

## **General terms and conditions of sale, delivery and installation**

### **1. General**

1.1 These general terms and conditions of sale, delivery and assembly are binding insofar as they are declared to be applicable in the offer or in the order confirmation. Any other terms and conditions of the Purchaser shall only be valid if they have been expressly accepted by the Supplier in writing.

1.2 All agreements and legally relevant declarations of the contracting parties must be made in writing in order to be valid.

### **2. Quotation and conclusion of the contract**

2.1 A contract shall not be deemed to have been concluded until the Supplier has confirmed its acceptance in writing after receipt of an order.

2.2 Offers that do not include an acceptance period are non-binding. The Supplier shall not be bound by an offer without an acceptance period until it expressly confirms the Purchaser's declaration of acceptance in writing.

2.3 Offers that contain an acceptance period shall be deemed not to have been accepted unless the purchaser expressly accepts the offer in writing within the set period.

2.4 An implied declaration of acceptance is excluded.

### **3. Scope of delivery**

3.1 The scope and execution of the delivery and service shall be determined by the order confirmation. Material or services that are not included in this will be charged additionally.

3.2 Changes to the Order Confirmation may be made by the Supplier without prior notice, provided that they result in an improvement and do not lead to a price increase.

### **4. Plans and other technical documents as well as price lists, etc.**

4.1 Plans, prospectuses, catalogues, drawings, models and other technical documents as well as price lists and cost estimates - also in electronic form - are not binding unless otherwise agreed. Information in technical documentation (such as plans, brochures, catalogues, drawings or models) is only binding if it is expressly guaranteed in the order confirmation.

4.2 Each Party reserves all rights to technical documentation (such as plans, prospectuses, catalogues, drawings or models) and similar information, whether tangible or incorporeal, including in electronic form, which it has made available to the other Party. The receiving party acknowledges these rights and will not make the documents available to third parties in whole or in part without the prior written authorization of the other party or use them outside the purpose for which they were provided to it.

### **5. Regulations in the country of destination**

The Purchaser shall draw the Supplier's attention to the legal, official and other regulations and standards relating to the execution of deliveries and services, operation and the prevention of illness and accidents at the latest when placing the order.

### **6. Prices**

6.1 Unless otherwise agreed, the Supplier's prices are net, ex works, in EUR, excluding packaging, transport, insurance, assembly, installation, commissioning and VAT.

6.2 If, after the conclusion of the contract, the costs on which the calculation is based increase and this cost increase was caused by the Purchaser, the Supplier shall be entitled to adjust the prices stated in the order confirmation accordingly until the obligations incumbent on him have been finally fulfilled.

6.3 Price changes are permissible if there are more than four months between the conclusion of the contract and the agreed delivery date. If, by the time the delivery is completed, wages, material costs or market cost prices increase for the supplier, the price may be increased appropriately in line with the increase in costs.

### **7. Terms of payment**

7.1 The payment period is 14 days net from the date of invoice. For deliveries abroad, unless otherwise agreed in writing, payment is made in advance or against an irrevocable letter of credit, payable on sight, payable to the confirmed bank (Credit Suisse, CH-9001 St. Gallen). All commissions and fees are at the expense of the customer.

7.2 In the case of an order value of EUR 50,000 or more, payments are to be made as follows, subject to special agreements:

- a) Supply business
  - 30% on order
  - 70% immediately after delivery
- b) Plant business with acceptance

- 30% on order
- 60 % after delivery release
- 10% after commissioning or acceptance, but no later than 4 weeks after delivery.

7.3 Unless otherwise agreed in writing, payments shall be made by the Purchaser at the Supplier's registered office without deduction of discounts, expenses, taxes and fees of any kind.

7.4 In the event of default of payment, the Supplier reserves the right to immediately suspend deliveries and installations and is entitled to charge default interest of 8% p.a.

7.5 The Supplier reserves the right to charge additional costs for reminders.

7.6 The Purchaser may not withhold payments in the event of unacknowledged complaints or counterclaims that have not been legally established. The minimum invoice value is EUR 50.00.

7.7 In the event of suspension of payment or insolvency of the Purchaser, the purchase price claim shall become due immediately.

## **8. Ownership**

8.1 The Supplier retains ownership of the delivery until full payment has been made. The Purchaser is obliged to take the necessary measures to protect the Supplier's property.

8.2 The Supplier is entitled, with the cooperation of the Purchaser, to have the retention of title entered in the relevant register.

## **9. Delivery deadline**

9.1 The delivery period begins with the acceptance of the order by the Supplier.

9.2 The delivery period will be extended appropriately:

- a) if the information required for the execution of the order is not received by the Supplier in due time or if it is subsequently amended by the Purchaser.
- b) if payment deadlines are not met, letters of credit are opened too late or required import licenses do not reach the supplier on time.
- c) if obstacles arise which the supplier is unable to avert through no fault of his own despite exercising due care, regardless of whether they arise at the supplier's, the customer's premises or a third party. Such obstacles are events of force majeure, such as epidemics, mobilization, war, riots, significant disruptions to operations (such as strikes), accidents, labour disputes, late or incorrect delivery of the required raw materials, semi-finished or finished products, rejection of important workpieces, official measures or omissions, natural disasters. In these cases, the delivery period will also be extended if they occur during a delay in delivery.

## **10. Risk**

10.1 The risk shall pass to the Purchaser upon dispatch or collection from the factory, unless otherwise agreed.

10.2 If dispatch is delayed due to circumstances beyond the Supplier's control, the risk shall pass to the Purchaser as soon as the Supplier is ready for dispatch.

## **11. Delay in delivery**

11.1 Rights arising from delay in delivery may only be asserted after a reasonable grace period has been set. The grace period may not be less than two weeks.

11.2 In the event of operational disruptions or other unforeseen events as specified in Article 9.2, the delivery time shall be extended accordingly without the Supplier being liable for damages. This also applies if the event occurs during the delay in delivery.

11.3 Compensation for delay in delivery can only be claimed in the event of intent or gross negligence on the part of the Supplier or its assistants. Compensation for indirect damages (e.g. loss of profit, loss of business, etc.) is excluded.

11.4 In the event of a demonstrably culpable delay in delivery and after expiry of the grace period, the Purchaser shall be entitled to demand a reduction of the purchase price from the Supplier. The reduction shall not exceed 1/2% for each full week of delay, but not more than 5% in total, calculated on the contract price of the delayed part of the delivery.

11.5 Unless otherwise prohibited by mandatory law, the Purchaser shall not have any further rights and claims due to delay in delivery or performance other than those expressly stated in Articles 11.1 to 11.4.

## **12. Delivery, transport and insurance**

12.1 The Products are carefully packaged by the Supplier.

12.2 Special requests regarding shipping and insurance must be communicated to the Supplier in good time. The transport is at the expense and risk of the customer. Complaints in connection with the transport must be addressed by the customer to the last carrier immediately upon receipt of the delivery or the cargo.

12.3 Insurance against damage of any kind is the responsibility of the customer. Even if it has to be concluded by the supplier, it is at the expense of the customer.

### **13. Inspection and acceptance of the delivery**

13.1 The Purchaser shall inspect the delivery within a reasonable period of time after receipt and shall immediately notify the Supplier in writing of any defects. If he fails to do so, the delivery and performance shall be deemed to have been approved.

13.2 As soon as the work has been completed in accordance with the contract and any acceptance tests have been successfully carried out, the work shall be deemed to have been accepted by the Purchaser. At this point in time, the warranty period begins to run. If provided for in the offer, the customer must issue a certificate (acceptance report) in which the date of completion and the date of the acceptance tests are noted.

13.3 If the Purchaser prevents the acceptance tests from being carried out through fault or through no fault of his/her own, the acceptance shall be deemed to have taken place. The warranty period begins to run upon written notification by the supplier to the customer.

13.4 If the acceptance tests cannot be carried out due to circumstances that arise at the Customer's premises, the acceptance tests will be postponed. However, the postponement may not exceed a period set by the parties, in the absence of such a period, 3 months.

### **14. Warranty and Liability**

14.1 The Supplier warrants that the Products supplied by it are free from defects in manufacturing and materials.

14.2 Guaranteed properties are only those that are expressly designated as such in the order confirmation or instructions for use, as well as those that are customary for intended use. The warranty is valid until the expiry of the warranty period at the latest.

14.3 If the Products are defective, the Supplier undertakes to remedy the defects or replace the Products at its option. The warranty period begins from the date of delivery or notification of readiness for shipment and lasts 12 months unless otherwise agreed.

14.4 If a defect within the meaning of Article 14.3 is not remedied within a reasonable period of time by means of a replacement delivery or elimination of the defect by the Supplier, the Purchaser may, after three attempts to rectify the defect, demand a reduction in the purchase price or rescission of the contract.

14.5 The warranty shall expire prematurely if the Purchaser or third parties make improper changes or repairs or if, if a defect has occurred, the Purchaser does not immediately take all appropriate measures to mitigate the damage and gives the Supplier the opportunity to remedy the defect but remedies the defect itself. Likewise, any warranty is void if original TELSONIC spare and wear parts are not used for the entire "TELSONIC ultrasonic system" or if there is no written consent of TELSONIC AG or Telsonic GmbH for each addition and design change.

14.6 Excluded from the warranty and liability of the Supplier are damages that cannot be proven to have occurred as a result of poor material, faulty construction, defective workmanship or other reasons for which the Supplier is responsible. In particular, the Supplier shall not be liable for any damage caused by improper use, negligence, or inadequate maintenance by the Purchaser.

14.7 Due to defects in materials, construction, or workmanship as well as due to the lack of guaranteed properties, the Purchaser has no rights and claims other than those expressly stated in Articles 14.3 and 14.4. In particular, no compensation is due for loss of business, loss of profit, etc.

14.8 In the case of rental or test equipment, the Purchaser shall be liable for any damage to the system if the damage was not caused by defects in design, manufacturing, or materials.

14.9 The Purchaser shall not be entitled to any claims for damages arising from breach of contract or for damages that have not occurred to the delivery item itself unless the Supplier or its assistants are guilty of gross negligence or intent. This does not apply to damages resulting from injury to life, limb or health.

14.10 To the fullest extent permitted by law, the Supplier shall not be liable for any damage resulting from the infringement of intellectual property rights (such as patents, utility models or designs).

14.11 If the Supplier is liable for damages, the number of damages shall be determined in good faith considering its economic circumstances, the nature, scope and duration of the business relationship and, where applicable, the value of the contract in favour of the Contractor.

### **15. Software**

To the extent that software is included in the product itself ("embedded software"), the following applies:

15.1 The Supplier grants the Purchaser a non-exclusive right to use the Software supplied, including its documentation, in connection with the Products supplied by the Supplier. It is made available for use on the intended delivery item and is delivered in object code without source codes. Use of the software on more than one system is prohibited. The software may not be used for any purpose other than the use and operation of the delivered product, nor may it be copied, nor may it be made available to third parties. Excluded from this are reproductions for the purpose of data backup as well as the transfer of the software to third parties together with the delivered product.

15.2 The Purchaser undertakes not to remove or change any information provided by the Supplier – in particular copyright notices – without prior express consent.

15.3 Subject to the right of use granted under this section, the Supplier shall remain the owner of all rights, in particular the copyright exploitation rights, including through reproduction, distribution and translation of the Programming Provided, the associated documents and documentation, etc., in all complete or partial backup copies made by the Purchaser in the course of its use. The Purchaser may make a backup copy of the Software without an explicit agreement. All copies must bear the copyright notice on the original. If the program is provided to the customer only in machine code, he will not gain access to the source code. The Purchaser is obliged to take appropriate precautions to prevent unauthorized access by third parties to the Software and the Documentation. The original data carriers supplied as well as the backup copies must be stored in a place that is secured against unauthorized access by third parties.

15.4 Insofar as software is delivered or made available to the Purchaser separately from a specific product ("Application Software"), the separate purchase and license agreement shall apply to its use. 15.5 Insofar as software from third-party manufacturers (e.g. Open-Source Software), the special license and other terms and conditions of the third party shall apply in addition to the terms and conditions of the Supplier. The references to the relevant licenses are provided in the software itself or in the user manual and can also be obtained from the supplier upon request.

15.6 The Supplier warrants that its software (embedded software and application software) is properly duplicated, and that the Supplier's software can be run on the products specified by the Supplier. The warranty is fulfilled by means of a replacement delivery. Unless otherwise agreed in writing, no liability is given for the accuracy of the software and its data structure.

15.7 The Supplier shall not be liable for any damage resulting from the Product or Application Software being connected to the Internet or incorporated into an unprotected local network.

15.8 The Supplier shall not be liable for any damage if software (third-party software) not approved by the Supplier is installed on the Product.

15.9. In addition, any warranty and liability of the Supplier, both under clause 15.6 and clause 14, shall be void if the Purchaser or third parties have made changes to the Software (embedded software and/or application software) without the prior written consent of the Supplier, even if the defect occurs in an unmodified part of the Software or Product.

## **16. Reservation of export licence**

Insofar as the supplier is to deliver abroad, offers and order confirmations will only be made subject to the condition precedent that any necessary export licences are issued by the competent authorities.

## **17. Installation and commissioning**

Insofar as the scope of services includes installation and/or commissioning, the following conditions apply in addition:

17.1 Unless otherwise agreed, the service will be billed according to the time spent using the Supplier's applicable assembly kits. The cost of materials must also be reimbursed, as well as the travel costs for the outward and return journey of the staff, the accommodation costs of the staff in reasonable accommodation, the transport costs, customs, customs expenses and transport insurance for luggage and tools, costs for the procurement of identity documents, passport and other cash expenses, such as telephone expenses, etc.

17.2 The Purchaser shall certify the work, travel and waiting time as well as the work performance of the assembly personnel on the assembly certificates submitted by the assembly personnel. If the customer refuses to issue the certificate or if it is not possible to obtain the certificate for other reasons, the invoice will be made on the basis of the assembly documents completed by the supplier. All ancillary work (e.g. masonry, chiselling, plastering, carpentry, electrical connection, earthworks and painting) are not included in the offer, unless they are listed separately in items with quantity and price. Work not included in the order is to be remunerated additionally according to the supplier's billing rates. The same applies to additional costs that arise if a service is interrupted for reasons for which the supplier is not responsible.

17.3 The Purchaser is obliged to provide assistance in the performance of the service at its own expense. In particular, it has:

(a) to provide the necessary suitable assistants (bricklayers, carpenters, locksmiths and other skilled workers, assistants) in the number and time required for assembly.

(b) to carry out all earthwork, construction, ballast and scaffolding work in a timely manner, including the procurement of the necessary building materials, the laying of electricity and cooling water connections and the pressure-free drains, plumbing, electrical, installation, masonry and carpentry work.

(c) to provide the routes suitable for the delivery of assembly parts and crane trucks.

(d) to provide, prior to the commencement of the installation work, the necessary information on the location of concealed electricity, gas and water pipes or similar installations, as well as the necessary static information, without being asked;

e) Provide heating, lighting, energy and water, including the necessary connections.

#### **18. Use of data**

18.1 The Supplier is entitled to copy, transmit, store and analyse data in order to optimise its products and services.

18.2 Data includes automatically generated operating data, such as sensor data, status data, error codes, operating times and also manually generated data, such as service logs.

18.3 The Supplier will not pass on any data to third parties without the consent of the Purchaser.

18.4 Insofar as personal data is collected, the statutory data protection regulations apply.

#### **19. Supplier's Law**

The Supplier may withdraw from the contract in whole or in part if the Purchaser's economic situation deteriorates significantly.

#### **20. Prohibition of set-off**

Neither the Supplier nor the Purchaser shall be entitled to offset claims and/or services against each other.

#### **21. Intellectual Property**

Unless otherwise agreed, the Supplier shall be entitled to all ownership and exploitation rights to developments carried out by the Supplier on behalf of the Purchaser or on behalf of the Purchaser.

#### **22. Applicable law**

This contract is subject exclusively to German law (even if the customer has its registered office abroad). The application of international or multinational contracts and laws on purchase, in particular the United Nations Convention on Contracts for the International Sale of Goods, are excluded.

#### **23. Jurisdiction**

The place of jurisdiction is the registered office of the supplier: TELSONIC GmbH, 90766 Fürth