

General Terms and Conditions of Purchase of the ABM Greiffenberger Antriebstechnik GmbH

1. General provisions, scope of application

- (1) The General Terms and Conditions of Purchase ("GTC") apply for all contracts of purchase and contracts for work and materials ("Purchase agreement") between ABM Greiffenberger Antriebstechnik GmbH and our suppliers ("seller"). The GTC shall only apply if the seller is an entrepreneur (section 14 of the German Civil Code), a legal person under public law or a special fund under public law. The GTC shall apply to the exclusion of all others.
- (2) The relevant version of the GTC shall also function as a framework agreement for future contracts with the same seller without us having to refer to our GTC in individual cases again; we will inform the seller about any changes of our GTC.
- (3) Individual agreements that may have been concluded with the seller (including commercial clauses, ancillary agreements, supplements and amendments) shall take precedence over the GTC. A written agreement or our written confirmation is required to validate the content of such agreements. If international commercial clauses are applied, in case of doubt, the interpretation in accordance with Incoterms, published by the International Chamber of Commerce in Paris (ICC), as amended at the time of conclusion of contract shall apply.
- (4) Legally relevant declarations and notifications that are to be submitted by the seller to us after the contract has been concluded (e.g. deadlines, reminders, declaration of rescission) are required to be in writing in order to be effective. Furthermore, for statements and representations for which written form is contractually or legally required, any written form is sufficient (esp. fax or e-mail).
- (5) References for the validity of statutory provisions shall have an explanatory function only. Even without such explanation, the statutory provisions shall apply, as far as they have not been directly modified or expressly excluded in the GTC.

2. Conclusion of contract

- (1) Our order is binding no earlier than the time of written submission or confirmation. The seller shall be required to point out obvious errors (e.g. spelling and calculation errors) and deficiencies in the order and the order documentation for the purpose of correction or completion prior to acceptance; otherwise, the contract shall not be deemed effective.
- (2) The seller is requested to confirm our order in writing within a period of 2 weeks or execute it without reservation especially by sending the goods (acceptance), as far as not otherwise stipulated in the order. Delayed acceptance shall be deemed a new offer and shall require acceptance by us.

3. Delivery time and delivery delay

- (1) The delivery time indicated by us in the order shall be binding. If the delivery time is not indicated in the order and has not been agreed upon otherwise, it shall be 2 weeks from the conclusion of the contract. The seller is required to inform us without delay in writing in the event that he anticipates that he cannot comply with agreed delivery times for any reason whatsoever.

- (2) In the event that the seller fails to perform or fails to do so within the agreed delivery time or if such performance is subject to delay, our rights shall be governed by the statutory provisions, especially with respect to rescission and damage compensation. Provisions under no. 3 shall remain unaffected.
- (3) Should the seller default, we are entitled to claim the payment of a contractual penalty in the amount of 0.3% of the net purchase price (delivery value) of the delayed delivery for each started workday, such compensation shall not, however, exceed 5% of the contractual delivery value. We are entitled to claim the contractual penalty in addition to the fulfillment of the order and, as a minimum amount, the compensation for which the seller is liable in accordance with statutory provisions; the right to claim further damages shall remain unaffected. If we accept the belated performance, we will claim the contractual penalty at the latest at the time of the final payment.

4. Performance, delivery, transfer of risks, acceptance delay

- (1) The seller is not entitled to sub-contract (e.g. subcontractors) any of its obligations to third parties, without our prior written consent. The seller shall bear the procurement risk for his services, unless the contract applies to an already manufactured single piece.
- (2) Delivery shall take place free of charge within Germany at the location indicated in the order. If the location is not designated and no agreements have otherwise taken place, the delivery shall take place at our business headquarters. The point of destination is also the place of performance (obligation to deliver).
- (3) The delivery shall be accompanied by a delivery note indicating the date (issue and shipping), the content of the delivery (item number and quantity), as well as our order identifier (date and order number). If the delivery note is missing or is incomplete, we do not take any responsibility for any resulting delays in handling and payment. A corresponding shipping notice containing the same information shall be sent to us separately from the delivery note.
- (4) The risk of accidental loss or accidental deterioration of the item passes to us upon transfer at the place of performance. Insofar as an act of acceptance is agreed, this shall determine the passing of the risk. Furthermore, the statutory provisions under the law applicable to works and services shall apply accordingly to any acceptance agreed upon. If we are in default of acceptance, handover or acceptance shall apply as having taken place.
- (5) In the event of our delay in acceptance the statutory provisions shall apply. However, the seller shall expressly offer us performance even if a specific or definable calendar date has been agreed upon on our part for an action or assistance (e.g. provision of material). In the event that we are in acceptance delay, the seller can demand compensation for any additional expenses in accordance with the statutory provisions. If the contract refers to the manufacture of non-fungible goods (individual production) that are to be produced by the seller, the seller shall be entitled to further-reaching rights only if we commit

ourselves to participation duties and are responsible for the failure to perform participation duties.

5. Prices and payment terms

- (1) The price indicated in the order is binding. All prices include the legally applicable sales tax unless it is indicated separately.
- (2) Unless otherwise indicated in individual cases, the price shall cover all services and ancillary services of the seller (e.g. assembly, mounting), as well as all incidental costs (e.g. proper packaging, transport costs, including any transport and liability insurance). The seller shall take back packaging material at our request.
- (3) Unless otherwise agreed upon, the agreed price shall be due for payment within 60 calendar days upon completion of delivery and performance (including any agreed acceptance when applicable) as well as receipt of a proper invoice. In the case of payment within 30 days we shall be entitled to a discount of 3%. The invoice shall be issued for each order separately and must state our order identification (date and order number). Payment period starts when goods have been delivered orderly. In case of a bank transfer the payment shall be considered effected, if our transfer order has been received before the expiry of the payment period; we are not responsible for delays caused by banks involved in the payment transaction.
- (4) We shall not owe interest after the due date. The payment of interest on arrears shall be 5 percentage points over the base interest rate. In the event of a delay, for which we are responsible, the statutory provisions shall apply; in derogation of this provision, in any case, the seller shall issue a written reminder.
- (5) We are entitled to the right of set-off and retention, as well as plea of non-performance to the statutory scope. We are, in particular, entitled to retain due payments as long as we still have claims against the seller arising from incomplete or faulty services.
- (6) The seller shall have the right of set-off or retention only on the basis of legally determined and undisputed counterclaims.

6. Confidentiality and rights of ownership

- (1) We shall reserve the rights of ownership and copyright for plans, drawings, calculations, instructions, product descriptions and other documentation. Such documents are to be used solely for the contractual services and must be returned to us after the execution of the contract. The documents shall be kept confidential and this obligation to confidentiality shall continue to apply even after the contract has ended.
- (2) The foregoing provisions shall apply correspondingly for items and materials (e.g. software, finished goods and work-in-progress) as well as for tools, patterns, samples and other objects that we provide to the seller for manufacturing. When not undergoing processing, such objects shall be maintained separately and shall be appropriately insured against loss or destruction at the cost of the seller.
- (3) Any processing, mingling or combination (further processing) of the objects provided by us will be carried out by the seller in our favor. The same applies if we further process the delivered goods, so that we, by such processing at the latest, will be deemed the manufacturer and obtain ownership of the product in accordance with the statutory provisions.

- (4) The transfer of ownership of the goods to us shall take place unconditionally and regardless of whether the payment price has been paid. If we accept, however, in individual cases, an offer from the seller to transfer the ownership of the goods through the payment of the purchase price, the seller's reservation of ownership of the delivered goods lapses at the latest with the payment of the purchase price. In the scope of a correct business transaction we remain entitled to resell the goods even prior to the payment of the purchase price by the assignment in advance of the claim resulting from the resale (alternatively valid for the simple and extended reservation of ownership). All other forms of reservation of ownership are excluded, in particular, the extended and the transferred reservation of ownership as well as in the case of further processing of the goods.

7. Defective delivery

- (1) Unless otherwise stipulated, statutory provisions shall apply regarding our rights with respect to material and legal defects in the goods (including wrong and shortfall delivery, inexpert assembly, deficient assembly or operating instructions) and regarding other breaches of duty on the part of the seller.
- (2) According to the law, the seller in particular is liable for ensuring that the goods have the agreed properties upon transfer of risk to us. The product descriptions which, in particular through designation or reference in our order, are the subject matter of the respective agreement, or which were incorporated into the agreement in the same way as these GTC, are regarded as an agreement. Thereby, it does not make any difference whether the product description originates from us, from the seller or from the manufacturer.
- (3) Notwithstanding section 442, paragraph 1, clause 2, of the German Commercial Code, we may assert claims regarding defects even if we were unaware of the defect at the time of entering into the contract as the result of gross negligence.
- (4) The statutory regulations (sections 377, 381 of the German Commercial Code) shall apply with respect to the commercial duties of examination and notice of non-conformity duties, as follows: Our duty of examination shall be limited to defects that come to light during our incoming goods inspection involving a visual examination of the goods and a check of the delivery documents as well as during our random sample-based quality control inspection (e.g. transport damage, wrong and shortfall delivery). With other defects, it depends to what extent an examination which takes into account the circumstances of the individual case will be possible in the normal course of business. If an acceptance has been agreed upon, there is no obligation to conduct an inspection. Our obligation to notify defects discovered at a later date shall remain unaffected. In all cases, such a complaint (notice of defect) shall be considered prompt and in due time if it reaches the seller within 2 weeks.
- (5) Rectification of defects includes also the disassembly and re-assembly of the defective goods, provided that the goods were incorporated in other things in accordance with their intended use. The costs incurred by the seller for inspection and rectification must be borne by the seller if it turns out that in fact no defect existed. Any regulation to the contrary shall apply only if we have recognized or if gross negligent have not recognized that no defect existed.
- (6) If the seller does not fulfill his obligation of supplementary performance – at our option either by remedy of deficiencies (rectification) or by delivery of goods free from defect

(replacement) – within an adequate period stipulated by us, we may carry out remedial actions ourselves and claim compensation for the necessary expenditures or respective advance payments from the seller. If the supplementary performance by the seller has failed or if it is not reasonable for us (e.g. in particular urgent cases, danger of operational security or imminent disproportional loss), stipulation of a deadline is waived; we shall inform the seller of such circumstances immediately, if at all possible in advance.

- (7) Moreover, we are entitled, under the law, to a reduction of the purchase price or to withdraw from the contract in case of material or legal defects. Furthermore, we are entitled to compensation for damages and reimbursement of expenses according to the law.

8. Supplier's recourse

- (1) We are unrestrictedly entitled to the legally defined rights of recourse within the supply chain (supplier's recourse in accordance with sections 478, 479 of the German Civil Code) in addition to the right to claim damages for defects. We are especially entitled to demand exactly that kind of supplementary performance (rectification or replacement) from the seller which we owe our consumer in the individual case. Our legal right of choosing the cure is not affected hereby (section 439, paragraph 1, of the German Civil Code).
- (2) Before accepting or fulfilling a claim of defect asserted by one of our customers (including reimbursement of expenditure in accordance to paragraph 478 section 3, paragraph 439 section 2 of the German Civil Code), we will inform the seller explaining the facts in short and ask him for a written statement. Unless the statement is submitted within an adequate period of time and a mutual solution is made, the claim of defect actually granted by us is considered to be owed to our customer; in this case the seller is obliged to produce proof of the contrary.
- (3) Our rights to supplier's recourse also apply if the goods were processed by us or one of our purchasers, e.g. by incorporating them in another product before they are sold to a customer.

9. Product liability

- (1) If the seller is responsible for product damage, he shall exempt us from third-party claims insofar as the cause lies within his domain and organization and he is himself liable against third parties.
- (2) Within his indemnity obligation the seller shall refund expenditure in accordance with sections 683, 670 of the German Civil Code arising from or in connection with any hazard prevention action that may be undertaken by a third party, including us (e.g. product recall). We shall inform the seller in advance on the content and scope of recall measures, as far as this is possible and reasonable, and give him an opportunity to make a statement. Further legal claims shall remain unaffected.
- (3) The seller shall conclude and maintain a product liability insurance policy with a lump sum of coverage of at least ten million euros per damage to person/property. On our request and for individual cases, the insurance shall also be extended to recall costs.

10. Statute of limitations

- (1) The reciprocal claims of the contracting parties fall under the statute of limitations according to the legal regulations unless agreed otherwise in the following.
- (2) Notwithstanding section 438, paragraph 1, no. 3, of the German Civil Code, the general statute of limitations for defect claims is 3 years after the transfer of risk. If acceptance has been agreed, the statute of limitations begins at the time of acceptance. The three-year statute of limitations period also applies to claims resulting from defects in title, including any intellectual property rights, whereby the legal statute of limitations for material restitution claims of third parties (section 438, paragraph 1, no. 1 of the German Civil Code) remains unaffected; claims from defects in title shall, moreover, not lapse, as long as the third party has the right to assert such claims against us, in particular in the absence of limitations.
- (3) Upon receipt of a written notice of defects by the seller, the statute of limitations is tolled. In case of supplementary performance, the statute of limitations begins to run again for replaced or repaired parts unless the seller was - recognizable to us - not obliged to supplementary performance (goodwill performance).
- (4) The statutes of limitation for purchasing law, including the aforementioned extensions, shall apply to all defect claims to the extent permitted under law. If we are also entitled to damage compensation claims due to a defect beyond those contractually stipulated, the normal legal statute of limitations shall apply (sections 195,199 of the German Civil Code), unless the application of the statutes of limitation of purchasing law result in individual cases in a longer statute of limitations.

11. Governing law and jurisdiction

- (1) The laws of the Federal Republic of Germany shall apply to the GTC and all legal relationships between us and the seller, the international uniform laws in particular the UN Convention on Contracts for the International Sale of Goods shall be excluded. Requirements and effects of the retention of proprietary rights shall be subject to the law at the relevant location of the item in the event that the legal option chosen under German law is either impermissible or ineffective.
- (2) In the event that the seller is a businessman as interpreted in the German Commercial Code or a legal person under public law or a special fund under public law, our headquarters location in Hof/Saale shall be the exclusive place of jurisdiction, even internationally, for any disputes arising under the contractual relationship. The same applies if the purchaser is an ordinary businessman.
- We shall be, however, in all cases, also entitled to file suit at the place of fulfillment of the delivery obligation in accordance to section 4 paragraph.2 or a prior individual agreement or at the seller's general place of jurisdiction.