

GENERAL TERMS AND CONDITIONS OF SALE AND PAYMENT for spare and wear parts, consumables and services

of the company
Maschinenfabrik Kaspar Walter GmbH & Co. KG
Konrad-Zuse-Bogen 18
D-82152 Krailling

HRA 46630 Local Court of Munich,
Register Court
VAT Tax ID No. DE 130002107
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I. General

We deliver exclusively to entrepreneurs within the meaning of section 14 of the German civil code (BGB), legal persons under public law and public separate estates. These General Terms and Conditions of Sale and Payment apply to all, including future deliveries of spare and wear parts and/or consumables as well as to services to be rendered by us (repairs, maintenance). Any purchasing conditions of the Buyer are hereby expressly objected to, unless they correspond to our conditions; otherwise they shall not even become part of the contract if we do not separately object to them after they have come to our knowledge.

II. Offer, conclusion of contract

1.
Except as otherwise agreed in writing in individual cases, our offers are made without obligation. An order placed by the Customer without our preceding offer constitutes a binding offer.

2.
All contracts with us, in particular contracts on deliveries and services or on alterations of and/or additions to such contracts, shall in all cases only become effective with our written confirmation of the order; our confirmation of the order shall be authoritative with regard to the scope of delivery and service.

3.
No sales representatives and solicitors of Maschinenfabrik Kaspar Walter GmbH & Co. KG shall be entitled to represent our company in legal transactions, unless they have been granted an explicit written power of attorney for the individual case. Indications and promises made by the persons named above are not binding on us, unless explicitly confirmed in writing by us.

III. Prices

The prices quoted by us are in Euro plus the applicable value added tax. The prices are ex warehouse or works plus packaging, freight and other shipping costs.

IV. Delivery, delivery deadline, return deliveries

1.
The delivery dates quoted by us are non-binding, unless otherwise explicitly agreed. If a fixed delivery date has been agreed, the Customer must set a reasonable period of grace of at least 4 weeks in the event of default.

2.
The delivery period begins on the day on which all technical and other details of the order have been clarified, any required documents have been provided and any contractual down payment has been paid. It extends by the period in which the Customer is in default of fulfillment of its contractual obligations.

3.
Partial performance and partial delivery are admitted to an acceptable extent.

4.
Adherence to agreed deadlines and dates of delivery is subject to the reservation that we are supplied in good time by our suppliers; cases of a missing or delayed own supply will be immediately communicated to the Customer.

5.
Return deliveries are excluded except for cases of warranty.

6.
For deliveries outside the Federal Republic of Germany, if the Buyer fails to submit the import licences to be procured by it in good time, the periods of delivery shall be extended appropriately until submission of import license.

V. Force Majeure

1.
If the non-observance of periods and dates of delivery is due to a Force Majeure event, the agreed periods and dates of delivery shall be extended appropriately, but at least for the duration of the impediment to performance. We will inform the Buyer as soon as possible about the beginning and the end of such conditions. In such a case, the Buyer can, at the expiry of a period of 2 months, ask us to declare whether we shall withdraw from the contract or deliver within a reasonable period; if we do not give any statement within a reasonable period, it can withdraw from the contract on its part. This does not affect the Buyer's right to terminate the contract according to Art. 323 para. 2 of BGB (German Civil Code). Claims for damages on the part of the Buyer are excluded for the duration of periods of performance and delivery extended in accordance with the above.

2.
Force majeure events shall be deemed to be especially but not limited to war or warlike conditions, acts of terrorism, explosion, fire, pandemics/epidemics, transport hindrances, interruptions of operations, delays in the supply of raw materials, failure of telecommunications and information systems as well as all other events that, at the time of the conclusion of the contract, we could not reasonably have foreseen and whose detrimental or obstructive effect on our obligation to perform we could not reasonably have avoided or overcome.

3.
Any advantages which one of the parties gains through actions of the other party before the termination of the contract as a consequence of a force majeure event shall be returned to that other party or that other party shall be compensated accordingly.

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Registergericht München, HRA 46630, persönlich haftender Gesellschafter: E. Rid Verwaltungs GmbH, Registergericht München, HRB 65881

Geschäftsführer: Christoph Gschoßmann

VI. Place of Performance, Shipment, Risk

1. Unless expressly agreed otherwise in writing, goods are always sold ex-factory, irrespective of whether the factory is located within the country or abroad.
2. The risk passes to the Buyer when the delivery item has left the factory, in particular when handed over to forwarders or carriers; this applies also when we have assumed the shipment to a place of receipt specified by the Buyer under a specific agreement or even when we bear the costs of the shipment.
3. In any case, the Buyer must at its expense ensure that the transport vehicles are able to arrive at the place of receipt (place of unloading) without hindrances and the lifting equipment and staff required for unloading are present on site; it is understood in any case - also in favour of the forwarder or carrier instructed - that lifting equipment and staff must wait at least 4 hours beyond the scheduled time of delivery without a reimbursement of costs. Insofar as our staff assists in delivering the goods, they act at the sole risk of the Customer and not as our vicarious agents.
4. If the shipment is delayed on request or for the fault of the customer, the goods are stored at the expense and risk of the customer. In this case, the display of readiness for shipment corresponds to the shipping. The invoice is due for immediate payment despite temporary storage.

VII. Payment

1. Our deliveries and the services rendered by us become due for payment immediately upon delivery / performance. Any discount deduction requires an explicit agreement.
2. The customer may only assert a right of retention and/or offset against counterclaims, if we have acknowledged these claims and/or they are uncontested or have been established by a court decision.
3. In the event of default of payment and cessation of payment by the customer, we can demand the immediate payment of our total claim, irrespective of separately agreed maturity regulations. In these cases, we are further entitled to execute outstanding deliveries only against advance payment or security deposit and - if advance payment or security deposit is not made within 14 days - to withdraw from the contract without setting a new deadline.

VIII. Retention of Title

1. We retain title to the item of delivery until all of our receivables (including ancillary receivables) from the underlying contractual relationship of the delivery and the ongoing business relationship have fully been settled; i.e. the title to the item of delivery and its components shall only pass to the customer when all of our receivables have been paid.
2. In case the legal system of the state to which the item of delivery was delivered according to the contract (= receiving state) does not recognize the retention of title agreed upon above, the Buyer undertakes already upon conclusion of the contract of sale/delivery to create for the benefit of the company K. Walter Maschinenfabrik GmbH & Co. KG a(n equitable) lien or an equivalent security interest (e.g. mortgage) in the item of delivery in accordance with the provisions of the receiving state to secure our claims; such lien/security interest shall expire upon full settlement of the payment.
3. As long as the Buyer duly satisfies the liabilities it has to us, it may continue to use the goods subject to retention of title in the ordinary course of

business. If the Buyer behaves in breach of the contract, in particular in the event of default in payment, we are entitled to take the delivery item back after giving a reminder and fixing an additional period; the Buyer shall be obliged to return the item. Due to the retention of title and/or security interest, however, we can only demand return of the item when we rescind from the contract. If an application for the institution of insolvency proceedings is filed with regard to the Buyer's assets, we are entitled to rescind from the contract and demand the return of the item of delivery.

4. The Buyer is obliged to keep the item subject to retention of title/pledged as security with the diligence of a prudent businessman. Until full settlement of the above-mentioned claim, we must be granted access to the item subject to retention of title/pledged as security any time and must be allowed to affix to it a note indicating our title or security interest. We can insure, at the Buyer's expense, the item subject to retention of title/pledged as security against, theft, breakage, fire, water and other damage as long as the Buyer does not prove the existence of such insurance to us. Upon conclusion of the contract, the Buyer assigns to us, by way of security, its claims against the above-mentioned insurer; we accept such assignment.

5. The Buyer must neither sell nor pledge the item subject to retention of title/pledged as security nor assign it to a third party as a means of security.

We must be immediately informed in writing about any attachment of the item subject to retention of title/pledged as security or any other measures that affect or may affect our rights.

6. If the Buyer behaves in breach of the contract, in particular in the event of default in payment, we are entitled to take the delivery item back after giving a reminder and fixing an additional period; the Buyer shall be obliged to return the item. Due to the retention of title and/or security interest, we can however only demand return of the item when we rescind from the contract. If an application for the institution of insolvency proceedings against the debtor's assets has been filed, we are entitled to withdraw from the contract and demand return of the item of delivery.

IX. Services

1. The customer names a contact person who can make binding decisions for it during the fulfillment of the contract. This person is at our disposal during the agreed times for the exchange of required information and collaborates in the making of the decisions required to fulfill the contract. Required decisions of the customer are to be brought about by the contact person immediately and commonly documented by the parties immediately in writing or in text form.
2. If the service has to be provided at the customer's place of business, it shall ensure that we or the staff employed by us is granted the right to access the premises and the operating spaces, and that the necessary technical infrastructure, in particular electricity, is provided free of charge.
3. The costs for any support services which the Customer may provide through employees and / or external third parties within the scope of contract execution shall be borne by the Customer.
4. Unless otherwise explicitly agreed in writing, we provide our services Monday to Friday between 8:00 a.m. and 05:00 p.m., except on public holidays and in the period from 24/12 to 31/12 of each year. The working hours are determined by the German Working Hours Act.
5. If services are rendered at the Customer's plant, it undertakes to restrict or, if required, to even completely cease the operation of its production plant, if this is necessary for reasons of personal and occupational safety. We cannot be held liable for any disadvantages may incur as a result thereof.

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6.
The customer grants us unhindered access to the plants at the agreed times so we can fulfill the contract and is liable for the proper, risk-free condition of the access and of the workplace. The customer ensures that our staff can use functioning eye and body showers on-site, if needed. It must instruct our staff at the start of work about the local conditions on site, in particular any sources of danger, and inform them about existing escape routes.

7.
If the fulfillment of the contract is delayed due to circumstances for which the customer is responsible, it shall bear the costs for the waiting time of the staff employed by us and, if necessary, also for their repeated travel and/or additional overnight stay.

8.
Additional work that is not part of our order confirmation must be confirmed by the customer in writing and paid separately.

X. Warranty [i.e. guarantee given under statutory law]

1.
All indications of quantity, measurement and weight are subject to the tolerances usual in trade. With regard to galvanic baths, chemicals and other consumables, we guarantee that they are of faultless quality and composition upon delivery and that they comply with the relevant national and European regulations.

2.
Changes in the design and manufacturing of spare and wear parts that do not or only inconsiderably affect the purpose of use remain reserved.

3.
The owed internal and external characteristics of the goods are determined according to the agreed specifications, in the absence of such according to our product descriptions, markings and specifications, in the absence of such according to practice and commercial custom. References to standards and similar regulations, indications on safety data sheets, indications about the usability of the goods and statements in advertising materials do not constitute a contractual agreement concerning the nature and quality of goods, an assurance or guarantee, nor any declarations of conformity. Identified uses under the REACH Regulation (EC) No. 1907/2006, which do not correspond to the actual use of the customer, do not constitute an agreement of an appropriate contractual nature or quality of the relevant goods nor a use required under the contract.

4.
If we advise the customer verbally, in writing or by means of tests, this will be done to the best of our knowledge; we do however not assume liability in this context, and our advice does not release the customer from examining the delivered goods with regard to their suitability for the intended procedures and purposes.

5.
The customer must ensure that the workpieces to be machined by it are in a galvanisable condition, in particular free of solder and welding residues, baked fats and oils, molding sand and cast skin, paint, graphite, rototurning residues, halogen- or silicone-containing preservation, and that all necessary preparatory work has been carried out. We do not assume liability for damage caused by non-observance of instructions for use and / or processing or other disregard of the care required in the handling of dangerous goods. We do not assume liability that the Customer installs the spare parts supplied by us properly, and liability is also excluded if the spare parts are not used for the plant or the type of plant for which they were produced.

6.
Complaints about defects that are apparent in a proper examination of the delivery item must be made immediately by the Customer, not later than within 5 working days from the date of acceptance or arrival at the place of receipt. Defects that can only be detected at a later time (so-called hidden defects) are to be complained about without delay then. Timeliness of a complaint depends on its receipt by us. In any event, immediate complaints

must be made in writing, by telex or telegram, exactly stating the defect, otherwise the Buyer will forfeit its rights. Supplementary to all contractual provisions, all contracts shall be governed by section 377 of the German commercial code (HGB).

7.
In case of justified notices of defects of quality, we can, at our choice, either rectify the defect or deliver replacement for the defective goods. In case rectification of defects and/or delivery of replacement should fail or be economically unreasonable for us, the customer can, at its choice, either reduce the purchase price or withdraw from the contract.

8.
If defects and/or damage occur to the workpiece machined or the product manufactured by the Customer when the galvanic consumables delivered by us are used, and if the customer asserts claims against us in this respect, it is obliged to grant us the possibility of having the determined defect checked on its premises by an expert mandated by us. If it should turn out after appropriate review that the cause of the defect / damage is not within our area of responsibility, the customer is obliged to compensate for the incurred, necessary expert costs.

XI. Liability

1.
To the extent we are obliged to pay damages under contract or law, we shall only be liable for grossly negligent or intentional fault or behaviour of our vicarious agents, legal representatives or staff members.

2.
The limitation of liability named above does not apply to any claims against us under the product liability act or in case of injury of life, body or health and/or breach of material contractual duties, the failure of fulfillment of which may endanger the achievement of the contractual object ("cardinal duties"). In the case of an only slight negligent breach of such cardinal duties, our liability for damages shall as a rule be limited to compensation for the reasonably foreseeable, direct damage typical of the contract.

3.
Any further claims are excluded, if they are legally permitted at all.

XII. Statute of Limitation

1.
The warranty period begins upon acceptance of the contractual delivery or service.

2.
Claims for warranty against us shall become statute-barred within 12 months, unless we can be blamed for malice and/or fraudulent intent or a case of damage to body, life or health exists.

XIII. REACH regulation

1.
In placing its order with us, the customer confirms that it implements the consumables which are subject to the Regulation (EC) No. 1907/2006 of the European Parliament and of the Council for Registration, Evaluation, Authorization and Restriction (REACH Regulation) exclusively for lawful use. If the customer notifies us of a use according to Art. 37.2 of the Regulation (EC) No. 1907/2006, which requires an update of the registration or the chemical safety report or creates another obligation under the REACH Regulation, all required, verifiable expenditures shall be borne by the Customer. We are not liable for delivery delays caused by the announcement of this new use and our fulfillment of the corresponding obligations under REACH. If it is not possible to include this new use as an identified use for reasons of health or environmental protection and if, contrary to our advice, the customer intends to use the goods in a manner

not previously identified, we may withdraw from the contract. Any rights against us are excluded in this case.

2.
Safety data sheets, which are attached to the delivered consumables as necessary, do not release the customer from the need to assess, on the basis of actual operational conditions, which risk management measures are appropriate and necessary for the specific conditions relating to how they use the goods and to ensure that any hazardous materials are only used in such a way that human health and the environment are not adversely affected.

3.
The Customer is obliged to immediately notify us of new information / knowledge about a substance or about the suitability of the risk management measures specified in a safety data sheet in order to adapt the safety data sheet, if necessary, to this new knowledge / information.

XIV. Export clause

1.
In the absence of any different contractual agreements with the Buyer, the item of delivery is intended to be brought into circulation for the first time in the Federal Republic of Germany, or in the case of a delivery outside the Federal Republic of Germany, in the country agreed on for the initial delivery (initial country of delivery).

2.
The sale, the deliveries and services are subject to the reservation that no obstacles as a consequence of national or international export control legislation, especially but not limited to embargoes and other sanctions, stand in the way of their performance. Where delays occur as a consequence of export inspections (export controls) or licensing procedures, the (agreed) periods and delivery times shall be extended appropriately. In the event that any licences that are required are not issued or the delivery or service is not licensable, the contract shall, with regard to the parts concerned, be deemed not concluded. The seller shall neither provide a guarantee for the export, nor for the import.

3.
With due regard to any declarations about the end-use of the item and in compliance with the relevant export regulations and embargoes, especially but not limited to those of the EU, Germany or other EU member states, and also those of the USA, Asian and Arab countries and all third countries concerned, the Buyer shall be personally responsible for checking to see whether and under which conditions the export of the item delivered to it is admissible. In the event of deliveries to a country different to the initial country of delivery that was agreed on with us, it shall ensure that the product licensing and registration requirements of that country are complied with and also that the regulations enshrined in the laws of that country regarding the provision of user information in the respective local language and the import regulations are met.

4.
The Buyer shall check and ensure, and if so requested shall furnish the appropriate proof, that

- the delivered products shall not be used for any purpose related to armaments, nuclear technology or weapons;

- no military recipients shall be supplied with the products delivered by us;

- no recipients shall be supplied who have violated other export control regulations, especially but not limited to those of the EU or ASEAN member states;

- no organisations and persons shall be supplied whose names appear on the list of Specially Designated Terrorists, Foreign Terrorist Organisations, Specially Designated Global Terrorists or the Terrorist List of the EU, or other relevant negative lists used for export control.

5.
In the event that the goods delivered by us are passed on to third parties, the Buyer undertakes to commit this third party in exactly the same way as in Clause 1.) - 4.) above and exempts us from any and all claims arising from the culpable violation of the obligations regulated in the above.

XV. Miscellaneous

1.
Oral side agreements do not exist. Any alterations of or additions to the contracts with us must be made in writing to become effective; this applies also to a waiver of this written-form requirement.

2.
If any of the provisions set forth above should be or become ineffective as a whole or in part, the effectiveness of the other contractual provisions and of the contract as a whole shall remain unaffected thereby. For such case, the customer undertakes already now to agree with us, in place of the ineffective provision, on an effective one that leads to the same economic result.

3.
The place of performance with regard to all obligations of the customer is the seat of our company. The place of jurisdiction is the seat of our company, also for actions in proceedings based on documentary evidence, and claims arising from bills and cheques; however, we are also entitled to sue the Buyer at its place of jurisdiction.

4.
There apply exclusively the laws of the Federal Republic of Germany, excluding the United Nations Convention of Vienna on Contracts for the International Sale of Goods (CISG) of 11 April 1980.