

General Conditions of Sale and Delivery

All contracts – including future contracts – for deliveries by Baumer hhs GmbH ("Supplier") to its customers ("Customers") are concluded solely on the basis of these General Conditions of Sale and Delivery. The Supplier does not accept the Customer's conditions of purchase that contradict them or any supplementary conditions of purchase – not even for future contracts. They are not even binding on the Supplier if the Supplier should fail to expressly contradict the Customer's conditions of purchase.

Offer

1. The Supplier's offers are always made without obligation. Details of weight, measurements and performance data are only approximate and are not binding. The Supplier retains title and copyright in respect of accompanying documentation; it may not be disclosed to third parties.

2. The contract for delivery shall be deemed concluded if and when the Supplier declares acceptance of the order by sending an order confirmation. Changes in the contract requested by the Customer after the sending of the order confirmation are possible solely in exceptional cases. In so far as the Supplier agrees to the change, any costs incurred because of the change will be charged to the Customer. The Supplier will confirm the changes, any related costs, and any changes in the delivery date resulting from the changes by issuing a revised order confirmation to the Customer. Under no circumstances may a product that has been provided specifically to the Customer be canceled or returned without being billed separately by the Supplier. If and when delivery of the goods is made without prior written order confirmation, the contract is deemed concluded by the delivery. In this case, the Customer accepts these General Conditions of Sale and Delivery by signing the delivery note, even if it is signed by the carrier or freight forwarder.

Prices

3. Prices for goods purchased and services performed as at the date of delivery shall be applicable. Prices are quoted net ex Krefeld works exclusive of packaging and freight costs plus VAT in the statutory amount.

4. The Supplier may make reasonable price increases for deliveries made more than 4 months after conclusion of a contract on a contractual basis or as a result of circumstances for which the Supplier is not liable if prices and costs on which calculations were based, especially staff costs and the cost of raw materials and energy supplies, have undergone a significant change since the contract was concluded. In such a case the Supplier shall provide comprehensible evidence of the change in price calculations and changed prices and shall inform the Customer of such a price change in text form pursuant to § 126b BGB [German Civil Code]. The Customer then has two weeks in which to give notice of termination. Notice of termination must be given in text form pursuant to § 126b BGB.

Payment

5. Unless agreed to the contrary, the purchase price shall be paid in cash in euros without any deduction. Invoices for sundries, repairs and assembly work shall be paid immediately in cash without any deduction. Retention of payments on account of complaints or counterclaims by the Customer and set-offs are excluded unless justification for the complaint, the counterclaim or the debt offset are uncontested or established by way of a final court order.

6. The following shall apply to payments made by bill of exchange:

- The right to accept bills of exchange is reserved for the Supplier;
- Discounts are ruled out;
- All bill of exchange charges shall be borne by the debtor; and
- Credit notes are given subject to receipt at the value on the date on which the Supplier is able to access their counter-value.

Delivery

7. Quoted delivery and completion dates are not binding in principle. Delivery periods that are agreed to be binding shall be subject to a reasonable extension in the event of force majeure or unforeseen or unavoidable circumstances for which the Supplier is not liable (e.g. strikes, lock-outs, malfunctions, difficulties in obtaining materials and energy supplies, transport delays, labour shortages and lack of energy supplies or raw materials). This shall apply even if these circumstances occur at a sub-supplier without fault on the part of the Supplier or sub-supplier or if they occur during the course of a pre-existing delay. If delivery obstructions are not merely temporary both contracting parties shall have a right of cancellation. In vital cases the Supplier shall inform the Customer of the commencement and ending of such delivery obstructions as soon as possible.

8. If shipment or pickup is delayed at the request or due to the fault of the Customer, the Supplier is entitled to issue the invoice for the goods as of the day on which they are ready for shipment. The Supplier is also entitled to bill the Customer for any additional storage costs incurred as of notification of readiness for shipment or pickup.

9. The Supplier shall have the right to make partial deliveries to a reasonable extent. Partial deliveries shall be unreasonable, for example, if it is not in the Customer's interest or if the performance not (as yet) rendered by the Supplier is purely minor.

Passage of risk

10. The risk passes to the Customer no later than when the goods are loaded ex works, even if partial deliveries are made that are permissible or accepted by the Customer or if the Supplier has accepted responsibility for other services (e.g. has accepted liability for dispatch costs or agreed to effect carriage and erection).

11. Consignments will be insured by the Supplier at the express request of the Customer and at the Customer's own expenses (for example, against theft, breakage, transportation, fire and water damage).

12. If dispatch should be delayed due to circumstances for which the Customer is responsible the risk shall pass to the Customer from the date of readiness for dispatch; however, the Supplier shall be obliged to take out any insurance required by the Customer at the latter's request and expense.

Retention of title

13. All goods supplied by the Supplier shall remain the property of the Supplier until such time as the purchase price plus all additional demands have been paid in full; in the case of payment by cheque or bill of exchange, until such time as it has been promptly cashed, and in the case of an on-going business relationship, until such time as all debts due to the Supplier have been settled irrespective of the delivery on which the outstanding debt is based. The Customer is obliged to handle the goods carefully; it is obliged, in particular, to take out satisfactory insurance at its own expense to cover them on a new for old basis against loss, damage, water and fire. The insurance policy together with proof of payment of the premiums shall be submitted to the Supplier on request. The Customer hereby assigns to the Supplier all claims and rights arising out of the insurance. The Supplier accepts such assignment. The assignment is subject to the condition subsequent that the Supplier acquires full title.

14. Retention goods shall always be handled and processed by the Customer on behalf of the Supplier without the Supplier being put under any obligation. Where processed and combined with other goods the Supplier acquires joint title to the new goods in the proportion that the invoice value of the retention goods bears to that of the other processed materials on the date of processing. The same shall apply where retention goods are mixed with other materials.

15. Before payment has been made in full goods may only be sold in the ordinary course of business. Where a sale is permitted, however, the Customer hereby assigns to the Supplier the full amount of all debts due to the Customer from a client or third party as a result of resale or reuse at the behest of a client. This assignment also extends, in particular, to receivables acquired by the Customer as a result of payments made by its clients to its credit institutions. The Supplier accepts the assignment.

16. The Customer is entitled to collect debts assigned to the Supplier provided that it fulfils its payment obligations arising from the proceeds received. If the Customer fails to fulfil its payment obligations the Supplier may revoke the right of resale or reuse and require the Customer to disclose to the Supplier the debts assigned and their debtors, to provide all details needed to collect the debts, to hand over the requisite documentation and to notify its debtors of the assignment.

17. If the Supplier revokes the contract the Customer shall be obliged to hand over the retention goods.

18. Whilst retention of title continues to exist the Customer may not give the retention goods as collateral or pledge same without the consent of the Supplier. The Customer must immediately inform the Supplier if a third party should seize the retention goods. Costs incurred in averting seizure shall be borne by the Customer unless refunded by the third party.

19. If the value of security should exceed the debts due to the Supplier by more than 10% the Supplier shall, at the request of the Customer, release the Customer's security to that extent as chosen by it.

Warranty and limit on liability in damages

20. The warranty period – except for claims in damages – shall be one year beginning on the date on which the risk passes. With claims in damages the statutory warranty period shall apply. If goods supplied should exhibit defects on the date on which the risk passes the Customer shall have its statutory rights under warranty and warranty claims subject to the provisions set out below. The Customer's duty to inspect goods and lodge complaints and the legal consequences of any infringement of these obligations are governed by the statutory provisions. Where complaints are justified the Supplier shall initially remedy the defect or supply a non-defective item, as it may choose. The Customer shall bear the post-performance costs incurred as a result of the item purchased being taken after delivery to a location other than the Customer's business establishment. Repair work shall not include the cost of installing and removing the defective item. The warranty period shall not be extended as a result of any repair work. Natural wear and tear of the goods shall not constitute a defect.

21. The Customer itself shall be liable for damage caused solely as a result of the Customer or a third party contracted by it making inappropriate or unskilled use of the goods, assembling or commissioning them wrongly, handling them wrongly or negligently, using inappropriate equipment, carrying out defective engineering work, using inappropriate sites or inappropriate installation premises, or inadequately ventilating the goods, where applicable.

22. Unless provided to the contrary below, claims against the Supplier in damages and for reimbursement of expenditure – of any kind whatsoever – are ruled out irrespective of legal grounds.

The Supplier is liable under the law for

(i) deliberate or grossly negligent breach of duty on the part of the Supplier, the Supplier's statutory representatives, its executives, members of staff and other agents;

(ii) culpable acts leading to death, personal injury, damage to health or mandatory liability under the German Product Liability Act;

(iii) defects that the Supplier has fraudulently concealed or guaranteed not to exist; and

(iv) culpable breach of significant contractual obligations; a significant contractual obligation in this sense is one the fulfilment of which is essential to the proper performance of the contract and on compliance with which the Customer is generally entitled to rely.

The Supplier's liability, however, is limited to the scope of the guarantee or, in the case of simple careless breach of significant contractual obligations, to the foreseeable loss or damage typical of the contract.

Customer's right of cancellation and to a reduction

23. If an agreed delivery or service should prove impossible the Customer may cancel the contract. Liability in damages shall then be governed solely by clause 22.

24. The Customer may also cancel if the Supplier has allowed a reasonable amount of time given to it to make subsequent performance in the event of a defect to elapse without result or if subsequent performance should fail, unless the Supplier's breach of duty should be insignificant.

25. If, when articles of the same kind are ordered, delivery should become partially impossible the Customer may reduce its counter-consideration accordingly pursuant to the law.

26. If the impossibility should arise during a delay in acceptance or due to the sole or substantial responsibility of the Customer then the Customer shall remain bound to provide its counter-consideration.

Prepayments, security and cancellation on the part of the Supplier

27. If, after conclusion of the contract, the Supplier should receive information showing that the grant of credit to the Customer in the amount agreed is questionable, or if there should be circumstances casting doubt in that respect, the Supplier shall be entitled to ask for prepayments or security or – if the Customer fails to duly dispel such reservations or doubts despite being asked to do so by the Supplier – to cancel the contract.

Disposal of old electrical equipment

28. The Customer accepts responsibility for proper disposal of the goods supplied at its own expense and in accordance with the law once their use has come to an end.

29. The Customer releases the Supplier from any liability under § 10(2) of the German Electrical and Electronic Equipment Act ["ElektroG"] (manufacturers' duty of recovery) and third-party claims in connection therewith.

30. The Customer shall impose a contractual obligation on third-party traders to whom it passes on the goods supplied to duly dispose thereof at their own expense and in accordance with the law once their use has come to an end and to impose such an obligation on any further party to whom they are passed on.

31. If the Customer should fail to impose on a third party to whom it passes on the goods supplied a contractual duty to dispose of goods and also pass on such obligation then the Customer shall be obliged to take back the goods supplied at its own expense once their use has come to an end and to properly dispose thereof in accordance with the law.

32. The Supplier's claim for the Customer to accept responsibility/release it from liability shall not be time-barred before the expiry of two years from the date on which use of the equipment finally comes to an end. The two-year limitation period shall not commence before the Customer notifies the manufacturer in writing that its use has come to an end.

Final clauses

33. German law alone shall apply but excluding the CISG.

34. The place of performance for both parties shall be Krefeld.

35. The exclusive forum shall be Krefeld where the contracting parties are businesses, legal persons governed by public law or special funds under public law.

36. Any invalidity of one of the above provisions shall not prejudice the validity of all the other provisions.

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