

General Terms and Conditions of Sale

Applicable in national and international business transactions with companies, legal entities under public law and special public funds.

1. Scope

- 1.1 These general terms and conditions of sale (hereinafter: the "**Conditions of Sale**") shall apply to all business transactions between ELECTROSTAR GmbH (hereinafter: "**ELECTROSTAR**") and the customer, even if they are not referred to in subsequent contracts.
- 1.2 Terms and conditions of the customer that conflict with, supplement or deviate from these Conditions of Sale shall not become part of the contract unless their application is expressly approved by ELECTROSTAR in writing. These Conditions of Sale shall apply even if ELECTROSTAR makes a delivery to the customer without reservations whilst being aware of the customer's conflicting or deviating terms and conditions.
- 1.3 Agreements which supplement or deviate from these Conditions of Sale and which are concluded between ELECTROSTAR and the customer for the performance of a contract must be set out in writing in the contract. This shall also apply to the cancellation of this requirement for the written form
- 1.4 Any rights beyond these Conditions of Sale to which ELECTROSTAR is entitled by law shall remain unaffected.

2. Conclusion of contract

- 2.1 Offers and cost estimates shall be subject to change and non-binding unless they are expressly designated as binding offers.
- 2.2 Illustrations, drawings, weights and dimensions, as well as other descriptions of the goods from the documents relating to the offer, are approximations only unless they are expressly described as binding. Such items shall not constitute an agreement on, or guarantee of, a corresponding quality of the goods.
- 2.3 Orders shall not become binding until they have been confirmed by ELECTROSTAR by means of a written order confirmation. Order confirmations that are generated using automatic devices and, therefore, do not contain a name and signature shall be deemed written order confirmations. If ELECTROSTAR does not respond to offers, orders, requests or other declarations from the customer, this shall only be deemed approval if this is expressly agreed to in writing. To the extent that an order confirmation contains obvious errors, misspellings or calculation mistakes, it shall not be binding upon ELECTROSTAR.

3. Delivery; delivery deadlines; default

- 3.1 Unless explicitly agreed otherwise, the delivery will be made "ex works" (EWX in accordance with Incoterms® 2010) (Hans-Zinser-Str. 1-3, 73061 Ebersbach an der Fils, Germany); that is, the goods will be made available for pick-up by the customer. On request and at the expense of the customer, the goods may also be sent to another location (hereinafter: "**Dispatch Sale**"); in this case, ELECTROSTAR is entitled to determine the type of dispatch. However, on request and at the expense of the customer, ELECTROSTAR will provide transport insurance for the goods against the risks to be specified by the customer.
- 3.2 The scope of the delivery shall be as set out in the written order confirmation from ELECTROSTAR. Any changes to the scope of the delivery must be approved by ELECTROSTAR in writing to be valid. The right to make changes to the design and form of the goods remains reserved, to the extent that such changes are insignificant and not unreasonable for the customer.

- 3.3 ELECTROSTAR shall have the right to make partial deliveries, provided this is not unreasonable for the customer.
- 3.4 Delivery periods must be agreed in writing. Delivery periods are non-binding unless explicitly designated as binding.
- 3.5 A delivery period shall commence when ELECTROSTAR dispatches the order confirmation, but not before all documents, (customs) permits and releases to be obtained by the customer have been provided in full, the agreed down-payment, if any, has been received, as well as the timely and proper performance of any other contributions by the customer.
- 3.6 Agreed delivery periods are deemed to have been met if, by the time the delivery period expires, ELECTROSTAR has made the goods available at the relevant delivery location or – for a Dispatch Sale, as defined in clause 3.1 sentence 2 – has handed the goods over to the person charged with their transportation or the customer has announced that it will refuse acceptance. The delivery shall be conditional upon ELECTROSTAR being timely and properly supplied by its own suppliers.
- 3.7 If the delivery period is not met owing to force majeure and other disturbances for which ELECTROSTAR is not responsible, e.g. war, terror attacks, import and export restrictions (even those concerning ELECTROSTAR's suppliers), the agreed delivery periods shall be extended for the duration of the disruption. This shall also apply if ELECTROSTAR and/its suppliers are affected by industrial action.
- 3.8 The customer may not rescind the contract as a result of a delay in delivery unless ELECTROSTAR is responsible for the delay.
- 3.9 If the customer has entered into a fixed-term framework agreement regarding future deliveries with ELECTROSTAR and the customer fails to retrieve the goods in a timely manner, ELECTROSTAR may, after a reasonable period of grace set for performance has expired unsuccessfully, deliver the goods and issue an invoice, rescind the contract or, if the customer has acted wilfully, claim damages in lieu of performance.
- 3.10 To the extent that the goods were delivered to the customer on Euro pallets or pallet cages (load carriers), the customer shall be obliged to return the same number of load carriers of the same type and quality to ELECTROSTAR at the place where the original delivery occurred.
- 3.11 The customer is obliged, without prejudice to the provisions of clause 7.1, to inspect the goods for externally recognisable damage upon delivery, to report any damage to the transport company performing the delivery, and to be issued with a corresponding written confirmation. If the customer fails to meet this obligation, it shall be obliged to compensate ELECTROSTAR for the resulting damages.

4. Transfer of risk

- 4.1 The risk of an accidental loss or deterioration of the goods shall pass to the customer as soon as ELECTROSTAR has handed over the goods at the delivery location according to clause 3.1 sentence 1 or – for a Dispatch Sale, as defined in clause 3.1 sentence 2 – to the person charged with their transportation. This shall also apply if partial deliveries are made or – in an individual case – ELECTROSTAR has assumed the transport costs in deviation from clause 3.1 sentence 2.
- 4.2 If the customer defaults on its obligation to take delivery of the goods, ELECTROSTAR may claim damages for the losses suffered. The lump-sum compensation amounts to 0.5% of the net price of the delivery per day of delay, up to a maximum of 5% of the net price of the delivery. The contracting parties reserve the right to claim further damages and may prove that a smaller amount of damages was incurred.

ELECTROSTAR GmbH

Hans-Zinser-Straße 1-3, 73061 Ebersbach an der Fils, Germany

The risk of an accidental loss or deterioration of the goods shall pass to the customer at the time the customer starts to default on its obligation to take delivery of the goods.

- 4.3 Without prejudice to the customer's claims for defects, if any, the customer shall be obliged to take delivery of the goods supplied even if they contain minor defects. The customer shall also be obliged to accept the goods made available if they demonstrate deviations in quantity of up to 5% or were delivered marginally too early.

5. Prices

- 5.1 The agreed price shall be the price in euros that is stated in the order confirmation, plus value-added tax. Statutory value-added tax is not included in the price and will be stated separately in the invoice at the rate applicable on the day the invoice is issued.
- 5.2 If the customer receives no order confirmation or if this contains no price details, the price list current at the time of delivery shall apply.
- 5.3 Unless otherwise agreed, the prices shall apply "ex works" (EWX according to Incoterms® 2010), excluding packaging. For a dispatch sale as defined in clause 3.1 sentence 2, the customer shall bear the transport costs and the costs of any potential transport insurance desired by the customer.
- 5.4 If delivery is made more than four months after order confirmation and price increases occur during this period, in particular as a result of wage increases, commodity price increases, general price increases through inflation or comparable circumstances, ELECTROSTAR shall be entitled to calculate a correspondingly higher price. This shall also apply if, between the submission of an offer and the issuance of the order confirmation by ELECTROSTAR, or upon conclusion by ELECTROSTAR of a framework agreement in which the prices are firmly agreed, the commodity prices of the respective goods concerned or other significant cost elements, in particular, energy, wage, transport or insurance costs, change significantly (i.e. by at least 10%). In this case, ELECTROSTAR may reasonably increase the prices to the extent that they are affected by the increase in costs. In doing so, ELECTROSTAR shall take account of the customer's legitimate interests, in particular if the customer has already assumed obligations to resell the goods at a particular price. ELECTROSTAR shall demonstrate proof of the price-changing factors to the customer upon request.
- 5.5 For orders where the net value of the goods is below EUR 50.00, we will charge a processing fee of EUR 15.00 to cover part of our administrative costs.
- 5.6 Spare parts shall be delivered and repaired goods returned, provided these are not covered under the liability for material defects, against collection of an appropriate flat-rate fee, which is EUR 25.00 in cases of doubt, for delivery and packaging costs, plus remuneration for the service performed by ELECTROSTAR.
- 5.7 Claims by ELECTROSTAR for payment of the purchase price shall lapse after five years, in deviation from section 195 of the German Civil Code (BGB).

6. Terms of payment

- 6.1 Unless otherwise agreed in writing, the gross price plus the cost of freight and insurance, where applicable, shall be payable within 10 days of the invoice date with a 2% discount or within 30 days of the invoice date without any deduction.
- 6.2 A payment is deemed made when ELECTROSTAR can use the amount.
- 6.3 If the deadline for payment is exceeded, ELECTROSTAR may charge default interest at the statutory rate (currently, nine percentage points above the base interest rate (sections 247, 288 (2) of the

German Civil Code (BGB)). ELECTROSTAR reserves the right to assert further claims for damages.

- 6.4 If the customer defaults on its payment obligations, ELECTROSTAR shall have the right to demand immediate payment of all sums arising from the business relationship, even when such claims are not yet due.
- 6.5 Counterclaims on the part of the customer shall only entitle the customer to offset or assert a right of retention if such counterclaims are legally established or undisputed. The customer may only exercise a right of retention if its counterclaim is based on the same contractual relationship.
- 6.6 ELECTROSTAR is entitled to fulfil pending deliveries or services only against an advance payment or security deposit when, upon conclusion of the contract, circumstances become known that might significantly reduce the creditworthiness of the customer and through which the payment to ELECTROSTAR of outstanding claims by the customer from the relevant contractual relationship is put at risk. This shall apply accordingly if the customer refuses or fails to make the payment of open claims from ELECTROSTAR and no legally established or undisputed objections regarding the claims of ELECTROSTAR have been raised.

7. Warranties

- 7.1 The customer's rights arising from defects shall be contingent upon the customer performing its statutory obligations to inspect and give notice of defects (sections 377, 381 of the German Commercial Code (HGB)), in particular, on the customer inspecting the goods supplied upon receipt and giving ELECTROSTAR written notice of any obvious defects and of defects that could be identified during such inspection without undue delay after receipt of the goods. The customer must provide ELECTROSTAR with written notice of any hidden defects without undue delay after such defects have been discovered. In order for such notice to be deemed given without undue delay, within the meaning of sentence 1, it must be given – and received by ELECTROSTAR – within eight working days. If the customer fails to carry out a proper inspection and/or give notice of defects, ELECTROSTAR shall not be liable for the defects. When giving ELECTROSTAR notice of defects, the customer must provide a written description of the defects.
- 7.2 If notification of defects is made unjustly, ELECTROSTAR shall be entitled to demand reimbursement of expenses incurred from the customer, unless the customer can prove that it is not to blame for the unjustified notice of defects.
- 7.3 Claims for rectification shall be excluded in the event of minor deviations in quality, colour, width, weight, equipment or design which cannot be avoided technically.
- 7.4 If the goods contain defects, ELECTROSTAR may, at its own discretion, remedy the defects or deliver goods which are free from defects.
- 7.5 If the goods are not at the place of delivery, the customer shall bear all additional costs which ELECTROSTAR incurs as a result of this when remedying defects, unless such relocation is in line with the contractual use.
- 7.6 Rights arising from defects shall not exist
- in the event of natural wear and tear;
 - if the defects of the goods or the damage arise(s) after the transfer of risk due to improper handling deviating from the operating instructions, improper storage or maintenance or excessive strain or use;
 - if the defects of the goods or the damage is or are due to force majeure, to extraordinary external impacts that are not intended according to the contract or to the goods being used in a manner which does not correspond to their contractually intended or customary use;

ELECTROSTAR GmbH

Hans-Zinser-Straße 1-3, 73061 Ebersbach an der Fils, Germany

- 7.7 ELECTROSTAR shall not be liable for the quality of the goods with regard to the processing or selection of the materials if the customer has specified a construction or material that deviates from ELECTROSTAR's range of services.
- 8. Liability**
- 8.1 ELECTROSTAR's contractual liability for damages within the scope of warranty shall in all cases be conditional upon there having been fault (wilful misconduct or negligence), even where no-fault liability for damages is provided for by law (in particular, by the CISG in international business transactions). This shall not affect mandatory statutory liability for product defects (in particular, under the German Product Liability Act (ProdHaftG)).
- 8.2 ELECTROSTAR shall be liable without limitation – regardless of the legal grounds – for damage resulting from breach of guarantee or from death, bodily injury or damage to health. The same shall apply to wilful misconduct and gross negligence, mandatory statutory liability for product defects (especially under the German Product Liability Act (ProdHaftG)), and liability if defects were concealed with fraudulent intent.
- 8.3 Subject to clause 8.2, ELECTROSTAR shall only be liable for simple negligence if material obligations are violated which result from the nature of the contract and are of particular importance for achieving the purpose of the contract. If such obligations are violated, ELECTROSTAR's liability shall be limited to the damage that can typically be expected with this contract
- 8.4 In case of failure to meet a delivery deadline, ELECTROSTAR's liability is limited – subject to clause 8.2 – to damages arising to the customer from the delay, up to a maximum of 5% of the agreed net price.
- 8.5 To the extent that ELECTROSTAR's liability is excluded or limited, this shall also apply to personal liability on the part of ELECTROSTAR's legal representatives, officers, employees, staff and vicarious agents.
- 9. Time limitations on claims**
- The limitation period for the customer's claims for defects shall be 12 months and shall commence when the goods are delivered. Except where agreed out of goodwill, the limitation period shall not start anew as a result of rectification. It shall also apply to tort claims which are based on a defect of the goods. In the cases of clause 8.2, the statutory limitation period shall apply.
- 10. Voluntary redemptions**
- 10.1 Beyond the warranty, goods may only be returned on the express agreement of ELECTROSTAR. In each case, a return requires that the goods are in their original packaging and that the goods and packaging are undamaged.
- 10.2 Provided ELECTROSTAR gives its consent, the customer will receive a return number. This is to be clearly displayed on the return packaging. The costs for the return shall be borne by the customer and paid to the place of business of ELECTROSTAR.
- 10.3 A flat-rate processing fee shall be charged for each return, the amount of which shall be agreed upon in each individual case and which is EUR 25.00 in cases of doubt. If, contrary to clause 10.1 sentence 2, the goods or packaging are damaged, ELECTROSTAR shall be entitled to reject the return or to charge the reprocessing costs to the customer. In the absence of a deviating agreement, these costs shall be 15% of the agreed net price, but at minimum EUR 25.00.
- 10.4 If a return is made without ELECTROSTAR's explicit agreement, ELECTROSTAR shall be entitled to reject the return or to store the goods at the customer's cost and risk. The storage costs amount to at least EUR 25.00 per week.
- 11. Retention of title**
- 11.1 The goods supplied shall remain the property of ELECTROSTAR until the purchase price in respect of the goods has been paid in full.
- 11.2 Furthermore, ELECTROSTAR shall remain the owner of the goods supplied until all claims arising from the business relationship between the customer and ELECTROSTAR have been paid in full.
- 11.3 The customer shall be obliged to handle the goods which are subject to this retention-of-title clause with due care for as long as title is retained. In particular, the customer shall be obliged to sufficiently insure the goods at the customer's own expense at their replacement value against damage by fire, water and theft. The customer hereby assigns to ELECTROSTAR all claims for compensation arising from such insurance. ELECTROSTAR hereby accepts this assignment. If assigning such claims is not allowed, the customer hereby instructs the insurer to make payments, if any, only to ELECTROSTAR. This shall not affect any further claims of ELECTROSTAR. Upon request, the customer shall provide ELECTROSTAR with evidence of the conclusion of the insurance contract.
- 11.4 If the goods which are subject to this retention-of-title clause are combined with other items not owned by ELECTROSTAR and this results in the creation of a uniform item, ELECTROSTAR will acquire proportionate co-ownership of this uniform item according to the ratio of the value of the goods which are subject to this retention-of-title clause (final amount invoiced, including value-added tax) and the value of the other goods at the time of combination. If the combination of the goods which are subject to this retention-of-title clause with other items is such that the customer's item is to be considered the main item, the customer hereby transfers to ELECTROSTAR proportionate co-ownership of this item. ELECTROSTAR accepts this transfer. The provisions of this clause 11.4 shall apply correspondingly if the goods which are subject to this retention-of-title clause are processed with other items.
- 11.5 The customer shall be authorized, subject to revocation, to sell the goods which are subject to this retention-of-title clause in the ordinary course of business. The customer shall not be authorized to pledge the goods which are subject to this retention-of-title clause, to transfer them by way of security or to make any other dispositions which jeopardize the ownership of ELECTROSTAR. In the event of attachments or other encroachments by third parties, the customer must notify ELECTROSTAR without undue delay in writing and provide all the information needed, advise the third party of ELECTROSTAR's property rights and assist with any measures taken by ELECTROSTAR to protect the goods which are subject to this retention-of-title clause.
- 11.6 The customer hereby assigns to ELECTROSTAR its claims arising from the resale of the goods that are subject to this retention-of-title clause, along with all ancillary rights, in an amount equal to the amount invoiced, including value-added tax. ELECTROSTAR hereby accepts this assignment. If the goods which are subject to this retention-of-title clause are sold with other goods not supplied by ELECTROSTAR, the claim arising from resale shall be assigned proportionately, according to the ratio of the value of the goods which are subject to this retention-of-title clause (final amount invoiced, including value-added tax) and the other goods sold. If assigning such claims is not allowed, the customer hereby irrevocably instructs the third-party debtor to make payments, if any, only to ELECTROSTAR.
- 11.7 The customer shall be authorized, subject to revocation, to collect the claims which have been

ELECTROSTAR GmbH

Hans-Zinser-Straße 1-3, 73061 Ebersbach an der Fils, Germany

assigned to ELECTROSTAR in its own name as a trustee acting on behalf of ELECTROSTAR. All amounts collected must immediately be remitted to ELECTROSTAR.

- 11.8 ELECTROSTAR may revoke the customer's right to resell the goods and the authority to collect the claims if the customer fails to properly perform its payment obligations to ELECTROSTAR, defaults on one or more payments or stops payment or if a petition is filed to institute insolvency proceedings against the assets of the customer.
- 11.9 At the request of the customer, ELECTROSTAR shall be obliged to release the security interests to which ELECTROSTAR is entitled to the extent that the realizable value of such security interests exceeds ELECTROSTAR's claims arising from the business relationship with the customer by more than 10%, upon deduction of the mark-downs customary in the banking business. ELECTROSTAR may choose which security interests it wishes to release.
- 11.10 In the event that goods are supplied to destinations with other legal systems where the retention-of-title provisions set out in this clause 11 do not provide the same degree of protection as they offer in the Federal Republic of Germany, the customer hereby grants ELECTROSTAR an equivalent security interest. If the creation of such a security interest requires further measures, the customer shall do whatever is necessary to grant ELECTROSTAR such security interest without undue delay. The customer shall assist with all measures that are required for, and conducive to, the validity and enforceability of such security interests.

12. Rescission/cancellation of the contract

- 12.1 If the customer is in breach of the contract, in particular, if the customer defaults on its payment obligations, ELECTROSTAR shall be entitled without prejudice to its other contractual and statutory rights to rescind the contract following the expiry of an appropriate grace period.
- 12.2 After notice of rescission has been given, the customer must grant ELECTROSTAR or ELECTROSTAR's agents without undue delay access to the objects which are subject to the retention-of-title clause and surrender such objects. Following an appropriate, timely announcement, ELECTROSTAR may utilize the objects which are subject to the retention-of-title clause to settle any matured claims against the customer. Upon deduction of reasonable utilization costs, the utilization proceeds shall be credited against the customer's liabilities.
- 12.3 The provisions of this clause 12 shall not operate to limit any statutory rights or claims.

13. Confidentiality

- 13.1 The customer shall be obliged to treat all information about ELECTROSTAR that becomes available to the customer and is designated as confidential, or can be identified as a trade or business secret due to other circumstances, as confidential for an unlimited period of time. The customer may not record, disclose or exploit any such information.
- 13.2 The customer shall enter into adequate contractual agreements with the employees and agents working for it to ensure that they, too, refrain for an unlimited period of time from any exploitation, disclosure or unauthorized recording of such trade and business secrets for their own purposes.

14. Governing law; place of jurisdiction

- 14.1 The legal relations between the customer and ELECTROSTAR shall be governed by the laws of the Federal Republic of Germany.
- 14.2 Where the United Nations Convention on Contracts for the International Sale of Goods (CISG) applies in international business transactions, i.e. to dealings with

customers outside the Federal Republic of Germany, questions concerning matters that are not dealt with in the Convention or that cannot be settled in accordance with its guidelines must be decided upon in accordance with the laws of the Federal Republic of Germany. This does not apply to the provisions regarding recourse to suppliers set out in sections 478, 479 of the German Civil Code (BGB), which do not apply in international business transactions.

- 14.3 The exclusive place of jurisdiction for all claims arising from the business relationship shall be the place of business of ELECTROSTAR. However, ELECTROSTAR is also entitled to sue the customer at the customer's place of business instead, or at any other permissible place of jurisdiction.

15. Other

- 15.1 Transfer of the customer's rights and obligations to third parties is only possible with the written consent of ELECTROSTAR.
- 15.2 The place of performance for all obligations that are to be performed by the customer and ELECTROSTAR shall be ELECTROSTAR's place of business.

August 2019