for TQ-Systems GmbH, TQ-Systems Durach GmbH, in2systems GmbH TQ-Systems International GmbH & Co KG and TQ-Systems Shanghai Co, Ltd.

### § 1 General - Scope of application

- Our General Terms and Conditions of Delivery apply exclusively; we do not recognize any terms and conditions of purchase or other business terms and conditions of the customer that conflict with or deviate from or supplement our Terms and Conditions of Delivery unless we have expressly agreed to their validity in writing. Our General Terms and Conditions of Delivery shall also apply to all future transactions in the current business relationship with the customer. No further reference to these General Terms and Conditions of Delivery is required. Even if we refer to commercial correspondence which contains the customer's terms and conditions of business, this shall not constitute any agreement with the validity of these terms and conditions of business of the customer. It is pointed out that a contract is only concluded subject to the exclusive validity of our Terms and Conditions of Delivery. Our terms of delivery shall also apply to all future transactions with the customer, insofar as these are legal transactions of a related nature. Our terms and conditions of delivery shall also apply if we carry out the delivery to the customer without reservation in the knowledge of conflicting, supplementary or deviating terms and conditions of the customer.
- Individual agreements made with the ordering party in individual cases (including collateral agreements, supplements and amendments) shall in any case take precedence over these General Terms and Conditions of Delivery. Subject to proof to the contrary, a written contract or our written confirmation shall be decisive for the content of such agreements.
- Our General Terms and Conditions of Delivery shall only apply to companies or legal entities under public law or special funds under public law within the meaning of Section 310 (1) of the German Civil Code (BGB) and shall also apply to all future transactions with the customer.
- The term "damages" or "claims for damages" in these Terms and Conditions of Delivery also includes claims for compensation for futile expenses.

## § 2 Offer - Offer documents

- Our offers are subject to change. We reserve the right to make technical changes and changes in shape, color and/or weight within reasonable limits.
- With the orer of a product, the customer is bound in accordance with § 145 BGB. We are entitled to accept the contractual offer contained in the order within four weeks of receipt. Acceptance shall be made exclusively by means of a written order confirmation. Acceptance shall only be deemed to exist if the order is expressly accepted by us; a lack of response to an order shall expressly not constitute acceptance on our part.
- Our offers to the customer are only valid for the period stated therein and expire after its expiry without the need for revocation.
- 4. A confirmation of receipt of order declared by us does not yet constitute a binding acceptance of this order; this requires in any case an order confirmation at least i n text form. The confirmation of receipt of the order can also be combined with the declaration of acceptance.
- We reserve the right to withdraw from the contract in the event of incorrect, improper or untimely delivery by our suppliers to the customer. The customer shall be informed immediately of the non-availability of the services or other impediments or delays in performance by us.informed immediately. In the event of non-availability of the service, any payments already made to us by the customer shall be reimbursed by us without delay.

## § 3 Prices - Terms of payment - Offsetting

- The price stated in the order confirmation is binding. Price changes compared to the prices stated in the order confirmation require our express written consent, at least in text form.
- Unless otherwise stated in our offer or our order confirmation, our prices are "ex works" (EXW named place of collection in accordance with INCOTERMS 2020) excluding packaging and shipping; these costs will be invoiced separately.

- The statutory value added tax is not included in our prices; it will be shown separately at the statutory rate on the day of invoicing.
- The deduction of a discount requires a special written agreement.
- If we have assumed responsibility for installation or assembly, the customer shall bear all necessary ancillary costs, such as travel and transportation costs, in addition to the agreed remuneration, unless otherwise agreed.
- 6. Unless otherwise agreed in writing, the customer is obliged to pay our remuneration net (without deduction) within 7 (seven) days of the invoice date. If the customer is in default of payment, we shall be entitled to demand default interest in the amount of 9 % above the respective base interest rate of the European Central Bank. The assertion of further damages caused by default remains unaffected by this.
- 7. We reserve the right to make reasonable price changes due to changes in wage, material and distribution costs for deliveries made after conclusion of the contract. The same applies to price changes as a result of a change in procurement costs due to a worldwide shortage of materials or currency fluctuations above the base value agreed at the time of conclusion of the contract. We are entitled to charge the customer for allocation-related additional costs for material purchases.
- 8. The customer shall only be entitled to set-off rights if his counterclaims have been legally established or are undisputed. This restriction of the right of set-off shall not apply if the monetary claim for set-off arises from a claim for which the customer could or could have retained.

### § 4 Delivery time

- 1. If a period for the execution of the order by us is specified or agreed with the customer, this period shall commence upon receipt of our order confirmation by the customer, but not before receipt of all documents, approvals, releases or other information to be procured or provided by the customer for the execution of the order, in particular not before clarification of all technical questions. The commencement of the delivery period stated by us and compliance with delivery deadlines shall be subject to the timely and proper fulfillment of the aforementioned obligations of the customer, e.g. the receipt of all documents, approvals and releases to be provided by the customer. If the aforementioned requirements are not met for reasons for which we are not responsible, the delivery periods shall be extended accordingly, unless we are responsible for the delay. We reserve the right to plead non-performance of the contract.
- If non-compliance with the delivery period or other prevention of timely fulfillment of the contract by us is due to
  - a. force majeure (e.g. fire, storm, flood, earthquake, explosion, war, mobilization, lack of energy, lack of raw materials, traffic disruptions, strikes, acts of terrorism, riots, lockouts, pandemics and epidemics, allocations or other procurement, manufacturing or delivery disruptions that are outside our area of responsibility and which demonstrably have a significant influence on our fulfillment of the obligation to perform),
  - b. other unforeseen technical difficulties, attacks by third parties on our IT infrastructure
  - c. Delays or obstacles due to German, US or other applicable national, EU or international customs, foreign trade or other export control regulations and associated review and approval procedures or trade, import or export bans (e.g. embargoes),
  - d. untimely or improper self-delivery
    - the delivery period for the execution of the order shall be extended appropriately by the respective period between the occurrence and removal of the obstacle. This shall also apply if such circumstances occur at our suppliers or subcontractors as well as in the further supply chain of our suppliers or subcontractors

In the event of an impediment to performance, we shall notify in the ordinary course of business of both the occurrence and the

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removal of the impediment . The agreement of the reservation of self-delivery according to  $\S$  2 clause 54 remains unaffected.

The customer may only withdraw from the contract within the framework of the statutory provisions if we are responsible for the delay in delivery or if the entire performance becomes definitively impossible before the transfer of risk. A change in the burden of proof to the detriment of the customer is not associated with the above provisions.

Insofar as partial services are possible which can be utilized by the customer even after termination of the contract, the customer's right of withdrawal shall be limited to the parts not yet performed.

If the impossibility occurs during the delay in acceptance or through the fault of the customer, the latter shall remain obliged to provide consideration. If partial services have already been rendered, we shall also be entitled to remuneration in this respect.

- At our request, the customer is obliged to declare to within a reasonable period of time whether it is withdrawing from the contract due to the delay in delivery or insisting on delivery.
- 4. If dispatch or delivery is delayed at the request of the customer by more than one month after notification of readiness for dispatch, the customer may, unless otherwise agreed between the customer and us, be charged storage interest in the amount of 1 % of the price of the delivery items in storage for each additional month or part thereof. The contracting parties are at liberty to prove higher or lower storage costs.

## § 5 Transfer of risk; default of acceptance

- 1. Unless otherwise agreed in writing, the risk of accidental loss or accidental deterioration of the goods in the case of delivery without installation or assembly shall pass to the customer upon handover, if shipment is requested, upon delivery of the goods to the first forwarding agent, the first carrier or the persons otherwise designated to carry out the shipment. In the case of delivery with installation or assembly, the risk shall pass to the customer on the day of acceptance in the customer's own company or, unless otherwise agreed in writing, after successful trial operation. This applies regardless of whether the goods are shipped from the place of performance or who bears the freight costs.
- 2. If the customer is in default of acceptance or violates other obligations to cooperate, we shall be entitled to demand compensation for the damage incurred by us in this respect, including any additional expenses. In this case, the risk of accidental loss or accidental deterioration of the purchased item shall also pass to the customer at the time at which he defaults on acceptance.

## § 6 Force Majeure

We shall not be liable for the impossibility of delivery, the nonfulfilment of contractual obligations or delays in delivery and any resulting damage if this is caused by force majeure or other reasons beyond our control; these include, but are not limited to, fire, storm, flood, earthquake, explosions, war, mobilization, acts of terrorism, political unrest, sabotage, energy shortages, Allocation, shortages of raw materials, traffic disruptions, strikes, lockouts, pandemics or epidemics, delays or obstacles due to German, US-American or other applicable national, EU or international customs, foreign trade or other export control regulations and the associated pandemics or epidemics. epidemics, delays or obstacles due to German, US or other applicable national, EU or international customs, foreign trade or other export control regulations and associated inspection and approval procedures or trade, import or export bans (e.g. embargoes), , unforeseen technical difficulties,,unforeseen technical difficulties, untimely or improper self-delivery or other procurement, manufacturing or delivery disruptions that are outside our sphere of responsibility or influence and that have an impact on our fulfillment of the obligation to perform (hereinafter: "Force Majeure Event").

Insofar as we are prevented from fulfilling the contract on time or correctly due to the aforementioned circumstances, we shall be released from the fulfillment of our performance obligations in whole or in part for the duration of the force majeure. This

shall also apply if the aforementioned hindrances occur at one of our subcontractors or service providers or in their downstream supply or service chains.

- We will inform the customer of a force majeure event within the meaning of § 6 No. 1 in text form in the normal course of business.
- We are not liable for damages due to delay in delivery or nonfulfillment due to force majeure or other reasons for which we are not responsible and which are beyond our control.

### § 7 Cooperation of the customer

- 1. The customer shall provide us with a contact person and a postal address, telephone number and e-mail address at which the contact person can be reached. This contact person must be authorized by the customer to make or immediately bring about the decisions required for order processing. We shall also name a contact person to the customer who can make the decisions required for order processing or bring them about without delay.
- If no contact person has been named in a separate form, the authorized representative of the customer listed in the order shall be deemed to be the contact person specified in clause 1.

#### § 8 Delivery item

- Our information on dimensions, weight, performance and material is provided with care, but is non-binding unless expressly designated as binding. The same applies to all design specifications and suggestions. We reserve the right to make changes due to technical developments.
- We reserve the unrestricted right of ownership, exploitation rights and copyrights as well as all other industrial property rights to all documents provided to the customer in connection with the order processing - also in electronic form - such as calculations, drawings, samples etc.. These documents may not be made accessible to third parties unless we give the customer our express written consent to do so. If we do not accept the customer's offer within the period specified in § 2 clause 2 or in all other cases of an order not being placed or otherwise at our request, these documents must be returned to us immediately. Documents provided to us by the customer may be made accessible to third parties by us within the scope of proper order processing. Models, tools and other equipment for the execution of an order shall always remain our property, even if we charge a share of the costs. The customer is not permitted to observe, examine or dismantle an object or other non-public information which was provided to the customer by us (e.g. by way of reverse engineering), even within the scope of § 3 para. 1 no. 2 GeschGehG. Deviations from this must be expressly agreed in writing between the customer and us within the framework of a project-related cooperation. Furthermore, we shall be entitled to the rights under the GeschGehG to all objects and information provided to the Customer in confidence.
- A functional final inspection of the delivery items delivered by us to the customer is only part of the delivery item if this has been agreed separately. In the absence of a separate agreement, the customer shall be responsible for the final functional test.
- 4. Partial deliveries are permissible insofar as they are reasonable for the customer. We are entitled, even without the customer's consent, to make over- or under-deliveries to the extent of +/- five (5) percent, without this giving rise to any claims against us by the customer.

## § 9 Warranty for defects

 The purchaser's warranty rights presuppose that he has properly fulfilled his obligations to inspect and give notice of defects in accordance with § 377 HGB (German Commercial Code). Notices of defects by the customer with a meaningful description of the defect must be sent to us immediately at least in text form.

2.

We guarantee that the delivery items supplied by us to the customer are manufactured in accordance with the generally recognized rules of technology and in a conscientious manner.

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Nevertheless, defects in the hardware and software design and in the manufacturing processes of the delivery items supplied by us are not unavoidable. For unavoidable defects in this sense, we shall only be liable for subsequent delivery or rectification (subsequent performance). In this case, the customer is entitled to reduce the price if subsequent performance fails; any further warranty rights of the customer are excluded in these cases to the extent permitted by law. The same applies to functional defects in the delivery items supplied by us to the customer if we are only responsible for a visual inspection and not also a functional inspection and the functional defect could have been discovered during a functional inspection. Furthermore, we only provide a warranty for compliance with the properties of the respective delivery item that have been tested and can be tested during the agreed functional inspection.

- The customer is obliged without exception to provide us with the delivery items that he has complained about as defective for inspection purposes.
- 4. Claims of the customer for expenses incurred for the purpose of subsequent performance, in particular transport, travel, labor and material costs, are excluded insofar as the expenses increase because the goods delivered by us have subsequently been moved to a location other than the customer's branch office, unless the transfer corresponds to their intended use.
- 5. The customer shall only have a right of recourse against us to the extent that the customer has not made any agreements with his customer that go beyond the statutory mandatory claims for defects. For the scope of the customer's right of recourse, § 8 clause 3 shall also apply accordingly
- 6. If, despite all due care, the delivery item has a defect that was already present at the time of the transfer of risk, we shall except in the case of insignificant deviations provide warranty by, at our discretion, subject to timely notification of defects by the customer and after setting a reasonable deadline by the customer, delivering a defect-free delivery item or remedying the defective condition in another way. If we opt for subsequent performance by remedying the defect, the customer shall only have further warranty rights if the remedy of the defect has failed twice. The reasonable period of grace shall not commence until the defect and our obligation to remedy it have been established and proven by the customer.
- 7. If the supplementary performance finally fails, the customer may, at his discretion and in accordance with the applicable statutory requirements, demand a reduction in payment (reduction) or rescission of the contract (withdrawal). In the event of a minor breach of contract, in particular in the case of minor defects, the customer shall not be entitled to withdraw from the contract.
- The deliveries are free of material defects if they comply with the subjective requirements, the objective requirements and the assembly requirements of § 434 BGB at the time of transfer of risk.
- If a quality agreement exists, the question of whether the service provided by us meets the objective requirements shall be based exclusively on this quality agreement.
- 10. The customer shall have no claims for defects in the event of only insignificant deviations from the agreed quality, only insignificant impairment of usability, natural wear and tear or damage arising after the transfer of risk as a result of incorrect or negligent handling, non-compliance with operating or handling instructions, excessive strain, unsuitable operating materials, defective construction work, unsuitable building ground or due to special external influences which are not assumed under the contract, or in the event of non-reproducible software errors. If the customer or third parties carry out repair work, installation or removal work or modifications improperly or not agreed with us, there shall also be no claims for defects for these and the resulting consequences.
- 11. The customer shall bear the full burden of proof for all prerequisites for a claim, in particular for the defect itself, for the time of discovery of the defect and for the timeliness of the notice of defect. The customer may not refuse to accept deliveries due to insignificant defects. If the customer's notice of defects is unjustified, we shall be entitled to demand reimbursement of the expenses incurred by us (e.g. transport, labor and/or material costs) from the customer.

- 12. Unless otherwise agreed in writing, the warranty period shall be one (1) year for all delivery items supplied by us. The warranty period begins with the transfer of risk. Our warranty obligation with regard to the customer's claims for subsequent performance, replacement deliveries or replacement services after successful subsequent performance, replacement delivery or replacement service shall exist to the extent of the remaining term of the warranty period specified in sentence 1. The Buyer's claims for reimbursement of expenses pursuant to Section 445a BGB (recourse of the Seller) shall also become time-barred 12 months after the statutory limitation period begins, provided that the last contract in the supply chain is not a purchase of consumer goods. The statutory provisions on suspension of expiry, suspension and recommencement of the limitation periods shall remain unaffected.
- 13. In order to be able to realize the desired delivery date, purchases via brokers or other secondary markets may be necessary. Since, despite extensive checks, it cannot be 100% guaranteed that materials are used which do not have the specified quality/functionality or originality, we can only provide a limited warranty for materials purchased by us via brokers or the other secondary market. This warranty restriction also applies to material provided by the customer. Due to these restrictions, the customer is obliged to give us his consent, at least in text form, that the materials that cannot be procured via official distribution channels or manufacturers can also be purchased by us via brokers or other secondary market sources. With the aforementioned consent, the customer also accepts that we are only liable under warranty for the materials in question for the processing carried out by us ourselves, but that a warranty or liability for the functionality of the purchased parts used is excluded to the extent permitted by law.is excluded.
- 14. Claims for damages by the customer due to a material defect are excluded to the extent permitted by law. This shall not apply in the event of fraudulent concealment of the defect, non-compliance with a quality guarantee, injury to life, limb or health and in the event of an intentional or grossly negligent breach of duty by us, nor in cases of mandatory statutory liability. A change in the burden of proof to the detriment of the customer is not associated with the above provisions. Further claims or claims of the customer other than those regulated in this § 9 due to a material defect are excluded to the extent permitted by law.
- 15. If the rights of third parties are infringed by the delivery item, we shall, at our discretion, either procure the right for the customer to use the delivery item in a non-infringing manner or enable non-infringing use by redesigning the delivery item within the scope of subsequent performance. Claims of the customer due to a defect of title are excluded insofar as we are not responsible for the infringement of property rights or the customer is responsible for the infringement of property rights and insofar as the infringement of property rights is caused by special specifications, documents or documentation of the customer, by an application not foreseeable by us or by the fact that the delivery item delivered by us to the customer is modified by the customer or at his instigation by third parties or is used together with delivery items not delivered by us . Sentence 1 shall also not apply if we have informed the customer of the infringement of the rights of third parties before conclusion of the contract or if the customer has resold the delivery item despite positive knowledge or grossly negligent ignorance of the infringement.
- 16. In the event of other defects of title, the provisions of § 9 shall apply accordingly. Further or other claims of the customer against us than those regulated in this § 9 due to a defect of title are excluded to the extent permitted by law.
- 17. Public statements, promotions or advertising by the manufacturer, in particular in brochures, leaflets, etc., do not constitute a contractual description of the quality of the delivery items.
- 18. Any quality specifications in product descriptions or service descriptions provided by us to the customer do not constitute guarantees in the legal sense, unless we have expressly identified and confirmed them as such to the customer in writing. The Purchaser is hereby informed that the quality specifications shown in the service description do not constitute guarantees in the legal sense. Quality specifications and guarantees that go beyond the product description shall only be deemed to have been declared to the customer if they have been recorded by us in writing.

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§ 10 liability

- If the customer or a third party carries out modifications or repair work on the delivery item without our prior written consent, we shall not be liable for the resulting consequences to the extent permitted by law.
- Unless otherwise stipulated in these Terms and Conditions of Delivery, claims for damages on the part of the Customer, irrespective of the legal grounds, in particular for breach of duties arising from the contractual obligation and from tort, are excluded tot he extent permitted by law.

This does not apply if liability is as follows:

- a) in accordance with the Product Liability Act,
- b) with intent,
- in the event of gross negligence on the part of owners, legal representatives or executives,
- d) in case of fraudulent intent,
- in the event of non-compliance with an assumed guarantee.
- f) due to culpable injury to life, limb or health, or
- g) in the case of other strict liability

for the breach of essential contractual obligations (cardinal obligations), i.e. obligations which the contract intends to impose on the contracting parties according to its content and purpose or the fulfillment of which is essential for the proper execution of this contract and on the observance of which the parties may regularly rely, is, , limited to the foreseeable, average damage (to a maximum of twice the individual order value) typical for the contract in the case of simple or slight negligence, unless one of the cases mentioned in Section 2 sentence 2 lit. a) to g) exists or, as the case may be, insofar as the damage is actually covered by the extended product liability insurance taken out in our favor.

- 3. If delivery is impossible, the customer is entitled to demand compensation, unless we are not responsible for the impossibility. However, the customer's claim for damages shall be limited to 10% of the value of that part of the delivery which cannot be used for its intended purpose due to the impossibility. This limitation shall not apply in cases of liability based on intent, gross negligence or injury to life, body or health; this does not imply a change in the burden of proof to the detriment of the customer.
- 4. A limitation period of one (1) year shall apply to all claims asserted against us for damages or compensation for futile expenses in the case of contractual and non-contractual liability except in cases of intent or personal injury. The period shall commence at the time specified in Section 199 (2) BGB. It shall commence at the latest upon expiry of the maximum periods specified in Section 199 (3) and (4) BGB.
- The use of RoHS-compliant alternative articles for the manufacture of the delivery item by us is permissible in each individual case, even without express approval by the customer, provided that the technical product specification as such remains unchanged for the alternative articles used by us for the manufacture of the delivery item, apart from unavoidable modifications in terms of process technology (e.g. processing temperature) and material (RoHS substance limit values). We would like to point out that the customer is obliged to observe the provisions of EU Directive 2011/65/EU (RoHS II) as of June 8, 2011 and Directive (EU) 2015/863 as of March 31, 2015 (RoHS III), as well as all subsequent versions and the national regulations (ElektroStoffV) issued within the European Union in implementation of this directive. Furthermore, we would like to point out that the recipient must comply with the requirements of EU Directives 2012/19/EU (WEEE) including transposition into national law (ElektroG), and 94/62/EC (VerpackV) including transposition into national law (VerpackV) and is in particular responsible for compliance with the corresponding registration and disposal requirements. TQ's own products are registered with the EAR, WEEE no. 46311528. In order to conserve resources and in the interests of economic efficiency, we assume that the recipient agrees to dispose of packaging material that does not accumulate in the end customer area in an environmentally friendly manner. To reduce the environmental impact of the packaging material, we maintain an appropriate system of recirculating packaging. For packaging that accumulates in the end customer sector (b2c), TQ is part of a dual return system. End customers can therefore return sales

packaging from TQ appliances to the usual collection points free of charge.

- 6. All environmentally relevant information or details (e.g. RoHS/REACh etc.) of our company on items, articles or products (e.g. in offers or orders) are based on our knowledge at the time of the respective information. If the rights of third parties are infringed by the delivery item, we shall, at our discretion, either procure the right for the customer to use the delivery item in a non-infringing manner or enable non-infringing use by redesigning the delivery item within the scope of subsequent performance. This information is therefore non-binding and does not constitute a guarantee of the properties of the product or article described within the meaning of the statutory warranty regulations. In particular, the information does not release the purchaser of the product or article from his responsibility to observe applicable laws and regulations with regard to the product.
- 7. The customer shall be responsible for ensuring that the products or parts thereof purchased by him from us are not subject to national or international export or import restrictions. The customer is obliged to provide all information and documents required for the export, shipment or import. If a product or parts thereof are subject to export or import restrictions, the customer shall obtain the necessary export or import licenses at its own expense. The customer shall expressly indemnify us against any liability and responsibility in the external relationship irrespective of the legal grounds in the event of any violations of export or import restrictions. In the event of infringement, the customer shall also bear all damages incurred by us as a result. We accept no liability for delays in delivery resulting from national or international export restrictions or for the fact that a delivery cannot be carried out at all due to national or international export restrictions. We shall not be liable for compensation or damages in this case.

### § 11 Retention of title

- We retain title to the delivery item until all our claims against the customer arising from the business relationship have been fulfilled. This shall also apply to all future deliveries, even if we do not always expressly refer to this.
- 2. In the event of breach of contract by the customer, in particular default in payment, we shall be entitled to take back the goods subject to retention of title and to withdraw from the contract after the unsuccessful expiry of a reasonable deadline set for the customer, unless the setting of a deadline is dispensable due to statutory provisions. The taking back of the reserved goods and the assertion of a reservation of title by us shall not constitute a withdrawal from the contract, unless we have expressly declared this. However, the seizure of the reserved goods by us shall always constitute a withdrawal from the contract. After taking back the goods subject to retention of title, we shall be authorized to sell them; the proceeds of the sale shall be set off against the customer's liabilities less reasonable costs of sale.
- 3. As long as ownership has not yet been transferred to him, the customer is obliged to treat the reserved goods with care; in particular, he is obliged to insure them adequately at his own expense against fire, water and theft damage at replacement value. If maintenance and inspection work is required, the customer must carry this out in good time at his own expense.
- 4. For the duration of the retention of title, the purchaser is prohibited from pledging or transferring ownership by way of security and resale is only permitted to resellers in the ordinary course of business and only on condition that the reseller receives payment from its customer or makes the reservation that ownership is not transferred to the customer until the customer has fulfilled its payment obligations.
- 5. In the event of seizures or other interventions by third parties, the customer must inform us immediately in writing so that we can file a suit in accordance with § 771 ZPO (German Code of Civil Procedure). If the third party is not in a position to reimburse us for the judicial and extrajudicial costs of an action pursuant to § 771 ZPO, the customer shall be liable for the loss incurred by us.

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6. The customer is entitled to resell the goods subject to retention of title in the ordinary course of business. The purchaser hereby assigns to us by way of security the claims against the customer arising from the resale of the reserved goods, together with all ancillary rights, including any balance claims, in the amount of the final invoice amount (including VAT), without the need for further declarations. If the goods subject to retention of title are resold together with other items without an individual price having been agreed for the goods subject to retention of title, the customer shall assign to us that part of the total price claim which corresponds to the price of the goods subject to retention of title invoiced by us. This assignment shall apply irrespective of whether the reserved goods, were resold without or after processing.

The customer shall remain authorized to collect this claim even after the assignment until revoked. Our authorization to collect the claim ourselves remains unaffected by this. However, we undertake not to collect the claim ourselves as long as the customer meets his payment obligations. In the event of good cause, in particular default of payment, suspension of payment, opening of insolvency proceedings or justified indications of overindebtedness or imminent insolvency of the customer, we shall be entitled to revoke the customer's authorization to collect.

After prior warning and observance of a reasonable period of notice, we shall be entitled to disclose the assignment by way of security, to realize the assigned claims and to demand disclosure of the assignment by way of security by the customer to his customer. Furthermore, in the aforementioned cases the customer shall provide us with all information necessary for the collection of claims and hand over the relevant documents.

- The treatment and processing or transformation of the delivery item by the customer is always carried out in our name and on our behalf. In this case, the expectant right of the customer with regard to the delivery item shall continue with regard to the transformed item. If the delivery item is inseparably mixed or combined with other items not belonging to us, we shall acquire coownership of the new item in the ratio of the objective value of the delivery item to the other mixed or combined items in such a way that the item of the customer is to be regarded as the main item and that it is agreed that the customer shall transfer co-ownership to us on a pro rata basis. The customer shall store the resulting sole ownership or co-ownership for us with the care of a prudent businessman, whereby the new item shall be deemed to be reserved goods. The provision on the assignment of claims according to No. 6 shall also apply to the new item, whereby the assignment shall only apply up to the amount corresponding to the value of the processed, combined or mixed reserved goods invoiced by us.
- 8. The customer shall also assign to us, in the amount of the ratio of the value of the combined reserved goods to the other combined goods at the time of combination, the claim with all ancillary rights to secure our claims against him which accrue to the customer against a third party through the combination of the reserved goods with real estate or movable property.

We undertake to release the securities to which we are entitled at the request of the customer to the extent that the value of our securities exceeds the claims to be secured by more than 20%; we shall be responsible for selecting the securities to be released

#### § 12 Miscellaneous

- 1. If the customer is an entrepreneur within the meaning of Section 310 (1) BGB, our place of business shall be the exclusive place of jurisdiction for all disputes arising from the contractual relationship between the customer and us, unless another place of jurisdiction is mandatory by law. However, we are also entitled to sue the customer at his place of residence.
- 2. The contractual relationship between the Purchaser and us shall be governed by the laws of the Federal Republic of Germany to the exclusion of the applicability of private international law and other conflict-of-law rules if the Purchaser has its place of business in Germany or in a country that has not acceded to the UN Convention on Contracts for the International Sale of Goods (CISG) of April 11, 1980. If the Supplier has its place of business in a contracting state of the CISG, the CISG shall apply with the modifications made in the present General Terms and Conditions of Purchase which take precedence over the CISG in this respect; if the CISG does not contain any provisions, German substantive law shall apply in turn.
- Unless otherwise stated in the order confirmation, our registered office is the place of performance

#### § 13 Partial invalidity

Should any provision of this agreement be or become invalid or unenforceable, this shall not affect the validity of the remaining provisions in accordance with Section 306 BGB. Under no circumstances shall the provision in question be replaced by a provision from the customer's terms and conditions.