

1. General

- (1) Processing of parts provided by the other contracting party shall be made on the basis of the following terms of business, which provide the foundation for all offers and agreements and which shall be regarded as recognised upon placing of an order or acceptance of delivery for the duration of the entire business relationship. Deviating terms shall not be binding for us, unless accepted in writing, even if we did not reject them explicitly.
- (2) Verbal agreements have not been made.

2. Offers and conclusion of the contract

- (1) Our offers shall be without obligation, i.e. our offers are just an invitation to the other contracting party to place an order. The contract becomes legally binding by acceptance of the offer. The content and the performance of the contract shall be specified in our order conformation.
- (2) The scope of delivery shall be specified in the order confirmation. Variations in quantity, weight and/or pieces shall be permissible according to normal trade practice. In particular, the other contracting party has to accept that 2% of the worked-up goods are substandard, unless agreed on otherwise. This shall not give rise to any claims, unless agreed on otherwise.
- (3) We shall reserve property rights and copyrights to cost estimates, drawings, calculations, records for checking samples, programmes etc.; they must not be made available to third parties without our explicit consent.
- (4) Conclusion of contract is subject to our complete supply in due time. This shall only apply if non-delivery is not attributable to us, in particular in case of a covering purchase with our supplier. The other contracting party shall be informed of non-availability, and payments made shall be refunded without delay.

3. Prices – terms of payment

- (1) Insofar as nothing to the contrary is specified in the order confirmation, the prices shall be ex factory (Cologne) exclusive transport packaging (see 6.). The prices do not include value-added tax, which shall be shown separately in the invoice at the rate applicable on the invoice date.
- (2) The calculation of our performances is based on the prices valid as per date of the conclusion of the contract. We shall reserve the right to reasonable price increases if, following conclusion of contract, cost increases or cost reductions should occur, in particular due to collective agreements or price increases for materials. We shall provide evidence of these events to the other contracting party upon request.
- (3) Insofar as payment shall be made in a currency other than euros, we reserve the right to reduce or increase the invoice amount in the relevant currency corresponding to the equivalent in euros at the exchange rate applicable on the date of conclusion of contract.
- (4) All payments are payable net and free of any deduction within 30 days after issuing an invoice. Non-cash payments shall only be accepted subject to effective payment. We shall accept bills of exchange only upon prior agreement in writing.
- (5) Payments are considered to be made as soon as the amount is definitively credited to our account and available. We reserve the right to allocate payments to the oldest debt, including interest and expenses, according to the following order: expenses, interests, principal claim.
- (6) If the other contracting party defaults on payment, we shall be entitled to require immediate payment of all accounts receivable. If the payment deadline is exceeded, we shall also be entitled to demand security or advance payment. Interest of 8% above the base rate shall be payable on accounts receivable.

- (7) All rights shall be reserved for the assertion of any other damage. The other contracting party may provide evidence of a lower damage.
- (8) The other contracting party can only set off if the counterclaims are undisputed or have been established by final court decision. The other contracting party can only exercise a right of retention insofar as this right is based on the contractual relationship.
- (9) In case of performances within the EU, the other contracting party is obliged to notify his VAT identification number used for the acquisition before performing the transaction. In case of deliveries from the Federal Republic of Germany to non-EU member states, which are not carried out or initiated by us, the other contracting party has to provide an exportation certificate as required for tax purposes. If the certificate is not supplied, the other contracting party is obliged to pay VAT on the invoiced amount according to German law.

4. Provision of goods

- (1) The observance of the agreed delivery date requires that the other contracting party delivers the goods in due time, i.e. at least 24 hours before processing. If the other contracting party does not comply with his cooperation obligation, we shall be entitled to withdraw from the contract or to claim for damages if a respite of 14 days fixed in writing has passed.
- (2) Upon handing over of the goods that have to be processed, we shall obtain legal title concerning the goods as a security or the remainder (expectant right) the other contracting party may have. The other contracting party shall notify to us any securities for third parties in the goods upon handing over the latest.
- (2) The risk shall pass to us upon transfer of the goods to our receiving centre.
- (3) Insofar nothing else is agreed on, we shall not be obliged to carry out an inspection upon receipt.

5. Delivery

- (1) Binding or non-binding delivery dates and periods must be confirmed in writing. Delivery periods shall commence upon conclusion of contract.
- (2) If, as a result of a circumstance for which we are or an agent is responsible, we are prevented from supplying the processed goods on the agreed date or within the agreed period (delay in delivery), we shall be liable in accordance with the statutory provisions. If we are or an agent is not responsible for the delay in delivery, we shall only be liable for foreseeable, typical damage. If the delay in delivery is merely based on an infringement of an unimportant contractual duty, the other contracting party may assert lump-sum default damages of 3% per week, amounting to a maximum of 15% of the value of the delivery. The value of the delivery shall be the agreed net amount of our service.
- (3) Force majeure and events which temporarily prevent us from supplying the processed goods at the agreed date or within the agreed period without any fault being attributable to us (e.g. strike, lockout, interruption of business operations, diseases, atmospheric exposure or disturbance of traffic, delay in the supply with raw material or machinery, war or administrative orders) shall entitle us to postpone the delivery or service for the duration of the impediment, plus an appropriate run-up period. If disturbances lead to a postponement of more than two months, the other contracting party may withdraw from the contract. Other rights of withdrawal shall remain unaffected.
- (4) The other contracting party shall be obliged to accept the processed goods. If the other contracting party defaults on acceptance, we shall be entitled to demand compensation of the resulting damage, amounting to 15% of the net value of

the delivery. The contracting parties may assert a higher or a lower damage.

- (5) In case the other contracting party is obliged to call the goods or to accept delivery within a specified period, we are entitled to raise an invoice, or - if a reasonable respite fixed by us has passed - to withdraw from the contract completely or partially. In case an order on calling has been agreed on without a specified period, we are entitled to deliver the goods upon prior notice if a period of six months, calculated from the date of the order confirmation, has passed. Alternatively, we are entitled to withdraw from the contract after a reasonable respite fixed by us has passed.
- (6) In the event of pickup by the other contracting party or a transport company instructed by the other contracting party, fixed dates and appointments must be respected. If a fixed date or appointment for pickup of goods ready for dispatch is not respected, we are entitled to dispose of the material the following day. The other contracting party shall bear any costs emerging from the default to pick up or the provision of cargo dispositions. If the other contracting party does not meet the agreed periods and dates of delivery in case of orders delivered in instalments, we are entitled - if a reasonable period of respite fixed by us has passed - to deliver the remaining goods, to withdraw from the part of the contract that has not yet been performed, or to claim for damages.
- (7) We shall be entitled to make part deliveries; they shall be regarded to be an individual business transaction.
- (8) If the contract is a transaction for delivery by a fixed date (in terms of section 286 para. 2 n° 4 of the German Civil Code or section 376 of the German Commercial Code), our liability shall be governed by the statutory provisions. The same shall apply if the other contracting party is entitled to assert that he is no longer interested in performance of the contract due to our delay.

6. Transfer of risk - packing

- (1) In case of dispatch, the risk shall pass to the other contracting party when the processed goods are passed to the transport agent, or once the goods have left our warehouse for dispatch.
- (2) We shall conclude a transport insurance only in response to a wish expressed by the other contracting party in good time and at his cost.
- (3) The other contracting party shall provide packing material for the processed goods and bear the costs. Packing material must ensure that the goods cannot be damaged during the transport. We are not liable for damages caused by inappropriate packing material.
- (4) Insofar as nothing to the contrary is agreed, we are not obliged to take packing material back.

7. Specification of services

- (1) Insofar as nothing contrary is agreed, our service is specified exclusively by the specifications in writing.
- (2) Characteristics of models, samples and drawings shall not be binding, unless they are agreed on as condition of the goods in terms of warranted characteristics explicitly.
- (3) Information about the condition of the goods and their durability shall not constitute a warranty or an independent guarantee, unless agreed on and qualified as such explicitly.
- (4) Technical information, especially concerning time, velocity, performance, programme sequence or mixing ratio, are only average values. Inevitable deviations due to production and fixing of the information are reserved. They are only considered as a defect if they cause a substantial change of the material qualities of the processed goods or the final product.

- (5) We do not give a warranty for the final products, which are manufactured with the delivered components. In particular, we are not liable for the working or application of these final products. Application, utilization and processing of these products are not carried out under our supervision, and therefore they exclusively belong to the sphere of the other contracting party.
- (6) Our technical advices (verbally, in writing or by tests) are based on our best knowledge. However, they are only non-binding advices. The other contracting party is responsible to ensure that no third party's rights are infringed with respect to the proceedings and purposes envisaged.

8. Warranty

- (1) We warrant that the processed goods are faultless according to the respective state of the art. Our liability is limited to our service.
- (2) The claims of the other contracting party in this respect shall be limited to a claim to rectification of defect or replacement. We shall be at liberty to choose between rectification of defect or replacement. In case of rectification of the defects, the other contracting party is entitled to return faulty parts to us. Should the rectification of defect or replacement fail, the other contracting party may demand reduction or withdraw from the contract. The rectification of defect shall be deemed to have failed if and insofar as a period of grace set for said rectification of defect has passed without result. The conditions to exercise the right of withdrawal shall be determined pursuant to section 323 of the German Civil Code.
- (3) The warranty period shall be 1 year, calculated as form delivery.
- (4) We shall be liable pursuant to statutory provisions insofar as the other contracting party asserts damage claims, which are based on fraudulent intent, wilful intent or gross negligence, including fraudulent intent, wilful intent or gross negligence of our representatives or agents. Insofar as we are not accused of wilful infringement of contract, the liability shall be limited to foreseeable, typical damage, but not exceeding 5 times the amount of the order value, in the event of a framework agreement 5 times the amount of the relevant single delivery. Any further liability shall be excluded. To this extent, we shall not in particular be liable for damage, which has not occurred to the processed goods, unless said damage refers to injury to life, body and/or health. Liability pursuant to the German Statute on Liability for Defective Products (Produkthaftungsgesetz) shall remain unaffected.
- (5) In the event of a rectification of defect, we shall be obliged to bear the necessary expenses for the purposes of rectification, in particular transport, travel, work and material costs; this shall not apply insofar as the costs are increased due to the fact that the processed goods were brought to a place other than the place of performance.
- (6) The provisions under this section shall also be applicable to damages that might occur with respect to rectification.
- (7) The other contracting party's claims arising from liability for defects shall require that the other contracting party has met his duty to accept the processed goods within 14 days calculated from the date of passing the goods to the transport person or the announcement that the goods are available. If the other contracting party does not respect his notification duty, his claims based on such complaints shall be excluded.
- (8) In case the other contracting party files in a complaint in respect of defects of the goods, we reserve the right to inspect and check the unchanged goods.
- (9) Our liability shall only apply to the use of the processed goods under normal working conditions and climate. If the

processed goods shall be used under unusual conditions, the other contracting party is obliged to inform us before the conclusion of the contract. Otherwise warranty shall be excluded.

9. Liability due to other causes in law

- (1) Any liability for damages not addressed in sections 7. and 8. shall be excluded, regardless of the legal reason of the claim. This shall apply in particular to the liability pursuant to culpa in contrahendo, breaches of contractual duties and tort liability pursuant section 823 of the German Civil Code.
- (2) The exclusion or restriction of our liability shall also apply to the liability of our employees, labourers, associates, representatives and agents.

10. Securities

- (1) We shall have a statutory contractor's lien on the goods to be processed. Furthermore, the other contracting party shall concede a lien by agreement on the goods to be processed as a security for our claims deriving from the order and from previous orders.
- (2) In the event the processed goods are delivered before complete payment, we shall acquire co-ownership of the goods proportionate to the value of our claim from the order. The other contracting party shall keep the processed goods for us.
- (3) The other contracting party shall be entitled to sell the processed goods during the ordinary course of business; however, he shall here and now assign all claims to us, to the amount of the final invoice owed by him (including VAT), that are due to him from the sale from his customer or a third party, irrespective of whether the goods were sold by him in a processed or unprocessed state. The other contracting party shall still be authorised to collect these accounts receivable even after the assignment. Our authority to collect the accounts receivable shall remain. We shall undertake not to collect the accounts receivable as long as the other contracting party contractually satisfies his payment commitments and no application for insolvency proceedings is filed. If one of the last mentioned circumstances comes about, the other contracting party must provide us with all information at our request that are necessary to collect the assigned accounts receivable, hand over the corresponding documents as well, and inform the respective debtor (third party) of the assignment.
- (4) The object of delivery shall always be processed or reformed for us. If the goods delivered are inseparably assembled or mixed with goods that are a third party's property, then we shall acquire co-ownership in the new goods or the mixed stock. The proportion of title shall follow from the proportion of the accounts payable to us from the order and the value of the other goods at the time of further processing. The object created by processing shall be subject to the same provisions as the goods processed and delivered by us. If the object of delivery is inseparably combined with other objects not belonging to us, then we shall acquire co-ownership in the new object, proportionate to the accounts payable to us from the order and the value of the other constituents. If mixing is performed in such a way that the other contracting party's object is to be viewed as the main object, it shall be agreed that the other contracting party shall transfer proportionate co-ownership to us. The other contracting party shall keep the sole property or co-property thus created for us.
- (4) Insofar as the value of the securities exceeds the accounts receivable to be secured by more than 20%, we shall be obliged to release securities to which we are entitled upon demand of the other contracting party. We may choose the securities to be released.

11. Altered circumstances with the other contracting party

- (1) If the financial situation of other contracting party worsens considerably (e.g. uncovered check or bill of exchange or filing for insolvency or composition proceedings), if the other contracting party disposes of goods we supplied under the securities mentioned above in excess of the normal course of business, or if the other contracting party dissolves his company, then we shall have the right to declare all our claims arising from the business relationship as immediately payable, to repurchase bills of exchange at the other contracting party's costs, and to continue supply only against advance payment or provision of security.
- (2) In the event of discontinuation of payment or excessive indebtedness of the other contracting party or upon filing of insolvency or composition proceedings, we shall be entitled at our option to assert the above rights or to withdraw from the contract according to the statutory provisions.

12. Data security

- (1) We shall be entitled to electronically store and process all data on the other contracting party, which refer to the business relationship, for the purpose of performance of contract under consideration of the provisions of the German Data Security Act (Bundesdatenschutzgesetz).

13. Venue – place of performance – applicable law – severability clause

- (1) Place of performance shall be our seat and registered office.
- (2) Cologne shall be the venue insofar as the other contracting party is a merchant within the meaning of the German Commercial Code, a legal entity under public law or a special asset under public law. However, we shall be entitled to bring action against the other contracting party at his place of residence. This shall apply accordingly in case the other contracting party has no general venue in Germany, relocates his place of residence or habitation abroad after the conclusion of the contract or the place of residence or habitation is unknown when filing an action.
- (3) The contract shall be governed by the law of the Federal Republic of Germany exclusively. The United Nations Convention on Contract for the International Sale of Goods shall not apply.
- (4) In the event of individual provisions of these terms being ineffective, the effectiveness of the contract shall not be affected. Ineffective provisions shall be replaced by the statutory provisions.

Köln, 01.01.2019