by type, quantity and weight. Delivery notes, waybills and all correspondence must contain our order number, order data and the order date. The goods are to be packed in such a way that transport damage is avoided. Packaging materials shall only be used to the extent necessary to achieve this purpose.

Only environmentally friendly and recyclable packaging may be used. The Supplier expressly assures to comply with the packaging regulations of the respective named recipient country. The Supplier's obligation to take back packaging shall be governed by the statutory provisions.

Insofar as remuneration for packaging has been agreed, this is to be credited at full value in the case of freight-free return.

2.1.2 The agreed dates and deadlines are binding and must be adhered to.

The delivery time starts with the date of the order letter. The Supplier shall be in default after expiry of the delivery period without the need for a reminder. The receipt of the goods at the place of receipt or use specified by us shall be decisive for compliance with the delivery date or delivery deadline.

If delivery "free factory" has not been agreed, the Supplier shall make the goods available in good time, taking into account the time for loading and dispatch to be agreed with the forwarder, and shall ensure that they are received within the agreed period.

2.2 Unless proven otherwise, the values determined by us at the incoming goods inspection shall be authoritative for quantities, weights and dimensions.

2.3 If the Supplier realises that an agreed deadline cannot be met for any reason whatsoever, it shall notify this immediately, stating the reasons, the expected duration of the delay and the countermeasures it has initiated.

The Supplier is obliged to compensate for all direct and indirect damage caused by delay. If the delivery date agreed upon is not met due to the fault of the Supplier, we are entitled to demand damages for non-performance or to procure a replacement from a third party or to withdraw from the contract, at our discretion after the fruitless expiry of a grace period set by us.

2.3.1 In addition, in the event of a delay in delivery, we are entitled to demand a contractual penalty of 1 % of the order value for each week of delay commenced, but not more than 10 % of the order value; we reserve the right to claim further damages. The contractual penalty shall be offset against this if we claim damages.

2.4 Partial deliveries and early deliveries are only permissible with our prior written consent and oblige us to make payment (even partial) before complete delivery.

2.4.1 In the event of force majeure, necessary operational restrictions and stoppages, we have the right to postpone the delivery date or to withdraw from the contract. Default of acceptance shall not occur in this case. The contractor expressly waives compensation for damages unless there is gross negligence or intent on our part on the part of legal representatives and executives. Furthermore, we are also entitled to postpone the original delivery date for up to 3 weeks without being in default of acceptance. If the Supplier is unable to meet the delivery date as agreed with binding effect due to force majeure, industrial disputes or other operational reasons for which the Supplier is not responsible, the Supplier shall immediately notify the Supplier of this in writing, stating the reasons and the presumed duration. In this case, we shall be released from the obligation to accept the ordered delivery in whole or in part and shall be entitled to withdraw from the contract to this extent if our interest in the delivery is significantly reduced due to the delay caused by force majeure or the industrial dispute.

3.) Certificate of Origin

3.1 The Supplier is obliged to send us the required declarations on the customs origin of the goods on request. He shall be liable for all detriments incurred by us as a result of a Supplier's declaration not being submitted in accordance with the regulations or being submitted late. If necessary, the Supplier shall provide evidence of his information on the origin of the goods by means of an information sheet confirmed by his customs office.

3.2 The Supplier has an obligation to provide information to FAT regarding the origin and composition of the goods, insofar as we require this information for our export control. The Supplier undertakes not to supply us with goods originating in the USA. Should the Supplier wish to deliver US goods to us, he shall notify us in writing in advance so that the US export control regulations on the part of FAT can be complied with.

4.) Terms of Payment/Prices

- 4.1 The closing prices agreed upon are maximum prices and are for shipment within the Federal Republic of Germany including all ancillary costs, free recipient station. However, the Supplier undertakes to reduce the purchase price in the event of a price decline or fall, unless separate order-related agreements must be applied.
- 4.2.1 The risk shall only pass to us upon receipt of the goods at the place of destination. Insofar as assembly has also been agreed, only upon acceptance without complaint or trouble-free commissioning.
- 4.3.1 Invoices shall be issued separately for each order immediately after dispatch of the goods, stating the order data. The value added tax shall be shown separately. Invoices that have not been properly issued shall be deemed not to have been issued. The Supplier shall provide all evidence (e.g. certificates of work and origin, test reports,) which are either agreed or required for us to obtain other benefits already with the delivery note.
- 4.3.2 Unless otherwise agreed, the purchase price agreed upon is due for payment within 14 days with 3% discount, net from the 15th - 30th day. The periods shall commence upon receipt of the invoice or, if the goods arrive after the invoice or acceptance only takes place after the invoice has been issued, upon receipt of the goods or acceptance. Deliveries before the delivery date stipulated in the order entitle us to a conversion to the desired delivery date.
- 4.4 Late payments, the cause of which is e.g. incomplete or incorrect invoice information, nevertheless entitle us to deduct a discount. Any payment shall be subject to audit. If defects are found in the goods or services, this entitles the Customer to retain the invoice until they have been rectified. The amount of the invoice retention shall be determined in accordance with § 441 para. 3 BGB (German Civil Code).

5.) Warranty

5.1 The Supplier warrants the use of flawless, appropriate materials, correct and proper execution, taking into account the latest state of science and technology. The Supplier expressly guarantees and assures that all deliveries have the agreed or otherwise warranted properties, unless higher requirements have been agreed in individual contracts, the complete conformity of the goods sold with the samples, specimens and descriptions

supplied by them and that these comply with the relevant legal provisions and regulations and guidelines of the authorities, trade associations and professional associations.

The Supplier further undertakes to comply with the statutory environmental and safety requirements in the country of manufacture and distribution, in particular with the relevant Consumer Goods Act and the relevant Consumer Goods Ordinance .

The applicable regulations of the Ordinance on Hazardous Substances, in particular with regard to labelling, packaging, safety data sheets and prohibitions on manufacture and use, must be fulfilled. In the case of initial sampling of a product containing a hazardous substance within the meaning of the Ordinance on Hazardous Substances, a duly completed safety data sheet must be handed over without being requested to do so. This also applies if a reclassification is subsequently made.

The Supplier shall constantly check the quality of the delivery items and prepare comprehensible documentation thereof. This must be presented to the Purchaser on request. The Purchaser is entitled to carry out quality audits at the Supplier's premises upon request.

If deviations from these regulations are necessary in individual cases, the Supplier must obtain our written consent. Furthermore, the Supplier guarantees to use environmentally friendly products and processes for its deliveries or services within the scope of economic and technical possibilities. He shall be liable for the environmental compatibility of the products and packaging materials supplied and for all consequential damage resulting from the breach of the statutory disposal obligations.

At our request, the Supplier shall be obliged to issue a certificate of quality for the delivered goods .

The liability of the Supplier always extends to intent and negligence.

- 5.2 We shall inspect the goods for any deviations in quality or quantity within a reasonable period of time . Notices of defects shall be deemed to have been given in good time if they have been sent to the Supplier within a period of 14 days after delivery of the goods. In the case of hidden defects, the complaint period of 14 days shall not commence until the defect is recognised. In this respect, the Supplier waives the objection of delayed notification of defects.
- 5.3 The right to choose the type of supplementary performance is basically ours, whereby the Supplier can only refuse this type of supplementary performance if it is only possible with disproportionate costs. A withdrawal from the contract does not exclude the further assertion of claims for damages.
- 5.4 In urgent cases, in particular to avert acute dangers or avoid major damage, we shall be entitled, in the event that the Supplier does not immediately comply with our request to remedy the defect , to remedy the defect ourselves or have it remedied by a third party at the Supplier's expense.
- 5.5 The warranty periods shall be 36 months, or 5 years for goods which are used for a building in accordance with their usual use, in each case from the time of acceptance free of defects.
The warranty claim shall become statute-barred at the earliest 6 months after the notice of defect has been lodged within the warranty period, but not before the end thereof.
- 5.5.1 If we take back goods manufactured and/or sold by us as a result of the defectiveness of the product delivered by the Supplier or if the purchase price was reduced for us because of this, or if we are held liable in any other way, we hereby expressly reserve the right of recourse against the Supplier. The exercise of this recourse does not require the setting of a deadline otherwise necessary. In this case, we are entitled to demand compensation from the Supplier for all expenses that we have incurred in relation to our Customer due to the delivery of his defective product, including reimbursement of the expenses necessary for the purpose of rectification, in particular transport / travel / labour and material costs.
If a material defect becomes apparent within 6 months, it shall be presumed that the defect was already present at the time of the transfer of risk, unless this presumption is incompatible with the nature of the item or the defect. The Supplier reserves the right to provide evidence to the contrary.
- 5.6 The Supplier shall be obliged to notify its upstream Suppliers of any recourse claims immediately after they have been asserted by us and to assign these recourse claims to us on account of performance. He shall also notify of the assignment to the upstream Supplier without delay. Irrespective of this, the Supplier's own obligation towards us shall remain in force. The statutory regulation (§§ 478, 479 BGB) shall apply to our claims under a right of recourse due to defective goods with the proviso that we shall also be entitled to claims under a right of recourse if it is not a purchase of consumer goods . Furthermore, in deviation from § 479 para. 2 BGB (German Civil Code), our recourse claims shall become statute-barred at the earliest after 6 months from the time at which we have fulfilled our Customer's claims.
- 5.7 If a Supplier carries out subcontracted orders for us, he must check material provided by us for perfect condition before processing. In the event of any errors, editing may only be carried out with our express consent.

The execution of the work by subcontractors is only permitted in exceptional cases after prior agreement.

6.) Product Liability / Recall

6.1 Insofar as the Supplier is responsible for product damage, he is obliged to indemnify us against such claims for damages by third parties at our first request if the cause lies within his sphere of control and organisation and was caused by his fault. In such cases, the Supplier shall bear all costs and expenses. In particular, also those arising from or in connection with a recall campaign carried out by us.

We will inform the Supplier about the content and scope of the recall measures to be carried out - insofar as this is possible and reasonable - and grant him the opportunity to comment. In all other respects, the statutory provisions shall apply.

6.2 Furthermore, the Supplier undertakes to maintain a product liability insurance with an insured sum of at least 10 million euros per personal injury/property damage lump sum and to provide us with evidence of this upon request. This does not limit our claims for damages, nor does it release the Supplier from its obligation or liability under this contract.

7.) Secrecy / Property Rights

7.1 The Supplier undertakes to keep secret from third parties all business or technical information made available to him by us - as long as and insofar as it is not demonstrably public knowledge - . It is expressly pointed out that these remain our exclusive property. Such information may neither be reproduced nor passed on without our prior written consent. In the Supplier's business, they are only to be made available to those persons who must necessarily be consulted for their use for the purpose of delivery to us and who are also obliged to maintain secrecy.

Upon first request, all information originating from us, including copies/records made, shall be returned to us immediately and in full.

We reserve all rights to such information (including the right to register industrial property rights, copyrights).

7.1.1 Drawings, models, samples and tools provided by us or manufactured according to our specifications are our property and may not be used for third parties or made accessible to them in any other way . These are to be returned to us upon first request.

7.2 The Supplier guarantees and assures that no third party rights are infringed in connection with its delivery and indemnifies us against any third party claims for compensation. This indemnification also refers in particular to all expenses and damages incurred by us from or in connection with the claim by a third party. In particular, the Supplier shall reimburse us for the costs incurred by us to defend ourselves against claims by third parties at .

8.) Retention of Title

We acquire ownership of ordered goods immediately upon notification of readiness for dispatch. The Supplier shall store the goods ready for dispatch separately from other stocks and separate them from and store them free of charge until acceptance by us. The Supplier assures that there are no third party rights to the delivered goods. We expressly point out that we do not recognise any extended or forwarded retention of title by the Supplier.

9.) Safety and Regulatory Rules

9.1 In the case of deliveries and services on our property and on our premises, our safety and order regulations must be observed; these shall become an integral part of the contract in this case. In case of ignorance, these can be requested from us by the Supplier free of charge.

9.2 The calculation of hours worked shall only be recognised on the basis of work slips to be issued by the Supplier and to be signed by us.

10.) Final Provisions

10.1 In the event that individual parts of these General Terms and Conditions of Purchase are legally ineffective, the effectiveness of the remaining provisions shall not be affected thereby.

- 10.2 The Supplier is not entitled to transfer rights arising from the delivery contract concluded with us or the Supplier's counterclaim arising from this contract to third parties, either in whole or in part, without our express written consent.
- 10.3 If the Supplier ceases to make payments or if insolvency / composition proceedings (judicial or extrajudicial) are applied for, we shall be entitled to withdraw from the contract.
- 10.4 The contractual language is German. Insofar as the contracting parties also use another language, the German wording shall take precedence.
- 10.5 The contractual relationship between us and the Supplier shall be governed by the law of the Federal Republic of Germany.
- 10.6 The place of performance for the delivery is the shipping address named by us. If such a place is not designated, the place of performance for the delivery shall be 57572 Niederfischbach. For all disputes arising from the contractual relationship, if the Customer is a fully qualified merchant, a legal entity under public law or a special fund under public law, or has its residence or business headquarters outside the Federal Republic of Germany, the court of our registered office in 57572 Niederfischbach shall have jurisdiction. However, we are also entitled to bring an action at the Customer's place of business.

D-57572 Niederfischbach