

General Terms & Conditions of Sale & Delivery

The terms stated below apply exclusively to all offers, sales and deliveries:

I. OFFER AND CONCLUSION

The offers of the seller are always non-binding and apply exclusively to the scope mentioned. Contracts are only concluded when the order is confirmed in writing. The same applies to other agreements made later. In addition to these sales conditions, the Incoterms at the time of the order conclusion will apply. If the buyer delivers drawings or quality samples, he is liable to the seller that their use does not violate any third-party rights. The seller is not liable for drawings or samples supplied by the buyer. Samples from the seller are to be used only as a guide.

II. PRICE POSITION

Unless otherwise expressly confirmed, the prices do not include VAT. If applicable, this tax will be charged separately in the statutory amount applicable when the services are performed. The buyer bears the customs duties as well as taxes and duties incurred outside of Germany. The prices in a currency other than EURO are based on the official exchange rate of the EURO to the foreign currency concerned on the date of the seller's last offer on the Frankfurt exchange. If this rate changes between the date of this offer and the receipt of payment by the seller, the price will change accordingly. If the seller does not have an offer, the date of the seller's order confirmation is decisive for the course. The agreed prices are based on the current raw and operating material costs, the German tariff wages and freight, exchange rates and customs duties and, unless otherwise agreed in writing, are exclusive of loading and packaging. If these costs change, the seller reserves the right to re-fix the prices in the context of the cost increases that have occurred, whereby the principles of cheap discretion must be observed. The buyer bears the additional costs incurred due to subsequent changes to the order for which the seller is not responsible.

III. SCOPE OF DELIVERY

The delivery time begins on the day of clarification of all technical and other details of the order as well as the provision of any necessary foreign import licenses or the submission of the contractual letter of credit. If the buyer does not meet his contractual obligations, the seller is not bound to meet the agreed deadlines. In the case of contracts for the delivery of an as yet undefined quantity within a certain period of time, the seller reserves the right to agree on the quantity and delivery time for each call. The delivery time is met if the goods have left the delivery plant by the expiry of the deadline or are ready for delivery in the delivery plant if the seller is not responsible for preventing the shipment. The seller can postpone the delivery or suspend it in whole or in part if the execution of the operation or shipping is hindered or made impossible for reasons that the seller cannot avoid with reasonable care, e.g. through strike, lockout, shipping hindrance in the seller's or supplier's company, breakage, lack of raw materials, supplies or operating materials or other acts of God of any kind. In the event of a lack of self-delivery, the seller

is released if he has concluded a corresponding (congruent) cover transaction and has not been supplied by his sub-supplier or has been delivered late or contrary to the contract. If the seller is in default with the delivery due to his personal fault, the buyer can set a reasonable grace period and withdraw from the contract after this period, insofar as it has not yet been fulfilled. If the partial fulfillment is of no interest to the buyer, he can withdraw from the entire contract. Further rights, i.e. Claims for damages, are regulated in accordance with No. IX with the provision that the seller also assumes default damages caused by gross negligence, insofar as this is typical and foreseeable.

IV. ACQUISITION

If goods are checked by the buyer before dispatch, they are considered to be delivered according to the agreed conditions. If finished goods are available for delivery for reasons for which the buyer is responsible, the invoice can be issued immediately and payment can be requested. The goods are then stored at the expense and risk of the buyer. This does not affect the seller's right to request takeover.

V. SHIPPING

The dispatch takes place - also with freight free delivery - at the risk of the buyer. Transport and other insurance are only taken out on request and are charged to the buyer. If the shipment cannot be carried out under the agreed conditions, it will be carried out at the best possible conditions chosen by the seller. Costs for auxiliary cover or packaging used are borne by the buyer.

VI. CALCULATION AND PAYMENT

If the agreed due dates are exceeded, the seller is at least entitled to demand interest from the buyer or default interest of 3% above the Lombard rates of the Deutsche Bundesbank, which are valid in each case. The seller is entitled to demand the applicable VAT for all amounts that he can charge the buyer. The seller is not obliged to accept bills of exchange. In the event of acceptance, the expenses will be borne by the buyer. Payment is only deemed to have been made when the bills of exchange have been cashed or the buyer's bank has effectively paid the check. Offsetting by the buyer is only permissible with a counterclaim of the buyer that has been legally established or is undisputed by the seller. Only counterclaims recognized by the seller - also from complaints - entitle the buyer to withhold due payments. In the event that legitimate doubts arise regarding the solvency of the buyer, the seller can make the further delivery dependent on collateral.

VII. RESERVATION OF OWNERSHIP

The seller retains ownership of the delivered goods until all of his claims resulting from the delivery contract or previous contracts between the parties have been settled. The buyer is not entitled to pledge the goods subject to retention of title or to transfer them as security. Seizures by other creditors must be reported to the seller immediately. As long as the buyer is not in default of payment, he

is entitled to process and resell the goods in the ordinary course of business. The retention of title also extends to new items resulting from processing. If they are combined or mixed with things that do not belong to the seller, they acquire co-ownership.

In the event of resale, the buyer assigns the claims to the seller, regardless of whether the goods subject to retention of title are processed without or after processing and whether they are resold to one or more customers. The assigned claims serve to secure the seller in the amount of the value of the reserved goods sold. In the event that the goods subject to retention of title are sold by the buyer together with other goods that do not belong to the seller, whether without or after processing, the assignment of the purchase price claim only applies to the value of the goods subject to retention of title. The buyer undertakes to inform the seller of the names of the third-party debtors and the amounts of the claims on request. If the buyer defaults on payment, the seller is entitled to inform the third-party debtor of the assignment and to assert the assigned claim. In the event that his purchase price claims are jeopardized, the seller is entitled to immediately take back the reserved goods. At the request of the buyer, the seller is obliged to release parts of the security at his choice if the value of the security existing for the seller exceeds his claims by more than 20%. Any costs of interventions are borne by the buyer.

VIII. WARRANTY

The buyer must examine the consignment for completeness and correctness of the goods immediately after receipt of the delivery and, if necessary, notify them in writing immediately after their discovery. If the customer fails to give notice of defects, the delivery is deemed to have been approved. Characteristics of the goods that have been checked by the buyer or a third party commissioned by him and not objected to before the shipment can no longer be complained about later. After resale, processing or installation of the goods, defects that can be identified immediately after receipt of the goods can no longer be reported. Claims from any defects in the delivery can only relate to the individual defective parts. In this regard, the deliveries are considered to be divisible services. The duration of the guarantee for machines, apparatus, etc. is twelve (12) months from the date of delivery. No guarantee is given for items that are subject to permanent mechanical wear or for used goods. In the case of defects that can be proven to be attributable to the seller, the seller can choose between faultless goods delivered ex-works within a reasonable period of time or, after free delivery, the defects are remedied within the framework of the contractual obligations assumed, whereby the principles of reasonable discretion must be observed. If a product delivered or processed by the seller is defective or there are no guaranteed properties, it will restore the contractual condition. A reasonable grace period is available for this. Instead of rectification, the seller is entitled to replace the lower value or to deliver new goods. If this is not possible, the purchaser can choose to cancel the contract or reduce the remuneration. Further claims are excluded. The seller's warranty obligation lapses if the buyer has not fulfilled his essential contractual obligations, in particular his notification of defects and payment obligations. If a repair

is carried out while exercising the warranty obligation, the warranty period for the affected part will be suspended for the duration of the repair work. The above conditions also apply to these improvements. In the event of disputes regarding the guarantee of certain properties of the goods, only a neutral expert to be appointed by the seller will decide. If necessary, the samples to be taken are to be taken together, if possible. The underlying part bears the costs of the examination or assessment.

IX. LIABILITY

All other claims of the buyer going beyond the claims agreed in these terms of sale, in particular for compensation for damage of any kind, regardless of whether for warranty or another legal reason - including non-contractual liability - are excluded. The above limitation of liability does not apply in the event of intent or gross negligence on the part of the seller or his managerial staff and vicarious agents, or in the event of non-compliance with guaranteed properties, insofar as the buyer was supposed to be insured against damage of the type that occurred. The existing liability is limited to the replacement of typical and foreseeable damage. All claims of the buyer against the seller become statute barred no later than twelve (12) months after receipt of the goods by the buyer, unless shorter statutory periods of limitation are provided for by law or contract.

X. PLACE OF PERFORMANCE AND JURISDICTION

The place of performance for delivery and payment is Duisburg, Germany. The seller is also entitled to take legal action against the buyer at the place of jurisdiction for the buyer's place of business. For international orders, the application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is expressly excluded. The German text of these terms and conditions is legally binding. In addition to these sales conditions, the law of the Federal Republic of Germany applies; the provisions of the German Civil Code (BGB), the German Commercial Code (HGB) and the Code of Civil Procedure (ZPO) take precedence over other German legal norms. The German text is authoritative for the interpretation of these sales conditions. Regulations deviating from these conditions of sale, in particular the buyer's terms and conditions, only become effective after the seller's written confirmation. The mere acceptance of an order by the seller can in no way mean recognition of the buyer's terms and conditions. At the latest when the goods become the property of the buyer or the buyer makes use of the seller's services, these terms of sale are deemed accepted by the buyer and even without his express confirmation.

XI. Miscellaneous

If a provision of these conditions should become invalid, the total inventory of these conditions will not be affected.

WOKO Magnet- und Anlagenbau GmbH
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