

GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY

1 Validity and conclusion of contract

- 1.1 Deliveries and services to the Customer of any kind whatsoever shall be provided exclusively in accordance with our General Terms and Conditions, which the Customer acknowledges by placing the order or accepting the service. The validity of deviating terms and conditions is excluded. An explicit objection is not required. Our General Terms and Conditions shall also apply to all future business relationships, even if they are not expressly agreed upon.
- 1.2 Our offers are non-binding. Any agreement shall only come into effect upon our written order confirmation. Order confirmations, delivery notes and other letters of confirmation from us shall be deemed to be accepted by the Customer as correct in terms of content unless the Customer objects to them in writing without delay, at the latest within 4 working days of receipt. By placing an order for work or goods, the Customer makes a binding declaration that he wishes to place the order. We are entitled to accept the contractual offer communicated in that order within two weeks of receipt. Acceptance can be declared either in writing or by handing over the work or the goods to the Customer.
- 1.3 We reserve the right to make technically necessary or expedient changes to the products. Dimension specifications, illustrations and drawings are for the sole purpose of providing the Customer with preliminary information. In order to be binding, they must be confirmed by us in writing. Details of the properties and performance characteristics of the products are for illustrative purposes only and are not binding.
- 1.4 Unless otherwise expressly agreed in detail, the definitions and specifications in the written offer and the order confirmation, these General Terms and Conditions of Sale and Delivery and the general provisions of the German Civil Code shall apply supplementary and in the following order with regard to the content of the contractual agreement.
- 1.5 The conclusion of the contract is subject to correct and timely deliveries to us by our suppliers. However, such a reservation shall only apply in the event that a failure to deliver is not attributable to us, particularly in the event of the conclusion of a congruent hedging transaction with our supplier. In case of the non-availability of the contractual performance the Customer shall be informed immediately and accordingly. The consideration will be refunded without delay.

2 Cost estimate/preliminary work

- 2.1 Any binding price quotation requested by the Customer shall require a written cost estimate, in which the work and the materials/modules necessary for the production of the work shall be listed in detail and labelled with the price. We shall be bound by this cost estimate for a maximum of 4 weeks after its submittal.
- 2.2 Cost estimates are subject to a charge on the basis of an agreement.
- 2.3 Preliminary work such as the preparation of project planning documents, plans and drawings requested by the Customer are also subject to remuneration on the basis of an agreement.
- 2.4 If the order is placed as a result of the cost estimate, any possible charges for the cost estimate and for any preliminary work shall be offset against the order invoice. In calculating the order, the total price may only be exceeded with the consent of the Customer.

3 Delivery, delay, transfer of risk and obligation to give notice of defects

- 3.1 Delivery times and dates are only binding if they have been agreed with the Customer or confirmed by us in writing. Delivery periods shall commence on the date of order confirmation and after clarification of technical questions and receipt of documents and plans which are to be furnished by the Customer.
- 3.2 Unforeseeable events such as force majeure, delays in delivery or transport or labour disputes shall release us from the obligation to deliver on time for the duration of such events, insofar as such events are not attributable to us. Delivery periods shall be extended by the duration of the disruption. If the disruption lasts longer than 6 months, both parties may rescind the contract. In such an event, there shall be no claims for damages on the part of the Customer.
- 3.3 If we are in default of delivery, the Customer shall only be entitled to rescind the contract after issuing a reminder in which a reasonable grace period for performance or subsequent fulfilment is set. Claims for damages are excluded, unless otherwise stated in these terms and conditions.
- 3.4 If the Customer is in default of acceptance or is otherwise accountable for a delay in acceptance, we may store the products at the Customer's risk and expense. After a period for despatch of the products has been set and expired without result we are entitled to rescind the contract and claim damages in lieu of performance, notwithstanding any other of our rights.
- 3.5 The risk of accidental loss and accidental deterioration of the goods shall pass to the Customer upon handover or, in the case of sale by dispatch, upon delivery of the goods to the forwarding agent, carrier or other person or organisation designated to carry out the shipment. If the Customer is in default of acceptance, the handover shall nevertheless be deemed to have been completed.
- 3.6 We are entitled to make partial deliveries. We are authorised to invoice the price for each partial delivery. As long as the Customer is in arrears with an obligation arising from the business relationship, our delivery obligation shall be suspended.
- 3.7 Unless otherwise agreed, our delivery and service shall be deemed to have been accepted at the latest when they are taken into use. We are entitled to demand acceptance of partial services. The Customer shall inspect the goods immediately upon delivery and inform us in writing or text form of any deviation of the actual condition from the target condition within 5 working days from the date of delivery at the latest.

4 Prices and terms of payment, statute of limitations

- 4.1 All prices are calculated according to the price list applicable at the time of order confirmation, unless otherwise agreed or specified explicitly in the order confirmation. Prices are ex our warehouse plus transport and transport insurance costs and statutory VAT.
- 4.2 Unless otherwise agreed, the Customer shall make payments net within 30 days of invoicing at the latest. The relevant date of receipt shall be the value date.
- 4.3 Notwithstanding any of the Customer's provisions to the contrary, we shall be entitled to initially offset payments against the Customer's earlier outstanding debts and shall inform the Customer of the type of offsetting that has taken place. If costs and interest have already been incurred, we shall be entitled to first offset the payment against the costs, then against the interest and finally against the principal performance.

- 4.4 If the Customer fails to pay by the due date, we reserve the right to claim damages for default. During the period of default, the Customer owes interest on the amount due at a rate of 9% above the base rate. We reserve the right to prove and assert a higher damage caused by the Customer's default.
- 4.5 If the Customer does not meet his payment obligations in accordance with the contract or if he ceases to make payments or if we become aware of other circumstances raising doubts about the Customer's creditworthiness, we shall be entitled to declare the entire remaining debt due and payable and to demand advance payments or the provision of security. We are entitled to rescind the contract under such circumstances to the extent that the contract has not yet been fulfilled.
- 4.6 The Customer is entitled to offset only if his offsetting claims have been deemed as final by a court decision or have been acknowledged by us. The Customer may only exercise a right of retention if his offsetting claim is accrued within the same contractual relationship.
- 4.7 In the event of subsequent changes to the design, construction or dimension via-a-vis specifications in the written offer or the letter of confirmation, whether due to the Customer's request, technical constraints, unforeseen difficulties or other circumstances beyond our control, we shall be entitled to charge the Customer for additional expenses.
- 4.8 Our claims for payment of the purchase price/remuneration for work against Merchants shall become time-barred after five years.

5 Retention of title

- 5.1 In the case of a contractual agreement between us and a Merchant, we reserve title in the goods until all claims arising from an ongoing business relationship have been settled in full.
- 5.2 The Customer is under the obligation to treat the goods with care. If maintenance and inspection work is required, the Customer shall undertake this regularly at his own expense. The Customer is obliged to notify us immediately of any attempt by third parties to access the goods, for example in the event of seizure, and also of any damage to or destruction of the goods. Furthermore, the customer must inform us immediately in the event of a change of ownership of the goods and in the event of the customer's relocation to another domicile. If the Customer is in violation of the contract, in particular in the event of default in payment or breach of an obligation under this provision, we are entitled to rescind the contract and demand the return of the goods.
- 5.3 The Customer may only sell the products in the ordinary course of business subject to the contractual agreement of a reservation of title, whereby the Customer hereby assigns to us any receivables resulting therefrom in the amount of our outstanding claims and any rights arising from the reservation of title. Said entitlement is revocable. We reserve the right to collect receivables ourselves in the event that the Merchant does not duly meet his payment obligations and is in default of payment.
- 5.4 If the products are processed or combined, the Customer transfers ownership to us as security in the amount of the price of the reserved products and shall store those goods for us free of charge. The Customer processes the goods subject to retention of title on our behalf without any obligations to us arising therefrom. If the goods are processed with other goods not belonging to us, we shall acquire co-ownership of the new good in the ratio of the value of the goods supplied by us to the other processed goods. The same shall apply if the goods are commingled with other objects not belonging to us.
- 5.5 To the extent that the value of our securities exceeds the nominal value of the outstanding receivables by more than 10 %, we shall release securities upon request.
- 5.6 If we lose our title to products delivered under retention of title due to the fact that they have become essential components of a property or a building, we may remove the delivered products from the property or building and store those goods at the Customer's expense until all claims arising from the business relationship, including future claims, have been settled. Upon separation from the property or building, these items shall again be our property. The Customer shall be obliged to notify us immediately of any existing liens or other third-party rights and to redeem or settle them, and also to ensure that we regain unencumbered ownership of the goods.
- 5.7 The Customer is obliged to adequately insure the products delivered subject to retention of title or the objects resulting therefrom through combination, commingling or processing against all customary risks, specifically fire, burglary and water hazards, and to treat them with care.
- 5.8 The Customer shall procure us, our representatives, employees and subcontractors irrevocable authorisation at any time to enter premises where the goods are or may be stored in order to inspect them.

6 Export - Export control

- 6.1 The Customer undertakes to observe and comply with all national, European and international export regulations and export control regulations when exporting the products purchased from us.
- 6.2 The Customer is obliged to procure all information and documents required for the export, shipment or import at his own expense. The refusal of an export licence does not constitute a right for the Customer to rescind the contract or to claim damages.
- 6.3 The Customer hereby discharges us from any liability in this respect.

7 Warranty

- 7.1 The Customer examines the delivery immediately upon receipt and notifies us of any reclamations and obvious or hidden defects immediately in writing or in text form, at the latest within 5 working days of receipt or discovery. The Customer shall lose warranty and replacement claims with regard to missing properties which are warranted if he does not examine the delivery immediately after receipt, before use or when installing and does not notify us of any complaints in writing within one week. After expiry of such a period or twelve months after delivery at the latest, all warranty and compensation claims are excluded. Timely dispatch within this period will be deemed sufficient to meet the deadline. The Customer shall bear the full burden of proof for all conditions of eligibility, in particular for the defect as such, for the time of discovery of the defect and for the timeliness of the notice of defect.
- 7.2 We shall warrant for defects either by repair or replacement at our discretion. Replaced components shall become our property insofar as they were not the property of us already. If the Customer or a third party carries out improper repairs the warranty shall be void. The same shall apply if a customer modifies our product without our prior consent - whether by modifying the supplied software (e.g., by reprogramming or extension) or by modifying the

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hardware components. In the event that we definitely and finally refuse fulfilment, refuse to remedy the defect and subsequent performance due to disproportionate costs or in the event that subsequent performance fails or is deemed unreasonable for the Customer, the Customer may, at his discretion, only demand a reduction of the remuneration (right to claim 'reduction') or withdrawal from the contract ('right of rescission') and compensation within the scope of the limitation of liability instead of performance.

However, in the event of only a minor breach of contract, in particular in the case of only minor defects, the Customer shall have no right of rescission.

If the Customer chooses to rescind the contract due to a legal or material defect after subsequent fulfilment has failed, he shall not be entitled to any additional claim for damages due to the defect.

If the Customer chooses compensation for damages after subsequent fulfilment has failed, the goods shall remain with the Customer if this is reasonable and acceptable for him. The compensation shall be limited to the deficit amount of the purchase price and the value of the defective item. This does not apply if we have deceitfully caused the breach of contract. Warranty claims are not eligible if the delivered products are defective due to improper maintenance and cleaning, as a result of damage, improper use, treatment or repair. No warranty claims or claims for damages may be asserted against us for third-party products or third-party products that are combined with deliveries and services from us or are used together with them. We shall assign to the Customer those liability claims to which we are entitled against the supplier of the third-party delivery.

Unless otherwise agreed, we assume no warranty for the functionality of our deliveries and services if they are connected to or operated together with third-party products by the Customer.

Where the Customer receives a defective user manual, we shall only be obliged to supply a defect-free user manual and only if the defect in the user manual impedes its proper use. Public statements, recommendations or advertising do not constitute a contractual representation of the quality of the goods.

- 7.3 If a violation of an obligation resulting from a defect is not attributable to us, the Customer shall not be entitled to rescind the contract. Rights of the Customer due to defects which do not concern a building or a work consisting of the provision of planning and monitoring services for such a building or work become time-barred vis-à-vis Merchants one year after acceptance of the work. This shall not apply if the Customer has not notified us of the defect in good time (clause 1 of this provision). The short time-bar period shall not apply if we are culpable of gross negligence or in the event of physical injury or damage to health attributable to us or in the event of loss of life of the Customer. Furthermore, our liability under the German Product Liability Act (*Produkthaftungsgesetz*) shall remain unaffected.
- 7.4 In the event of deceitful concealment of defects or the assumption of a guarantee for the quality, we reserve the right to assert further claims. No guarantee within the meaning of the law is given to the Customer by us.
- 7.5 Unless otherwise stipulated in these terms and conditions, any further claims are excluded.

8 Liability

- 8.1 Our liability for damages, irrespective of the legal grounds, in particular due to impossibility, delay, defective or incorrect delivery, violation of contract, breach of obligations during contract negotiations and tort, is limited in accordance with this provision, to the extent that such liability for damages is based upon culpability.
- 8.2 We shall not be liable:
- in the event of minor negligence on the part of our executive bodies, legal representatives, employees or other vicarious agents;
 - in the event of gross negligence on the part of our non-executive employees or other vicarious agents, insofar as this does not involve a breach of material contractual obligations. Material contractual obligations are the obligations for timely, defect-free delivery and installation as well as obligations to provide advice, protection and care that are intended to allow the Customer to use the delivery item in accordance with the contractual agreement or to protect the life and limb of the Customer's personnel or third parties or the Customer's property from significant damage.
- 8.3 To the extent that we are liable for damages in accordance with this provision, this liability shall be limited to damages which we foresaw as a possible consequence of a breach of contract at the time of conclusion of the contract or which we ought to have foreseen if we had acted with due care, given the circumstances of which we were aware or ought to have been aware. Furthermore, indirect damage and consequential damage resulting from defects in the delivery item shall only be eligible for compensation if such damage is normally anticipated when the delivery item is used as intended. We shall not be liable for claims for loss of profit, saved expenses, claims for damages by third parties or other indirect or consequential damages, unless a quality feature warranted by us is explicitly intended to protect the Customer against such damages.
- 8.4 In the event of liability, our obligation for compensation shall be limited to the contract value, however, to the maximum amount corresponding to the current coverage of our product liability insurance or liability insurance, even if it concerns a breach of material contractual obligations.
- 8.5 The aforementioned exclusions and limitations of liability shall apply accordingly in favour of our executive bodies, our legal representatives, our employees and other vicarious agents.
- 8.6 Where we provide technical information or act in an advisory capacity and this information or advice is not part of the contractually agreed services to be provided by us, this shall be rendered free of charge and to the exclusion of any liability.
- 8.7 The limitations of this article 8 do not apply to our liability for intentional conduct, for warranted characteristics, for injury to life, limb or health or under the Product Liability Act.
- 8.8 If our products are modified without our prior consent - either by modifying the hardware or the software (test programmes) supplied by us - any liability on our part is excluded to the extent permitted by law. This applies in particular if these modifications result in tests being carried out beyond the original programming.

9 Conditions for the provision of software

- 9.1 The following regulations apply to the provision of software as part of the delivery scope if and insofar as no more specific terms and conditions have been agreed for the provision and the utilisation of the software. In the event of contradictions with other stipulations of these GTSD, the stipulations of this section shall take precedence.

- 9.2 Insofar as our services (also) include the provision of software (computer programs), the Customer shall be granted the non-exclusive, perpetual and geographically unrestricted right to use the software as intended on the agreed devices and within the scope of the respective contractual purpose.
- 9.3 For software for which we only have a derived right of use and which does not constitute what is known as open source software (third-party software), the terms of use agreed between us and our licensor shall apply additionally and with priority over these GTSD to the extent they concern the Customer (e.g. End User Licence Agreement). We shall draw the Customer's attention to these agreed terms of use and make them available to the Customer on request.
- 9.4 The terms of use governing the open source software apply to open source software by way of priority. We shall only hand over or make available to the Customer the source code to the extent required by the terms of use of the open source software. We shall draw the Customer's attention to the existence and the terms of use of any open source software provided and shall make the terms of use accessible to the Customer or provide the Customer with them insofar as such is required under the terms of use.
- 9.5 Only such deviations from the agreed quality that have been proven by the Customer and are reproducible shall be deemed to be a material defect in the software. A material defect does not exist if it does not occur in the latest version of the software that has been provided to the Customer, while the Customer can reasonably be expected to use this version.
- 9.6 All copyrights, industrial property rights and other rights to the software and the documentation shall remain with us or our software suppliers. The Customer is obliged not to remove or change manufacturer's details - in particular copyright notices. The Customer may only reproduce, revise, translate or convert the software from the object code into the source code to the extent expressly permitted by law. Any other form of duplication, revision, translation, distribution or other use of the software or the granting of sub-licences by the Customer is not permitted.
- 9.7 A complete transfer of the software or the rights of use to it is only permitted in exceptional cases in which the Customer can prove a justified interest in passing it on to a third party while ceasing to use it himself, e.g. in the event of resale of the delivery item, in which case the Customer must contractually oblige the purchaser to observe the rights to which we are entitled.

10 Intellectual properties

Nothing in this contractual agreement shall have the effect of conferring or granting to the Customer any license or other right to use our Intellectual Property Rights, except that the Customer may only use our Intellectual Property Rights in the Goods and Services to the extent necessary to use the Goods and Services for the purpose for which they were supplied.

11 HALMA Code of conduct

Our business relationships are also governed by the Code of Conduct of the Halma Group (see: www.halma.com).

This Code is designed to guide us and our business partners in our professional activities. It indicates how to steer our activities with regard to ethics, ethical rules, and the law. It also obliges us to respect the law and national and international regulations, particularly regarding fraud and corruption, conflicts of interest, insider dealing, and whistle-blowing.

12 Miscellaneous provisions

- 11.1 Amendments and additions to the contractual agreement and these terms and conditions must be made in writing. Likewise, the requirement for the written form is only waivable in writing.
- 11.2 The invalidity or ineffectiveness of one of the aforementioned provisions shall not affect the validity and effectiveness of the remaining provisions. If a provision of these contractual terms and conditions is invalid or ineffective, it shall be replaced by a valid and effective provision that comes closest to the economic purpose of the invalid or ineffective provision, taking into account the other provisions. When interpreting these General Terms and Conditions, the German version shall be the authoritative version.
- 11.3 The law of the Federal Republic of Germany shall exclusively govern all legal relations between us and the Customer. The applicability of the uniform international sales law is excluded.
- 11.4 If the Customer is a Merchant within the meaning of the German Commercial Code, a legal entity under public law or a special fund under public law, the exclusive place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship shall be Wertheim (Local Court) and Mosbach (Regional Court), and we shall also be entitled to initiate proceedings against the Customer at his general place of jurisdiction. The same shall apply if the Customer is not subject to general jurisdiction in Germany or if the Customer's place of residence or habitual abode is unknown at the time the action is filed.
- 11.5 The Customer is aware that in the course of our business his personal data will be collected and processed as required for operational purposes. In this regard, the Customer consents and is deemed to have been notified within the meaning of Section 33 (1) of the German Federal Data Protection Act (*Bundesdatenschutzgesetz*).