

## 1. Applicability:

Our services shall be subject exclusively to the latest version of the General Conditions of Delivery for Products and Services in the Electrical Industry (ZVEI) with the following additional terms, provided that individual cases do not stipulate other provisions in writing. Therefore and even if we do not issue explicit contradiction thereto, any other conditions upheld by our customers shall only apply to the extent that they correspond with our conditions. Acceptance of the ordered services shall be deemed equivalent to the recognition of our conditions. Supplementary agreements shall only be effective if confirmed in writing.

## 2. Scope of supply:

- 1) Written offers shall remain valid for a period of 30 days from the date of said offer.
- 2) The obligation to provide a service does not come into force until after acceptance of the order by written confirmation, which will thereafter define the binding contractual terms for both sides. Telegraphic, telephone or oral supplements, amendments or additional agreements require our written confirmation.
- 3) The documents belonging to the offer such as diagrams, drawings and weight specifications represent merely industry-standard approximations unless otherwise specified explicitly as binding. We reserve title and copyright to such documents; they must not be made accessible to third parties. They must be returned immediately on request or if the order does not come into force.
- 4) Outturn samples will only be provided on request and will be charged separately.
- 5) We accept no liability for mistakes arising from errors made in documents submitted by the ordering party.
- 6) In the event that following contractual conclusion, a situation emerges that poses a threat to the claim for the remuneration to which we are entitled, we shall be permitted to demand advance payment or sufficient collateral and furthermore to refuse fulfilment of our services until our requirements have been satisfied or to withdraw from the agreement, subject to our choice.

## 3. Prices:

- 1) Services shall be charged on the basis of the EUR prices specified in the offer and the order. Deliveries for which no fixed prices have been explicitly agreed will be charged on the basis of the prices applicable on the date of delivery.
- 2) Unless otherwise agreed, the prices apply ex works and without packaging. They apply in each case only to the ordered quantity and only for the execution specified in the offer and the order. We reserve the right to raise prices accordingly in the event that in derogation to the offer and enquiry, drawings, samples, fitting pieces or gauges are provided that require greater processing than assumed in the offer and the enquiry.
- 3) Furthermore, we reserve the right to bill for suitable surcharges (e.g. precious metal surcharges) in the event that there should be an extraordinarily strong rise in the raw materials quotations.

## 4. Payment conditions:

- 1) All invoices, except invoices for services, are payable in full 30 days after the receipt of invoice.
- 2) Invoices for services (hardware/software engineering and/or consulting) are payable net immediately upon receipt of the invoice.
- 3) Payment must be made with no charges to the supplier's paying agent. Such payments must not be retained on the basis of counter-claims that we have neither recognised nor have been upheld in a court of law. Offsetting is only permitted on the basis of separate agreement.
- 4) We shall only accept bills of exchange on account of payment and with costs charged to the ordering party on the basis of a separate written agreement.
- 5) In the event of arrearage, we shall charge interest on arrears amounting to 3 % above the respective Bundesbank discount rate.
- 6) All of our accounts receivables shall be declared payable immediately in the event of arrearage and when circumstances arise that would be suitable to reduce the creditworthiness of our customers, irrespective of the terms of any bills of exchange that may have been accepted. We shall be entitled in these cases to perform outstanding services subject to advance payment or the provision of collateral only.

## 5. Shipping:

The ordering party carries the risks involved in shipping at all times; this applies equally if free delivery has been agreed. Unless definite instructions for shipping are issued, shipping shall take place on our best judgement, but with no guarantee for the least expensive form of shipping.

## 6. Packaging:

Packaging is charged at cost price according to the best rates and for cost reasons may not be returned.

## 7. Delivery time:

- 1) All details concerning delivery deadlines are approximate and unbinding. There shall be no right to claim compensation in the event that delivery deadlines are not met.
- 2) The delivery period begins on the date of written agreement on the order. Adherence hereto is conditional upon the punctual receipt of all

documents to be supplied by the ordering party, required authorisations and the adherence to agreed obligations. These periods shall otherwise be extended accordingly. The same shall apply to an obstruction for which the supplier carries no responsibility; we shall provide notification in these cases as quickly as possible. The delivery deadline shall be deemed adhered to as soon as the consignment has left our plant.

## 8. Term of acceptance:

Unless otherwise agreed, we shall grant a period of 6 months beginning on the date of order for make and hold orders. After this period, we shall have the right to charge for the products or to withdraw from the agreement, subject to our choice.

## 9. Liability for defects:

- 1) Complaints can only be taken into consideration if they are reported in writing within 8 days following receipt of the products. We are obligated to repair, recall or replace the products in the event of defect complaints, subject to our choice. Any additional claims, in particular in the event of accidents involving personal and material damage, shall be excluded.
- 2) Further to Section XII of the General Conditions of Delivery for Products and Services in the Electrical Industry, it is agreed that packaging shall take place with the greatest possible care and under expert supervision. Accordingly, compensation for damages cannot be provided in the event of any incidental breakage occurring during unpacking or transport, for instance.

## 10. Partial deliveries:

- 1) Partial deliveries are permitted.
- 2) Partial deliveries must on all accounts be examined immediately and any complaints must be lodged directly (by telephone or telegraph), as in most cases work remains ongoing. The partial delivery shall otherwise be considered outage and shall determine the continued execution of the order. In the event that partial deliveries shall be defective, the ordering party is not entitled to derive any rights concerning remaining partial deliveries.

## 11. Retention of title:

- 1) We retain title to the delivered goods until complete payment of the purchase price and any other accounts receivables from previous deliveries have been made. In the event of an open item basis, we reserve title to said goods until settlement of the entire accounts receivables. Acceptances, bills of exchange and cheques shall not be considered payment until they have been cashed. Unless otherwise agreed, payments shall be settled against the oldest accounts receivables.
- 2) a) As reseller, the buyer is entitled to sell the goods in ordinary business transactions and before incidence of arrearage; said sales shall hence no longer be permitted after the incidence of frozen assets and in particular following suspension of payments.  
b) Provided the goods are submitted to the buyer for this purpose, the buyer is entitled to process/reprocess or assemble the goods subject to retention of title in the same way and to sell the new goods thus created accordingly.
- 3) Any other disposals such as mortgage or provision as collateral shall only be permitted with our written approval. In the event that the goods subject to retention of title are seized, the buyer must provide us with immediate notification and must submit to us the court seizure. The same shall apply to any interference in our rights by third parties. The buyer must conduct any interventions at its own expense.
- 4) In the event that the buyer acting as a reseller shall sell the goods subject to retention of title on credit, the buyer shall automatically and immediately cede to us all accounts receivables from its buyer and shall be obligated to agree corresponding retention of title to protect our rights. The buyer must provide us with notification in this respect and must, on request, submit two copies of a statement of assignment.
- 5) The following shall apply in the cases covered in item 2)b):
  - a) We acquire co-ownership of the new product in a proportionate relationship commensurate to the value in which our delivery contributes to the total value of the new product.
  - b) In the event that the buyer sells the new product on credit, the buyer shall automatically and immediately cede to us the future account receivable from the its buyer in a proportionate relationship of value commensurate to the value charged at the moment of sale.
  - c) In this case, the buyer shall be obligated to enforce retention of title for the co-ownership specified under item a) in a proportionate relationship as defined under item b).

## 12. Exclusion of excessive assurance:

The ceded accounts receivables serve to provide us with collateral only to the amount commensurate with the value of the supplied items that remain under our reservation of title. In the event that this value is exceeded, we are obligated on the buyer's request to reassign the ceded accounts receivables.

## 13. Place of performance and jurisdiction:

The place of performance and jurisdiction is Aachen.

## 14. Binding nature of the agreement:

This agreement shall remain otherwise binding, even in the event of legal invalidity of individual provisions therein.

## Export Control

(1) The [Importer/Buyer] shall not sell, export or re-export, directly or indirectly, to the Russian Federation or for use in the Russian Federation any goods supplied under or in connection with this Agreement that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014.

(2) The [Importer/Buyer] shall undertake its best efforts to ensure that the purpose of paragraph (1) is not frustrated by any third parties further down the commercial chain, including by possible resellers.

(3) The [Importer/Buyer] shall set up and maintain an adequate monitoring mechanism to detect conduct by any third parties further down the commercial chain, including by possible resellers, that would frustrate the purpose of paragraph (1).

(4) Any violation of paragraphs (1), (2) or (3) shall constitute a material breach of an essential element of this Agreement, and the [Exporter/Seller] shall be entitled to seek appropriate remedies, including, but not limited to: (i) termination of this Agreement; and (ii) a penalty of [XX]% of the total value of this Agreement or price of the goods exported, whichever is higher.

(5) The [Importer/Buyer] shall immediately inform the [Exporter/Seller] about any problems in applying paragraphs (1), (2) or (3), including any relevant activities by third parties that could frustrate the purpose of paragraph (1). The [Importer/Buyer] shall make available to the [Exporter/Seller] information concerning compliance with the obligations under paragraph (1), (2) and (3) within two weeks of the simple request of such information.