General Terms and Conditions of TEHROTECH GmbH

1. General

Our deliveries and services are exclusively provided on the basis of our Terms and Conditions. We hereby reject any confirmation on the part of the customer with reference to its own terms and conditions.

Any deviations from these Terms and Conditions shall only be valid if we have agreed to them in writing.

2. Offers and conclusion of contract

Any offers made by us shall be without obligation. A contract shall only be concluded upon order confirmation; the scope of the goods or services provided shall be governed by the order confirmation.

3. Prices and payments

- Unless otherwise agreed, our invoices shall be payable immediately upon invoicing, without deduction.
- Our prices apply ex works excluding freight, taxes, fees, packaging, insurance and other incidental costs. Value added tax at the statutory rate will be charged in addition
- Any cheques provided are only deemed to constitute payment once they have been honoured.
- d) The customer shall only be entitled to offset any claims if these have been upheld and declared unappealable by a court of law or if they are undisputed.

4. Rights of lien and ownership rights

- a) We shall have a right of lien for the purpose of securing our existing claims over items belonging to the customer that come into our possession in the context of the implementation of the contract. The same shall apply with regard to an expectant right of the customer to acquire title.
- b) If the customer receives the items prior to receipt of full payment, we hereby agree that he shall transfer title (including joint title) to these objects for purposes of securing our claims. If the customer merely has an expectant right to the items, the same shall apply mutatis mutandis to the expectant right.
- c) The customer shall neither be entitled to grant liens nor to assign by way of security any items over which we have a lien or which have been assigned to us by way of security. The customer shall notify us without undue delay of any attachments, seizures or other dispositions made by third parties and provide us with all information and documents required for us to protect our rights. Any enforcement officers or third parties shall be informed of our ownership rights.
- d) In the event that these terms and conditions are used in dealings with merchants as per the German Commercial Code (*Handelsgesetzbuch*), a legal person under public law or a special fund under public law, the following shall apply in addition:
- aa) The customer shall be entitled to sell on the items which have been assigned to us by way of security in the ordinary course of business unless he is in default of payment; he does, however, hereby assign to us all claims equivalent to the price agreed between us and the customer (including VAT) which accrue to him from resale, regardless of whether the delivery items are sold on without or after processing. The customer shall remain authorised to assert these claims even after they have been assigned. This shall not affect our entitlement to assert the claims ourselves; we do, however, undertake to refrain from asserting the claims for as long as the customer duly meets his payment obligations and is not in default of payment.
- bb) The processing or reworking of the goods by the customer, which have been assigned to us by way of security, shall always be deemed to be effected on our behalf without any obligation on our part being created. If delivery items are processed together with objects that do not belong to us, we shall acquire joint title to the new item at a ratio of the invoice value of the delivery items in relation to the other processed items at the time of processing.
- cc) If the items, which have been assigned to us by way of security, are inseparably combined with items that do not belong to us, we shall acquire joint title to the new item at a ratio of the fair market value of the delivery items in relation to the other combined items at the time they are combined. If the item of the customer is to be regarded as the main item, the customer shall transfer proportionate joint title to us. The customer shall hold the joint title on our behalf.
- dd) We undertake to release the security to which we are entitled at the request of the customer to the extent that its realisable value exceeds the value of the claims to be secured – to the extent that they have not yet been met – by more than 10 %

5. Deliveries/delivery dates

a) Even in the event that dates and deadlines have been agreed to be binding, we shall not be responsible for any delays in deliveries or the provision of services due to instances of *force majeure* and due to events that – more than just temporarily – significantly impede delivery or render it impossible;

- this shall particularly include strikes, lockouts etc., even if they occur on the part of the suppliers of the seller or their sub-contractors. They shall entitle us to postpone the delivery and/or service by the duration of the disruption plus a reasonable lead time or to withdraw from the contract, either wholly or in part, with regard to the part that has not yet been fulfilled. We may only invoke the above circumstances provided that we notify the customer without undue delay.
- b) If the disruption pursuant to clause 5a lasts longer than two months, the customer shall be entitled after setting a reasonable grace period to withdraw from the contract with regard to the part that has not yet been fulfilled. If the delivery deadline is extended or if we are released from our obligation, the customer shall not be able to derive any claims for compensation from this.
- c) We shall be entitled to make part deliveries and render part services at any time to a reasonable extent.

6. Quality, quality assurance and guaranteed properties

- Any special requirements as to quality require exact agreements and must be laid down in writing. Attention must be drawn to the required properties in every order.
- b) If a test schedule is created, it shall be deemed to have been accepted and approved by the customer if it has not been amended in good time by way of written objection.

7. Claims for defects, obligation on the part of the buyer to examine the goods and provide notice of any faults, damages

- a) The goods supplied shall be examined for any faults without undue delay. If the customer is a merchant, written notice of any faults shall be provided within 7 days from receipt of goods. In the case of hidden faults the same shall apply within the aforementioned time from discovery of the fault. If notice is not provided within the prescribed time limit, the delivery shall be deemed to be free of faults and approved.
- b) In the event that parts have not been adequately processed we shall be given the opportunity to provide subsequent performance (Nacherfüllung) within a reasonable timeframe. If the subsequent performance fails within a reasonable timeframe, if we refuse it or if it proves impossible, the customer shall be free to choose either a reduction of fees, rescind the contract or, provided the conditions or section 634 no. 4 German Civil Code (Bürgerliches Gesetzbuch) have been met, claim damages or compensation of expenses incurred in vain.
- c) We shall be liable in accordance with statutory provisions if the customer asserts claims for damages that are based on intentional conduct (Vorsatz) or gross negligence including intentional conduct or gross negligence on the part of our representatives or any person employed in performing a contractual obligation for whom we are vicariously liable (Erfüllungsgehilfe).
- d) We shall be liable in accordance with the statutory provisions if we culpably infringe a fundamental contractual obligation; in this case, too, the liability for damages shall be limited to foreseeable damage that typically occurs.
- e) Liability for culpable injury to life, body or health shall remain unaffected; this shall also apply to mandatory liability under the German Product Liability Act (*Produkthaftungsgesetz*).
- f) Unless otherwise provided above, liability shall be excluded.
- g) A fault in one part of the delivery shall not entitle the customer to cancel the contract unless the fault in one part of the delivery is so significant that the acceptance of further part deliveries is unreasonable for the customer.

8. Liability and faults upon processing of the parts sent in

- a) When processing parts that have been sent in, we shall not be liable for any faults that arise from the reaction of the material. Insignificant colour deviations due to alloy deposits shall be permissible. We shall not be liable for any discolouration that arises due to paint spraying, baking or thermal influences.
- For natural reasons any corrosion prevention due to a galvanic coating cannot be guaranteed to last for a specific period of time. The same shall apply in relation to colour retention in particular in the case of nickel, cadmium, tin, brass, copper, silver.

10. Place of performance and place of jurisdiction

- a) The place of performance shall be our place of business.
- If the customer is a merchant, a legal person under public law or a special fund under public law, any legal action in relation to all legal disputes resulting from the contractual relationship shall be brought at the court that is responsible for our company's head office. We shall also be entitled to bring legal actions at the place of the customer's head office.
- c) Only German law shall apply, and the laws regarding the international sale of goods shall be excluded even if the customer has his head office outside of Germany.