

**GENERAL TERMS AND CONDITIONS (GTCs) for business customers of the Central Laboratory of
Groz-Beckert KG, Parkweg 2, 72458 Albstadt**

§ 1 Scope of application

- (1) These general terms and conditions apply only to supplies and services provided by the laboratory of Groz-Beckert KG and only to business customers, i.e. customers who order or obtain our services for a commercial or self-employed professional activity. They apply both to services provided against payment and (naturally without the part relating to remuneration) to services which we provide without separate invoicing. These general terms and conditions do not apply to consumers.
- (2) Our relationship with the customer is governed exclusively by these general terms and conditions. They also apply to all future transactions, as well as to all business contacts with the customer, such as the initiation of contractual negotiations or the initiation of a contract, even if they are not expressly agreed upon or referred to again. The application of the customer's general ordering or purchasing conditions is expressly rejected.
- (3) If, in individual cases, contractual relationships are also established with persons or companies who are not themselves intended to become contracting parties, the limitations of liability in these general terms and conditions will also apply to them, provided that these general terms and conditions were included in the establishment of the contractual relationship with the third parties. This is particularly the case if the third parties were aware or already had knowledge of these general terms and conditions when the contractual relationship was established.
- (4) Acceptance of our supplies and services by the customer is considered as acknowledgement of the validity of these general terms and conditions.

§ 2 Conclusion of contract

- (1) Unless otherwise agreed, our offers are subject to confirmation and non-binding.
- (2) We are not bound by an order until it has been confirmed by us in writing in the form of an order confirmation, or until we commence with the execution of the order.

§ 3 Scope of the performance periods and deadlines

- (1) Our written offer or our order confirmation is definitive in respect of the scope of our supplies and services. Additional agreements and amendments require our written confirmation. If our offer or order confirmation is based on information provided by the customer (data, figures, illustrations, drawings, system requirements, etc.), our offer will only be binding if this information is correct. If it becomes apparent after conclusion of the contract that the order cannot be carried out according to the customer's specifications, we will be

entitled to withdraw from the contract if and to the extent that

the customer is not prepared to accept any alternative solution proposed by us and to assume any additional costs which may actually arise.
- (2) Unless otherwise agreed, our activities are limited to carrying out

analyses and preparing a test report. We are not obliged to provide consulting and further expert opinions, unless expressly agreed otherwise in individual cases.

- (3) Orders are fulfilled under the conditions available to us in accordance with the current state of technology. Testing is carried out on the basis of standards, in-house procedures or the customer's own test specifications. In the test area accredited by the German Accreditation Body (DAkkS), standards and validated in-house procedures are applied. In the flexibly accredited area, only standardised test procedures or test procedures equivalent to these standards with different issue statuses are applied.
- (4) Analyses, interpretations, estimates, consulting services and conclusions are carried out with the appropriate degree of commercial care. However, we cannot guarantee that these are always correct or fully accurate. If verbal assessments of the results are included in the test reports, the element of measurement uncertainty is not taken into account. Any deviations from this principle are explicitly described in the evaluation text.
- (5) For all supplies and services we will be entitled to partial performance to a reasonable extent. We will have the right to use sub-contractors to fulfil our contractual obligations.
- (6) Performance periods and deadlines always represent the best possible information, but are generally non-binding. The observance of deadlines is conditional upon the customer performing the cooperative acts required from it in a timely and correct manner, providing all documents that are needed and making any agreed advance payments.
- (7) If the customer requires additional services within the scope of orders already placed, e.g. with regard to samples that have already arrived at the laboratory, we will only be obliged to provide these additional services if we have expressly confirmed this in the order confirmation. In this case it may lead to a corresponding postponement of the previously agreed completion date.
- (8) Conformity assessments are only carried out if this has been expressly agreed with the customer or if they are specified in the relevant test standard. The decision rules required by the customer are applied. If the customer does not specify any decision rules, we proceed as follows:

Conformity or non-conformity will be confirmed if, taking into account the element of measurement uncertainty ranges of the respective test procedure, the analytical values are clearly within or outside the specifications or test procedure. If, taking into account the element of measurement uncertainty, the test value could be both within and outside the range of the test value, with the help of ILAC Guideline 8 09/2019 or its successor regulations, as soon as they exist, a probability for a false positive or correct negative result will be indicated. These decision rules will be considered as approved by the customer.

- (9) Performance deadlines are agreed individually and stated on the order confirmation. If this is not the case, the performance period will be approx. 4 calendar weeks from the date of our order confirmation. The performance deadline will be considered to have been met if our performance result has been dispatched by the time of its expiry or readiness for dispatch has been notified. The commencement of the delivery period and compliance with delivery dates presupposes that the customer provides any cooperation required of it in a timely and proper manner, that it makes available all documents to be provided and makes any agreed advance payments.
- (10) We will not be in default in the event of force majeure or other exceptional circumstances beyond our control. In this case, even if we are already in default we will still have the right to withdraw from the contract. In particular, we will not be in default in the event of delays in delivery if these are caused by incorrect or late delivery by our suppliers or their suppliers for which we are not responsible. In the event of hindrances of a temporary nature, the performance periods or deadlines will be extended by the duration of the hindrance plus a reasonable start-up period.
- (11) If we are contractually obliged to provide advance performance, we may refuse the performance incumbent upon us if, after conclusion of the contract, it becomes apparent that our claim to remuneration may be jeopardised by the customer's inability to make such payment. This is particularly the case if the payment to which we are entitled is at risk due to the customer's poor financial circumstances or if other obstacles to payment are threatened, e.g. export or import bans, war, the insolvency of suppliers or absence of the required employees due to illness.
- (12) When providing consultancy or training services, we will only be liable for the provision of the service and not for its concrete success.

§ 4 Prices, costs

- (1) Our prices are quoted net and refer to the service provision at the relevant place of performance. When the invoice is issued, VAT will be added at the statutory rate.
- (2) If a performance period of more than four months has been agreed between the time of confirmation of the order and the performance of the service, we will have the right to a corresponding extent to pass on to the customer any increases in costs which have occurred to us in the meantime due to price increases. The same will apply if a performance period of less than four months has been agreed, but the performance can only be rendered by us later than four months after confirmation of the order for reasons for which the customer is responsible.
- (3) In the case of work or services to be performed by us the remuneration - even in the case of a previously submitted cost estimate - is always based on a time fee according to the time actually spent, unless flat-rate remuneration has been agreed. The units of time recording and the current hourly rates can be taken from our offer or our order confirmation.
- (4) Unless agreed otherwise, expenses and travel costs will be

invoiced separately. The reimbursement by the customer of travel and accommodation costs will be made on presentation of receipts in copy and deduction of the input tax amounts contained in these receipts, unless otherwise agreed in writing between the parties before the trip is carried out. The current travel and expense rates can be found in our offer or our order confirmation. If no rates are listed there, the currently valid rates can be found in our current price list.

- (5) If we become aware of a risk of the customer's inability to meet its obligations we will be entitled to supply goods and services only against advance payment or security. Our right to withdraw from individual contracts already concluded remains unaffected if and insofar as the customer fails to make an advance payment or provide security within a reasonable extension period.

§ 5 Terms of payment

- (1) Unless otherwise contractually agreed, our invoices are payable without deduction within 15 days of the invoice date. If we provide our supplies or services in part deliveries, we will have the right to demand a corresponding part of the remuneration for each part delivery.
- (2) The customer is not entitled to make deductions without express agreement.
- (3) If the customer is in default of payment it must compensate us for the damage caused by the delay, in particular interest at 9 percentage points above the base rate.
- (4) Payment by bill of exchange or accepted bill is only permitted by express agreement, and even then is only valid on account of payment. If additional costs are incurred as a result, these are to be borne by the customer.
- (5) Payments are to be made exclusively by the customer. Payment by third parties is inadmissible and will not have the effect of fulfilment of the customer's obligations.
- (6) Only undisputed or legally established claims can be offset against our claims for remuneration. The same applies to the exercise of a right of retention. The customer will otherwise only be entitled to exercise a right of retention if it is based on the same contractual relationship.
- (7) The assignment of claims against us by the customer requires our prior consent, which will only be refused for good cause.
- (8) We reserve the title to supplied documents, specimens and other movable property until full payment of all our present and future claims arising from the concluded contract and an ongoing business relationship (secured claims).

§ 6 Obligations of the customer to cooperate

- (1) The customer must support us and our employees to a reasonable, customary extent. If we have to provide project-related work or services by our employees at the customer's company, support at our request may also include the provision of work rooms and workstations with PCs and telephones, the costs of which will be borne by the customer.

- (2) Materials, information and data that we require to perform our services must be made available to us by the customer. This applies in particular to customer specifications, drawings, factory standards and comparable regulations in the currently valid version which are relevant to the execution of the order, as well as the commissioning of the service used on the basis of a test specification or standard on which the order is based. Data and data carriers must be technically free of defects. The customer's materials are to be sent to us carriage paid (DDP Albstadt Incoterms 2020). With regard to the materials sent to us, the customer must, without being asked, inform us in writing in good time before the materials arrive at our premises about safety risks and necessary special features of the handling at our premises.
- (3) If different analysis options are available due to different output statuses or types of test procedures, the customer is responsible for clearly specifying the desired implementation variant. As long as the desired implementation variant is not clearly specified, we will not be obliged to begin with the execution of the corresponding order.
- (4) If special legal or operational safety regulations apply to any operations by us on the customer's premises, the customer must inform us of this before we provide our service.
- (5) Instructions from the customer to our employees regarding the concrete form of the performance of services are excluded, unless instructions are necessary in connection with safety requirements and operating regulations in the customer's company. Instructions on individual questions regarding work or services to be provided by us are not to be given to the employees entrusted with the task by us, but to the contact persons named by us for the project. We will always decide independently on the necessary measures within the scope of our performance obligations.
- (6) Concrete further obligations to cooperate may result from the annexes to our order confirmation or our offer.

§ 8 Liability

- (1) If we provide the customer with records, expert reports, documentation or comparable verifiable services, the customer will be obliged to verify the validity of the transmitted results, interpretations, estimates and conclusions with reasonable care and at its own risk immediately upon receipt. Obvious defects are to be reported by the customer immediately upon receipt of the goods or services. Defects that are not obvious must also be reported to us immediately after detection. If the customer fails to give notice of defects within a time limit of 7 calendar days, the goods or services will be considered accepted even in consideration of the defect.
- (2) The product of our services and/or the content of the records and documentation we have prepared always represents only a snapshot of the situation and the general conditions at the time the order is processed. The customer must observe subsequent changes in the factual situation and the legal framework itself. We are not obliged to inform the customer if such changes occur after the completion of our order.
- (3) The limitation period for claims due to defects in our supplies and services is one year from the start of the statutory limitation period. After expiry of this year we may in particular also refuse subsequent

performance without the customer having any claims against us for reduction of the purchase price, withdrawal from the contract or compensation. This shortening of the limitation period does not apply to claims for damages other than those for refused subsequent performance and generally not to claims in the case of fraudulent concealment of a defect.

- (4) The customer can only demand compensation:
- (5) for damage resulting
 - from an intentional or grossly negligent breach of duty on our part or
 - from an intentional or grossly negligent breach by one of our legal representatives, executives or vicarious agents
 - from obligations that are not essential to the contract (cardinal obligations) and are not main or secondary obligations in connection with defects in our supplies or services.
- (6) from damage resulting from the intentional or negligent breach of essential contractual obligations (cardinal obligations) on our part, on the part of one of our legal representatives, executive employees or vicarious agents. Essential contractual obligations (cardinal obligations) within the meaning of the above subsections (4) 1. and 2. are obligations whose fulfilment is essential for the proper execution of the contract and on whose compliance the customer can normally rely.
- (7) Furthermore, we will be liable for damage due to the negligent or intentional breach of obligations in the case of deficiencies in our supplies or services (subsequent performance or secondary obligations) and
- (8) for any damage that falls within the scope of a warranty (commitment) or a guarantee of quality or durability expressly given by us.
- (9) In the event of a simple negligent breach of an essential contractual obligation, the amount of liability will be limited to the damage typically to be expected and foreseeable for us at the time of conclusion of the contract, provided that due care was exercised.
- (10) Claims for damages by the customer in the event of a simple negligent breach of a material contractual obligation will become statute-barred one year after the statutory limitation period begins. Excluded from this is damage in the case of injury to life, limb or health.
- (11) Claims for damages against us arising from mandatory statutory liability, for example under the Product Liability Act, and from injury to life, limb or health are not affected by the above provisions of this § 8 and exist to the extent permitted by law within the statutory time limits.
- (12) If third parties are commissioned or involved in the initiation or settlement of the contractual relationship between the parties, the above-mentioned warranty and liability limitations will also apply to such third parties.

§ 9 Provisions for performance-related contracts

- (1) If we are responsible for the achievement of a specific result, e.g. the preparation of a specific documentation, after we have given notice of completion the customer will be obliged to declare in writing as acceptance that our contractual services have been rendered.
- (2) If acceptance is delayed through no fault of our own, our performance will be considered to have been accepted seven calendar days after notification of its completion.

§ 10 Termination of contracts for services

- (1) A contract for services can only be terminated for good cause.
- (2) Such good cause exists in particular if:
 - obligations, in particular obligations to cooperate which are to be performed within contractually agreed periods, are not performed in spite of the setting of a deadline with reference to the existing right of termination,
 - there is a breach of non-disclosure obligations,
 - essential elements of the contract are not performed or not performed in full despite the setting of an extension.
- (3) Such termination must be declared in writing or in text form as an email.

§ 11 Confidentiality, use of results and reports

- (1) The customer and we (in each case also the "receiving party" or the "disclosing party") undertake to keep secret during the term of the contract and for five years after its termination all information which becomes accessible in connection with the contract and which is designated as confidential or which is recognisable as business or trade secrets due to other circumstances, especially technical and economic information, but in any case any information which is the subject of appropriate secrecy measures, and not to record it, pass it on to third parties or use it in any way whatsoever unless expressly approved in writing beforehand or unless it is necessary to achieve the purpose of the contract.
- (2) This does not include information of which the receiving party proves that
 - it was already known to the receiving party prior to the commencement of the contractual negotiations with the disclosing party, or that it was disclosed to it by third parties as non-confidential, provided that these third parties do not breach confidentiality obligations on their part;
 - it is or becomes public knowledge through no fault or action on the part of the receiving party;
 - it has been developed by the receiving party independently of the disclosure by the disclosing party itself;
 - it has to be disclosed due to legal obligations or official or court orders.

- (3) In the latter case the receiving party must inform the disclosing party without delay before such disclosure is made. This is without prejudice to further legal obligations regarding confidentiality.
- (4) We expressly reserve all existing copyrights to the expert opinions, test results, calculations and similar documents prepared by us. Laboratory and test reports prepared by us may only be forwarded in complete form. Any forwarding in the form of extracts requires our prior written consent. The customer is not entitled to change the above-mentioned reports and results or to use them outside of its own business area. Publication or reproduction for advertising purposes requires our prior written consent.

§ 12 Miscellaneous provisions: place of performance, place of jurisdiction, applicable law, data processing, severability clause

- (1) If the customer is a merchant, a legal entity under public law or a special fund under public law or if the customer does not have a general place of jurisdiction in the Federal Republic of Germany or moves its place of jurisdiction abroad, the place of performance and exclusive place of jurisdiction for all disputes between the parties arising from the contractual relationship will be Albstadt. As an exception to this, we are also entitled to assert claims against the customer at its general place of jurisdiction.
- (2) A merchant is any business person who is entered in the commercial register or who runs a commercial business and requires a business operation that is set up in a commercial manner. The customer has its general place of jurisdiction abroad if its registered place of business is abroad.
- (3) If any provision in these general terms and conditions or a provision within the framework of other agreements is or becomes invalid, the validity of all other provisions or agreements will not be affected.
- (4) The contractual and other legal relationships with our customers are governed by German law to the exclusion of the UN Convention on Contracts for the International Sale of Goods.

Valid from: December 2019