

General Terms and Conditions
of the Flexim GmbH-Group
for the Purchase of Supplies, Works and
other Services

I. General provisions

1. Basic terms

1.1 For any and all contractual relations by and between, on the one hand, the Flexim GmbH and its subsidiaries and other affiliates (such subsidiaries and other affiliates hereinafter referred to as „Affiliates“, and the Flexim GmbH and its Affiliates beforehand jointly referred to as „Flexim GmbH-Group“, and each of them individually hereinafter referred to as „Buyer“) and, on the other hand, the supplier and contractual partner who provide for the Buyer supplies, works and other services (each of these suppliers and contractual partner hereinafter individually referred to as „Contractor“) solely these General Terms and Conditions for the Purchase of Supplies, Works and other Services (hereinafter referred to as „General Conditions“) and, if any, specifically concluded contractual agreements shall apply. Unless otherwise explicitly agreed upon in writing, any and all general terms and conditions of the Contractor deviating from the General Conditions shall not be applicable. The General Conditions shall also apply solely where the Buyer despite its knowledge of any deviating general terms and conditions of Contractor accepts any supplies, works or other services by Contractor without reservation. The General Conditions, however, shall not apply if and insofar as mandatory law provides deviating provisions.

1.2 These General Conditions shall also govern likewise all future contractual relations between the Buyer and the Contractor which applies even in case that the application of the General Conditions is not specifically agreed upon thereto.

1.3 The scope of performance shall be exclusively defined by the contract concluded upon and subject to a prior order by the Buyer. Any and all provisions which the parties have agreed upon for the purpose of the execution of the contract shall be made by written agreement which applies also to all supplements and later modifications.

1.4 The Contractor shall refer in every correspondence with the Buyer including but not limited to any acceptance of orders, invoices and shipping documents, to the order number determined by Buyer.

1.5 The term „Services“ used in these General Conditions shall mean and comprise the total of any and all supplies, works and other services unless specific reference is made to supplies, works or other services as such.

1.6 The Buyer reserves any and all property rights to all of its depictions, plans, drawings, sketches, calculations and other technical documentations (such technical documentations by the Buyer hereinafter jointly referred to as „Buyer's Documentation“) as well as all intellectual property rights embodied in this Buyer's Documentation. Upon execution of the Services the Contractor shall return such Buyer's Documentation promptly and without prior request to Buyer. The same shall apply to any and all depictions, plans, drawings, sketches, calculations and other technical documentations which are produced by Contractor for the purpose of the execution

of the Services (such technical documentation hereinafter jointly referred to as „Service Documentation“). As to the property rights with respect to the Service Documentation, the parties hereby agree that Buyer shall become the sole owner of them and that the Contractor shall hold them in safe custody for Buyer; with respect to any intellectual property rights in relation to the Service documentation and whether these exist or are embodied therein, Buyer shall, unless he anyway owns or holds such intellectual property rights, be granted the right to use and exploit such intellectual property rights without limitations and in perpetuity throughout the world. Unless otherwise agreed upon, the provisions as per Sec. V.5.1 shall apply correspondingly with respect to Buyer's Documentation and Service Documentation; thus, in particular, Contractor shall be obliged to keep the Buyer's Documentation and Service Documentation confidential towards third parties and solely to make use of them for the execution of the contract concluded with Buyer.

1.7 With regard to any software being part of the Services the Buyer shall be entitled to make use of this software including the documentation within the scope of the contractual use of the Services, unless further rights are granted. Furthermore, the Contractor shall ensure that this software shall be properly protected by, in particular, but not limited to virus protection programs being the state of the art and directed against viruses, Trojans and other malware.

1.8 In case that the Buyer provides, or the Contractor makes or otherwise procures at the expenses of Buyer, gadgets, tools, models, devices, products or other means of production (all such means of production hereinafter referred to as „Production Items“), the following shall apply.

1.8.1 The Buyer shall become the owner of any and all Production Items having been procured by the Contractor at the expenses of Buyer upon the settlement of these expenses by Buyer (all such Production Items having been procured by Contractor at the expenses of Buyer whereby the expenses have been settled by Buyer, hereinafter referred to as „Settled Production Items“).

1.8.2 The Contractor shall handle the Production Items provided by the Buyer and the Settled Production Items (these Production Items and the Settled Production Item hereinafter jointly referred to as „Provided Means“) with due care and mark these Provided Means as property of Buyer and, as far as possible, store them separated from the other items of Contractor.

1.8.3 The Contractor shall use the Provided Means solely for the execution of Services for the Buyer. Furthermore, the Contractor shall provide at his costs for insurance coverage against damages by fire, water and theft at replacement value for each Provided Means at a value exceeding 100.00 € net (excluding VAT). Contractor hereby also assigns, and Buyer hereby accepts such assignment of, any and all insurance claims for indemnification in order to be sure. Unless otherwise agreed upon, Contractor shall properly and timely and at his expenses perform the necessary measures for inspection and maintenance and servicing and repair as well as their safe and protected storage. The Contractor shall announce any incidents or any threats thereto to Buyer forthwith in writing. Contractor shall be liable to Buyer for any and all damages caused by an at least negligent default of

Contractor thereto; any further claims by Buyer shall remain unaffected by this provision.

1.8.4 The Contractor shall be obliged to hand over forthwith the Provided Means to the Buyer upon its request. Any right of retention in respect of the Provided Means by Contractor shall be excluded.

1.9 For all contracts for supplies, the provisions as per Sec. II and V, in addition to this Sec. I shall apply. For all contracts for works, the provisions as per Sec. III and V, in addition to this Sec. I shall be applicable. For all contracts for other services, the Sec. IV and V, in addition to this Sec. I shall apply.

2. Conclusion of contract / order by Buyer

2.1 The conclusion of a contract is subject to a prior order by the Buyer. Orders by Buyer shall be only valid if they are made or confirmed by at least electronic means („Textform“ as per Sec. 126b German Civil Code („Bürgerliches Gesetzbuch“) (hereinafter referred to as „BGB“)).

2.2 A contract may be concluded subject to and in accordance with the provisions as follows.

2.2.1 In case that the Contractor has submitted a prior offer, a contract shall be concluded by the placement of an order thereto by the Buyer.

Contractor shall be obliged to submit prior offers to Buyer upon its request which applies in particular but not limited to works and other services.

2.2.2 In case that there is no offer by the Contractor, a contract shall be concluded as follows.

- The Buyer may place an order. Unless agreed otherwise, Contractor thereupon shall be obliged to accept the order immediately, by the latest, however, within a period of 3 working days.

- If and insofar the Contractor does not accept the order within the aforementioned period or if his acceptance deviates from the terms and conditions of the order, a contract shall be solely deemed concluded if the Buyer has not opposed to the acceptance of Contractor within a period of 5 working days upon receipt of the acceptance.

3. Prices / payment terms / rendering of payment

3.1 Any and all prices agreed upon in the contracts (including all standard respective unit as well as lump sum prices) shall be binding fixed prices.

3.2 The Contractor may submit his invoices to the Buyer upon execution of the Services in writing; invoices via online may be only made subject to prior consent of Buyer. Each such invoice shall be only deemed submitted properly if and insofar they in accordance with the contractual stipulations state in addition to the order number the date of Buyer's order and comply with the requirements of the German Turnover Tax regulations („Umsatzsteuerrecht“). Notwithstanding any further requirements, any payment claim by Contractor against the Buyer shall at least only become due and payable subject to the fulfillment of the aforesaid requirements.

The Contractor shall be solely responsible for all consequences due to his non-compliance

with these provisions. Moreover, the Buyer shall be entitled to return any such invoice not fully compliant with the aforementioned provisions to Contractor and Contractor shall be obliged to properly complete or amend such non-compliant invoices. Any further rights by Buyer shall remain unaffected by this.

3.3 Unless otherwise agreed upon, all payments shall be in € (EUR).

3.4 Unless otherwise agreed upon, the Buyer shall render the payment on any due payment claims by the Contractor within a period of 14 days including a 3 % cash discount or a period of 30 days net, such period starting with the receipt of a proper invoice as per Sect. I.3.2 first para, at the earliest, however, upon the proper delivery or after proper performance of the works or services and, if applicable, the acceptance thereof.

Buyer may exercise its right for a cash discount also if he offsets or withholds payments for justified reason.

3.5 Any payments by the Buyer is made under the reservation to amend or to have returned such payments in case that upon rendering of the payment an invoice turns out to be incorrect or any reasons to object the payment should arise.

3.6 Payments by the Buyer shall not be deemed as acceptance of Services to be executed in accordance with the contract.

4. Performance of Services

4.1 The contractually agreed Services may only be deviated from or be modified subject to the prior written approval by the Buyer. This applies in particular but not limited to modifications regarding supplies and works to the materials used thereto and regarding Services in general to the constructive design or process.

4.2 The Contractor shall engage for the execution of the Services, in particular but not limited to works and other services, sufficiently qualified staff and shall prove this upon request by the Buyer by supporting evidence.

4.3 When rendering the Services, in particular but not limited to the execution of works and other services, the Contractor shall use his best effort to cooperate with any third party engaged by the Buyer. In case of any problems as to such cooperation, Contractor shall advise Buyer thereof immediately and in writing.

4.4 The Contractor shall not be entitled to perform the Services in single portions or steps or before the contractual time of execution unless agreed upon beforehand in writing. Unless otherwise agreed upon, the payment terms shall remain unaffected by such partial or advanced rendered Services.

4.5 The Contractor shall perform the Services exclusively by himself. Any engagement of third parties is subject the prior written consent by the Buyer.

4.6 The Contractor shall advise the Buyer on any concerns as to the execution of the Services determined by Buyer forthwith, by the latest, however, before the beginning of their execution.

4.7 Unless otherwise determined by the Buyer, the Contractor shall mark the Services as having been provided by him.

5. Periods and set terms for the performance of Services

5.1 The periods and set terms shall have binding effect and shall be strictly observed by the Contractor.

5.2 The Contractor shall inform the Buyer immediately and in writing in case that any circumstances occur or become aware to Contractor that the stipulated periods and set terms for the Services cannot be complied with; furthermore, the Contractor shall advise the Buyer on the reasons as well as the probable duration of the delay. Any further rights by the Buyer shall remain unaffected by this. Furthermore, any and all rights shall remain unaffected even in case that Buyer accepts a delayed performance of the Services.

6. Intellectual property rights

With respect to any and all intellectual property rights (including protectable inventions, designs and copyrights) gained either according to the aim strived for, or within the process of execution of the contract, in particular but not limited to contracts on works and other services, the Buyer shall, unless he anyway owns or holds such intellectual property rights or unless otherwise agreed upon, be granted the right to use and exploit such intellectual property rights without limitations and in perpetuity throughout the world such right to use and exploit deemed fully remunerated by the consideration rendered according to the respective contract.

7. Quality standards / quality assurance

7.1 Any and all Services performed by the Contractor shall fully comply with the contractual specification including in particular, as far as available and applicable, the plans and other information, as well as, in the following range and order and in accordance to the state of the art at the time of rendering the Services, the technological state of the art, the relevant ISO- and CE- and DIN-standards, regulations on safety, marking and admission, the regulations for the prevention of accidents, the regulations and directives by employers' liability insurance association and the competent supervisory public authorities and the German Technical Control Association ("TÜV"), the latest directives of the German Association of Engineers ("VDI") and the legal provisions.

With respect to supplies and works directed to be made use of in explosion-proof areas, and unless otherwise agreed, the directives IEC60079 and IEC80079-34 shall be applicable in addition, ranging directly behind the technical state of art and before the relevant ISO-, CE- and DIN-standards and all the further aforementioned regulations, directives and legal provisions.

7.2 In case that the execution of contract is based on or related to a tested sample or process, and notwithstanding the obligation to comply with the aforementioned rules and in particular the contractual provisions, the technical standard and the quality of the sample and the process shall be deemed agreed as minimum standard.

7.3 Furthermore, the Contractor shall carry out by himself a quality assurance on these Services including appropriate testing and measuring and other control procedures which shall be suitable in type and scope and correspond to the technological state of the art and which shall be proven by Contractor

towards the Buyer upon request by the latter. The Contractor shall keep records of the quality assurance including the tests carried out and archive them for a period of 10 years. The Buyer shall be entitled at any time to inspect the documents and to make copies.

7.4 Moreover, upon request by the Buyer the Contractor shall conclude a corresponding agreement on quality assurance with Buyer.

8. Foreign trade legislation

8.1 The Contractor shall be obliged to render his Services including in particular but not limited to supplies and works in full compliance with the national and international customs and foreign trade legislation (hereinafter jointly referred to as "Foreign Trade Legislation"). Contractor shall provide to the Buyer in writing at the latest within 2 weeks upon conclusion of the contract all information and documents and other papers which Buyer requires to comply with the Foreign Trade Legislation and thereby in particular for the export, import and re-export. This comprises in particular but is not limited to

- all applicable export list numbers including the export control classification numbers pursuant to the US Commerce Control List („ECCN“);

- the statistical goods numbers pursuant to the current goods allocation of the foreign trade statistics and the „HS („Harmonized system“) code“; and

- the determinability of the country of origin (non-preferential origin) and, if requested by the Buyer, a supplier declaration on the preferential origin (in case of a supplier from the EU respective EEA) or certificates of preference (in the case of suppliers from outside of the EEA).

8.2 The duties of the Contractor pursuant to Sec. I.8.1 shall be an essential contractual obligation.

II. Specific provisions on supplies

1. Scope of delivery / Environmental aspects / long term procurement

1.1 The Contractor shall deliver as part of the supplies also any and all necessary protective equipment and certificates of origin, and storage, assembly and operating instructions as well as security data sheets all issued in the official EU-languages, and any and all information required for the maintenance and repair of the supplies as such.

1.2 The Contractor shall use environmentally friendly products and processes for the procurement, production and transport of the goods to be delivered within economic and technical feasibility and shall upon request by the Buyer prove this by corresponding certificates.

1.3 The Contractor hereby represents and warrants that he shall have both the delivered goods as well as spare parts thereto available for supply to the Buyer for a period of 3 years after their delivery on reasonable terms. If Contractor intends to cease the procurement or the production of this product or spare parts after expiry of such fixed period he shall be obliged to inform Buyer immediately in writing and grant to Buyer the opportunity to place a final order thereto.

2. Prices

In addition to the provisions as per Sec. I.3 the following shall apply.

2.1 Unless otherwise agreed upon in writing, all prices shall comprise the delivery „DDP (Incoterms 2020)“ at the place of business of the Buyer or another place of delivery in Germany determined by Buyer including the costs for marking, packing, transport and insurance.

2.2 The Contractor shall be responsible for the take-back and disposal of any packaging (including the transport material) at his costs unless the Buyer decides to keep it.

3. Delivery / shipment / delivery time / refusal of supplies in case of force majeure

3.1 Unless otherwise in writing agreed, deliveries shall be made „DDP (Incoterms 2020)“ at the place of business of the Buyer or another place of delivery in Germany determined by him.

3.2 The goods shall be marked, packed, transported and insured properly (including but not limited to the observation of the regulations on the shipment of hazardous goods) and, if any, in accordance with the instructions of the Buyer.

3.3 The dispatch of the goods shall be notified to the Buyer upon the start of the shipment by a dispatch note. Any delivery shall enclose a bill of delivery. The dispatch notes, bills of delivery and consignment notes shall include in addition to the order number also the shipping address and the date of the order of Buyer. In case of non-compliance of the Contractor with these obligations Buyer may not be held liable for any delayed processing of the delivery.

3.4 Unless otherwise agreed upon in writing, the delivery times fixed in the contract shall be set with binding effect. The day of arrival of the goods at the place of business of the Buyer or another place of delivery in Germany determined by him shall be the decisive date for a delivery in time always subject in addition also to the Contractor's full compliance with the provisions as per Secs. II.3.2 and II.3.3. Deliveries shall be made at the usual business hours.

3.5 In cases of Force Majeure including in particular natural disasters, pandemics, mobilization, war, riots or other violent conflicts, civil commotions, operational disruptions not being caused by the Buyer due to at least negligence, or strikes or lock-outs, or sovereign acts, the Buyer shall be entitled to refuse the acceptance of supplies for the duration of the Force Majeure, this all without prejudice to further rights.

4. Warranty / limitation by expiry / examination on defects

4.1 Unless otherwise agreed upon in writing, the Buyer shall be entitled to warranty claims at the minimum pursuant to the legal statutes. Any and all further contractual or other claims by law shall remain unaffected by this.

4.2 Notwithstanding any other claims, the Buyer shall be entitled to remedy any warranty defect by himself at the expenses of the Contractor in case of imminent danger or specific urgency.

4.3 The limitation period shall be 3 years, such period starting with the transfer of risk unless otherwise determined pursuant the compulsory provision as per Sec. 445 b German Civil Law Code („BGB“).

4.4 The Buyer shall be obliged to examine the delivered goods within an appropriate period of time. Any notification of defects shall be deemed to be in time if made within a period of 7 working days upon the proper delivery of the goods or, in case of hidden defects, upon their disclosure.

4.5 In case that in the course of the examination by the Buyer it is disclosed that the scope of defects, including but not limited to quality defects, as usual in the commercial practice is exceeded, Buyer shall be entitled to deny further examinations and return all these supplies whereby such return shall not constitute a declaration of rescission unless otherwise determined. The Contractor shall assume all costs accrued by any further examination due to the excess of the aforesaid scope by his default.

4.6 The Contractor shall be obliged to examine the goods before their dispatch whether or not they comply with the specification pursuant to the contract and are free of any defects. Contractor shall not be entitled to any right pursuant to Sec. 377 German Commercial Code („Handelsgesetzbuch“ (hereinafter referred to as „HGB“)) in case of a delivery infringing this obligation to control the goods before dispatch.

5. Erection and assembly

In case that the Contractor shall deliver in addition to the supplies also erection and assembly services he shall be obliged to inform himself prior to the start of such services about any work rules applicable with the Buyer and, when performing these services, to comply with these rules; the same shall apply with respect to any such services rendered to customers of Contractor. Notwithstanding any further provisions on limitation and exclusion of liability of the Buyer, any and all claims due to accidents, or due to losses or damages or destruction of Contractor's gadgets, tools, devices, materials or other items by Contractor against Buyer shall be excluded in case that the Contractor has not obeyed to this provision unless such accidents or damages are caused by Buyer due to at least gross negligence.

III. Specific provisions on works

1. Offer / conclusion of contracts

In addition to the provisions as per Sec.

I.2 the following shall apply.

The Contractor shall examine prior to offering all, if any, specifications including the Buyer's specification and all other documents provided in connection with these works (all such specifications and the Buyer's specification and other documents hereinafter referred to as "Specification") as to faults, ambiguities or gaps. The Contractor shall then in his subsequent offer determine such faults, ambiguities or gaps which may affect the price. In case of lack of such determination in his offer Contractor shall be deemed to have confirmed to Buyer that the Specification is free of defects and proper and complete and that any and all claims on an additional remuneration thereto, if any, shall be excluded. Furthermore, Contractor may not claim

afterwards that the Specification was faulty or ambiguous or incomplete or that he undertook the examination on the basis of an error or not properly.

2. Scope of works / obligations of the Contractor

2.1 Unless otherwise agreed upon, the Contractor shall be obliged to execute the works in an extensive and comprehensive manner. Although there may be a detailed Specification, Contractor in case of any uncertainty as to the scope of work shall be obliged to render all works in addition to the Specification which are necessary to achieve the aim of the contract to provide the contractually owed and proper and functional works.

2.2 Unless otherwise determined in the contract in writing, the Contractor shall arrange at his expenses for all official permits and other approvals required for the works to be performed.

2.3 As far as the Contractor is obliged to provide pursuant to the contract or customary standards documents to the Buyer, Contractor shall submit them in duplicate and at least 5 working days prior to any examination and, if any, approval to be effected by Buyer.

Notwithstanding such approval of documents, if any, by the Buyer, the Contractor shall remain solely responsible for the accurateness and, furthermore, the compliance with all legal and other provisions; such responsibility of Contractor shall comprise also the liability for all consequences due to incorrect or incomplete documents.

2.4 The Contractor shall document the fulfilment of his contractual duties by proper and verifiable regular, at least monthly, established records and submit these records in writing by the 5th working day of the succeeding month to the Buyer.

3. Prices / terms of payment

In addition to the provisions as per Sec. I.3 the following shall apply.

3.1 The prices agreed upon shall include and cover any and all costs and expenses including but not limited to the costs for supplies, services, official permits and other approvals, and all other expenditures required for the proper execution of the works.

The Contractor shall not be entitled to an additional remuneration including but not limited to additional costs due to any changes to salaries or wages or material prices after conclusion of the contract. As to any costs due to overtime and night work and weekend and public holiday working, any remuneration thereto is subject to a prior order by the Buyer and an agreement on the prices thereto in writing.

3.2 Any final invoice shall be and become due only subject to the prior acceptance and the handover of all, if any, documents provided by the Buyer and any other relevant documents with respect to the execution of the works comprising in particular but not limited, if any, to the documentation to be rendered by the Contractor.

3.3 Unless otherwise agreed upon in writing, the Buyer shall be entitled to withhold a portion 5 % of the total final gross invoiced price (total remuneration without deductions as to any

interim or down payments plus VAT) as security for the warranty period.

3.4 The Buyer has to effect payments pursuant to or out of an agreed payment schedule, if any, only subject to the prior fulfilment of the work steps set thereto in the payment schedule.

4. Acceptance

4.1 The Contractor shall arrange and provide at his expenses with respect to an acceptance by the Buyer any and all official and other acceptance confirmations and corresponding permits issued by the public and other authorities in charge including any preparatory measures comprising inter alia the providing and collecting of any and all test certificates, confirmations and other relevant documents required for the preparatory steps.

Any acceptance by the Buyer is subject to the prior and complete provision of, if any, all official and other acceptance confirmations and corresponding permits issued by the authorities in charge.

4.2 Unless otherwise agreed upon, the works upon their full and complete execution and upon accomplishment of the provisions pursuant to Sec. III.4.1 by the Contractor shall be then subject to a formal acceptance procedure. Unless otherwise agreed upon in writing, such formal acceptance procedure shall not be replaceable by an announcement of completion or start of the use of works by the Buyer or issuance of a final invoice.

The Contractor shall notify the completion of the works and, if any, the accomplishment of the provisions pursuant to Sec. III.4.1 in order to initiate the acceptance procedure whereby the Buyer shall be granted a reasonable period of time (at least 7 working days) upon such notification.

5. Warranties

5.1 Unless otherwise agreed upon in writing, the Buyer shall be entitled to warranty claims at the minimum pursuant to the legal statutes. Any and all further contractual or other claims by law shall remain unaffected by this.

5.2 Notwithstanding any other claims, the Buyer shall be entitled to remedy any warranty defect by himself at the expenses of the Contractor in case of imminent danger or specific urgency.

5.3 Unless otherwise agreed in writing, each of the limitation periods as per Sec. 634a German Civil Code ("BGB") shall be deemed to be extended by one year.

IV. Specific provisions on all other services (services other than supplies and works)

1. Time of performance / prices / services / proper and complete performance

1.1 Unless otherwise determined in writing, the performance times fixed in the contract shall be set with binding effect. The decisive date for the execution of the services in time shall be the date on which the services have been executed completely and free of any defects and where Sec. IV.1.4 is applicable, the services have been accepted pursuant thereto.

1.2 Unless otherwise agreed upon in writing, all prices shall comprise the execution of the other services free of charge at the place of

business of the Buyer or another place of performance in Germany determined by Buyer including, if any, the costs for marking, packing, transport and insurance.

1.3 Unless otherwise determined in the contract in writing, the Contractor shall arrange and provide at his expenses any and all, if any, required official permits and acceptance confirmations by the public and other authorities in charge including any preparatory measures comprising inter alia the providing and collecting of any and all test certificates, confirmations and other relevant documents required for the preparatory steps.

1.4 In case that the services due to their type are subject to an acceptance, the services shall be deemed accomplished with the day of acceptance. Such acceptance of the services of the Contractor shall be subject to a formal acceptance procedure whereby Contractor shall notify the completion of the services and the Buyer then shall be granted a reasonable period of time (at least 7 working days) upon such notification.

Any acceptance by the Buyer is subject to the prior and complete provision of the official and other permits and acceptance confirmations pursuant to Sec. IV.1.3.

2. Warranties / claims due to breach of contract

2.1 Unless otherwise agreed upon in writing, the Buyer shall be entitled to warranty claims and claims due to breach of contract at the minimum pursuant to the legal statutes. Any and all further contractual or other claims by law shall remain unaffected by this.

2.2 Notwithstanding any other claims, the Buyer shall be entitled to remedy any warranty defect by himself at the expenses of the Contractor in case of imminent danger or specific urgency.

2.3 Unless otherwise agreed in writing, the limitation periods as per the legal statutes shall be deemed to be extended by one year.

V. Final provisions

1. Manufacturer's liability insurance coverage

Upon request by the Buyer the Contractor shall be obliged to conclude and maintain a manufacturer's liability insurance and upon demand also prove it. Unless otherwise agreed upon in writing, such insurance shall cover an insured sum of 5 Mio. € for each bodily injury and of 5 Mio. € for each property damage.

2. Default of Services / liquidated damages / statutory legal claims / substitute performance

2.1 The Buyer shall be entitled to liquidated damages of 0.1 % per each delayed working day of the gross remuneration (including, if any, VAT) to be paid pursuant to the respective contract in case of a default of Services due to at least negligence by the Contractor (such default due to at least negligence hereinafter referred to as "Default"), limited altogether, however, to a total of 5 % of the gross remuneration with regard to the respective contract.

The Contractor shall be entitled to make a claim on such liquidated damages in deviation of the provision pursuant to Sec. 341 para 3

German Civil Code ("BGB") also by the time of effecting the last payment pursuant to the respective contract (and in case of works by the time of the final payment).

2.2 Furthermore, the Buyer shall be entitled to claims pursuant to the legal statutes.

2.3 In case that the Buyer upon Default by the Contractor has carried out Services at the expenses of the latter by way of substitute performance by a third party, Contractor shall be obliged to hand over to Buyer all required documents and information and to arrange towards the third party the right to use any required intellectual property rights whereby the provision as per Sec. I.1.6 shall remain unaffected by this.

3. Safety / Product liability / indemnity against liability / product liability insurance

3.1 If the Buyer informs the Contractor that the Services are destined for specific countries named by Buyer (such countries hereinafter referred to as "Destined Place"), Contractor shall undertake to perform the Services also under observation of the safety regulations including but not limited to accident prevention and environmental protection and industrial and machine safety, applicable at the Destined Place.

3.2 If claims are asserted against the Buyer by a third party due to product liabilities of the Contractor, Contractor shall be obliged to indemnify Buyer from any and all claims upon first demand by Buyer. Such obligation of Contractor to indemnify Buyer shall comprise any and all reasonable expenses arising out or related to the claims directed against Buyer by the third party including but not limited to the expenses incurred to Buyer due to its legal defence, if any.

3.3 Furthermore, the Contractor shall be obliged within his liability for claims and damages according to Sec. V.3.2 to reimburse to the Buyer any expenditures pursuant to Secs. 683, 670 German Civil Code ("BGB") or pursuant to Secs. 830, 840 and 426 German Civil Code ("BGB") due to any recall effected by Buyer. As far as possible and reasonable, Buyer will inform Contractor in advance on content and scope of any recall measure and provide to him the opportunity to comment thereon.

Any further rights of the Buyer shall remain unaffected.

3.4 The Contractor shall provide an adequate insurance coverage against all risks out or in relation to his product liability as per Secs. V.3.2 and V.3.3 including the recall risk, at the minimum, however, an insurance covering an insured sum of 3 Mio. € for bodily injury and of 3 Mio. € for property damages.

4. Intellectual property rights

4.1 The Contractor shall be liable that no third-party rights are infringed by and in relation to the Services provided by Contractor.

4.2 If claims are asserted against the Buyer by a third party due to such infringement of third-party rights as per Sec. V.4.1, the Contractor shall be obliged to indemnify Buyer from any and all claims upon first demand by Buyer. Such obligation of Contractor to indemnify Buyer shall comprise any and all reasonable expenses arising out or related to the claims directed against Buyer by the third party including but not limited to the expenses

incurred to Buyer due to its legal defence, if any.

4.3 The limitation period for such claims shall be 5 years such period starting with the transfer of risk or, with respect to other services not foreseeing an acceptance or the accomplishment, with the completion of these other services.

5. Secrecy / limited use

5.1 The Contractor shall be obliged to keep all depictions, plans, drawings, sketches, calculations and other technical documentations as well as the know-how and other technical information of the Buyer strictly confidential and in particular not to disclose or otherwise make available to any third party, and only to make use of it within and for the duration of the respective contract. The obligation to secrecy and limited respective after termination or ceasing of the contract interdicted use shall continue to last and shall only cease if and insofar the technical knowledge embodied in these depictions, plans, drawings, sketches, calculations, other technical documentations and know-how have become generally known.

5.2 The existence of the business relation and any orders by and contractual relations with the Buyer as well as all contractual terms and conditions as well as all related commercial and technical details and also all provided Services and their details shall be deemed business secrets of Buyer. The Contractor

shall not be entitled to disclose them or make them otherwise available to third parties without prior written approval by Buyer.

6. Compliance with the provisions of the Minimum Wage Law

6.1 The Contractor hereby states and confirms that he fully complies with the provisions of the Minimum Wage Law with respect to the staff in particular employed for, if any, the performance of the works as per Sec. III and other services as per Sec. IV and that he shall prove this upon request by the Buyer. Buyer shall be furthermore entitled to control this Contractor's compliance with this obligation whereby Buyer shall be allowed to examine the records and documentation of Contractor by a chartered accountant or another professional required by law to observe secrecy.

6.2 In case that the Contractor has engaged third parties for the performance of in particular the works as per Sec. III and the other services as per Sec. IV, he shall be obliged to ensure by corresponding contractual agreements that the third party as well as any further parties and any subcontractors thereto being engaged by the third party comply with the obligations of the Minimum Wage Law in favour of the Buyer. Such contractual agreement concluded between the Contractor and the third party and again between the third party and all further parties and any subcontractors thereto shall comprise in particular also the right of Buyer to ask for

evidence and to undertake controls towards the third party and the further parties and any subcontractors thereto.

7. Place of jurisdiction / place of performance / governing law

7.1 Place of jurisdiction shall be Berlin-Charlottenburg (Germany). However, the Buyer at its option shall also be entitled to institute legal proceedings to any other competent court.

7.2 Place of performance shall be the place of business of the Buyer.

7.3 The law of Germany shall apply.

8. Miscellaneous

8.1 The Contractor shall be entitled to assign any and all claim or other right against the Buyer only subject to the prior written approval of Buyer whereby the provision pursuant to Sec. 354a German Commercial Code ("HGB") shall remain unaffected.

8.2 Unless explicitly confirmed in writing by the Buyer, any retention of title including the simple retention of title shall be excluded.

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