

Terms and Conditions of Konrad Haluk Industriebedarf GmbH

I. General information and scope of applicability

- (1) All contracts regarding deliveries and services are exclusively governed by the terms and conditions of sale stipulated below. Our terms and conditions of sale only apply to legal persons under public law, special funds under public law, or traders (hereinafter referred to as **Customers**). In terms of these Terms and Conditions, a trader means a natural or legal person or a partnership with legal personality who or which, when concluding a legal transaction, acts in exercise of their trade, business or profession pursuant to Section 14 of the German Civil Code [Bürgerliches Gesetzbuch – BGB].
- (2) In particular, these Terms and Conditions apply to contracts for the sale and/or supply of moveable objects (hereinafter referred to as **Goods**), irrespective of whether the goods are manufactured by us or purchased from vendors. In the absence of any agreement to the contrary, these Terms and Conditions as valid at the time of the Customer's order, at any rate in the version last disclosed to the buyer in written form, shall apply as a framework agreement for other similar agreements concluded in the future without any requirement on our part to reference them in each individual case.
- (3) We are not obliged to accept any terms and conditions of the Customer. Accordingly, we hereby explicitly refuse to accept any terms and conditions of the Customer. Corresponding terms and conditions shall not be effective for us unless we have explicitly agreed to the validity of the Customer's terms and conditions in writing.
- (4) Furthermore, our Terms and Conditions shall remain binding if we deliver goods to the Customer in the knowledge of conflicting or deviating terms and conditions of the Customer without reservation.
- (5) Legal declarations and notifications from the Customer in relation to the contract (e.g. establishment of deadlines, notification of defects, termination or abatement of the contract) must be submitted in writing, namely in the written or text form (e.g. by letter, email or fax). Statutory formalities and further evidence, particularly in the case of doubts regarding the legitimacy of the declaring party, shall remain unaffected by the above.

II. The Customer's duty to inform

Prior to conclusion of the contract, the Customer is required to send us a written notification if the goods to be delivered are to be used outside of Germany, or if they are to be delivered to customers of the Customer situated outside Germany.

III. Quotation and order documents

- (1) Our quotes are non-binding. Deadlines are subject to the correct and timely delivery of the corresponding supplies by our suppliers. We reserve the right to make technical modifications and adjustments with regard to colour and/or weight to the reasonable, industry-standard extent.
- (2) If the order qualifies as a binding offer as per Section 145 BGB, we may accept it within 2 weeks.
- (3) We reserve all ownership and copyrights for images, drawings, calculations and other documents. This also applies in the case of written documents marked as 'confidential'. The Customer must first obtain our written express permission prior to passing on written documents to third parties.

IV. Price and payment terms

- (1) Our prices, including those in our price list, are non-binding. Provided nothing has been agreed to the contrary in the order confirmation, our prices valid on the day the contract is concluded shall apply 'ex works' excluding packaging, customs charges, insurance and transport costs, which are invoiced separately.
- (2) Furthermore, we likewise reserve the right to adjust our prices accordingly in the case of cost reductions or increases attributable to changes in the price of materials charged by our suppliers or changes in energy prices after the placement of the order. We shall inform the Customer of any amendments upon request.
- (3) Our prices do not include statutory VAT; this is listed separately in the invoice in the amount applicable on the day the invoice is created.
- (4) In the absence of any other terms in the order confirmation, the purchase price is due for payment upon receipt of the invoice and delivery or acceptance.
- (5) We reserve the right to charge a processing fee if the ordered quantity fails to reach the minimum order quantity specified in our currently valid price list and/or the agreed minimum order value.
- (6) If we are required to make advance deliveries, we shall be entitled to refuse service if we become aware that we may not receive payment due to the Customer's inability to pay after conclusion of the agreement. In this case, we may set a deadline for the Customer, by which they must either incrementally pay the purchase price for the service or provide collateral in the amount of the purchase price at their discretion. If the deadline passes without payment of the purchase price or the provision of collateral, we reserve the right to cancel the agreement and claim compensation instead of rendering the service.
- (7) The Customer is not entitled to assign claims against us to third parties. Likewise, they shall not be entitled to offset any claims beyond undisputed or legally established claims, or assert any retention rights on the basis thereof. The above clause does not affect the Customer's right to assert claims on the basis of unjust enrichment in court.

V. Delivery period, delays, call orders and partial deliveries

- (1) The delivery period proposed by us shall only commence once all technical questions have been clarified.
- (2) Adherence to our delivery obligations is also contingent on the Customer's timely and proper fulfillment of their contractual obligations. The right to raise objection to the non-performance of this contract remains reserved.
- (4) If we are unable to meet a deadline set by the Customer on grounds for which we are responsible, the delivery shall only be regarded as late once the reasonable grace period set by the Customer has ended to no avail.
- (5) Any unforeseeable and unavoidable external events for which we are not responsible and that could not have been foreseen or avoided even by taking the utmost care (force majeure) that occur when the contract is concluded entitle us to postpone delivery for the duration of the impediment. We shall inform the Customer of any such events without undue delay once we become aware thereof and provide information on the anticipated duration of the delivery impediment. If the above events not only temporarily prevent delivery, but render delivery infeasible without any fault on either part, both the Customer and we shall be entitled to cancel the contract.
- (6) If we are responsible for a delivery delay and the Customer incurs losses as a result, the Customer shall be entitled to claim compensation amounting to 0.5% of the net price for each full week that passes without delivery, limited to a maximum of 5% of the net price. Compensation shall only be paid for the part of the overall delivery that cannot be used on time or as contractually agreed due to the delay. Any further claims for compensation due to delays are exclusively governed by the provisions of **Section VIII. Joint and several liability**, which apply accordingly. The Customer shall only be entitled to cancel the contract on the basis of a delay within the scope of statutory provisions if the delay can be attributed to us.
- (7) If the Customer is in default of acceptance or culpably breaches other obligations to cooperate, we are entitled to demand compensation for the damaged incurred by us in this regard, including any additional expenses. The right to assert other claims remains unaffected by the above.

- (8) In the event that the conditions stipulated in clause 7 apply, the risk of accidental loss or deterioration of the purchased goods shall pass to the Customer at the moment the Customer is in default of acceptance or payment.
- (9) Unless otherwise agreed, deliveries for call-off orders must be requested from us no later than 12 weeks before the desired delivery date. Once the call-off period has ended, we may deliver and bill the quantity that is yet to be delivered to the Customer.
- (10) Partial deliveries are permissible, provided this is deemed reasonable for the Customer.

VI. Transfer of risk, transportation, packaging and packaging costs

- (1) In the absence of any terms to the contrary in the order confirmation, goods are delivered ex works, which is also the place of fulfillment for the delivery and any subsequent performance. At the request and expense of the Customer, the goods may be sent to another destination (sale by dispatch). Provided nothing has been agreed to the contrary, we are at liberty to determine the shipment method (in particular, the transport company, dispatch route and packaging).
- (2) The risk of accidental loss or accidental impairment of the goods shall be transferred to the Customer at the latest when the goods are handed over. In the case that shipment was agreed, the risk of accidental loss or accidental impairment of the goods shall pass to the Customer when the goods are handed over to the freight forwarder, the carrier or other persons or institutions selected to deliver the goods. If the Customer is required to accept the goods, the transfer of risk for the goods shall occur on the Customer's acceptance thereof. Furthermore, the statutory provisions as per the Law on Contracts for Work and Services shall apply accordingly in the case of agreed acceptance. If the Customer does not accept the goods within the specified period, the goods shall nevertheless be regarded as transferred and accepted.
- (3) Reusable packaging, pallets and containers remain our property and must be returned by the Customer free of charge without undue delay. We do not accept any other transport packaging or any other kind of packaging in accordance with the Packaging Act. The Customer is responsible for disposing of the packaging and bearing the costs thereof.
- (4) If the Customer so requests, we shall ensure the goods are covered by transport insurance; the Customer must bear the costs in this regard.

VII. Liability for defects

- (1) We can only be held liable for defects if the Customer has duly fulfilled their inspection and notification duties in the case in question as per Section 377 of the German Commercial Code [Handelsgesetzbuch – HGB]. Goods intended for incorporation or other further processing must be inspected immediately before the corresponding processing in each case. Obvious defects must be reported in writing within 10 working days of the Customer receiving the goods. Similarly, hidden defects must be reported in writing within 10 working days of discovery by the Customer. The above notification duties in the event of a defect shall likewise apply for the Customer in the case of clear defects even if they are not subject to inspection and notification duties as per Section 377 HGB, subject to the proviso that the obvious defects are reported in writing within 14 working days of the Customer receiving the purchased goods.
- (2) We shall initially be liable for subsequent performance, which consists of fixing the defect or supplying a fault-free replacement (replacement delivery) at our discretion. If we are neither willing nor able to fix the defect or supply a replacement, particularly due to subsequent performance being delayed beyond a reasonable period of time, or if fixing the defect/replacement delivery falls short in any other manner, the Customer reserves the right to cancel the contract, or demand a discount and/or compensation, at their discretion. The Customer may only demand compensation subject to the terms stipulated in Section VIII. **Joint and several liability**.
- (3) The Customer must grant us adequate time and opportunity to fulfil our subsequent performance obligations. In particular, the disputed goods must be returned for further investigation. In the case of replacement delivery, the Customer must return the defective goods in line with the pertinent statutory provisions. Subsequent performance does not cover dismantling of the defective goods or subsequent re-installation if we were not originally tasked with installing the goods in question.
- (4) We shall bear the costs or reimburse the costs required for the inspection and subsequent performance in line with the pertinent statutory provisions if a defect is found to exist. Otherwise, we may demand reimbursement from the Customer for the costs incurred due to the unjustified request to remedy a defect (particularly inspection and transport costs), unless the Customer was unable to determine that the goods were not defective.
- (5) In the event that the installation manual sent to the Customer is found to contain errors, we are only required to deliver an error-free manual if the errors in question would prevent correct installation.
- (6) We do not accept any liability for defects that occur due to natural wear and tear, improper use, improper maintenance or a lack thereof, and the use of unsuitable equipment.
- (7) We likewise do not assume any liability for the suitability of our purchased goods for the intended use if the specific intended uses are not outlined in written instructions delivered with one of the items purchased, or the suitability of the goods for a certain use has not been explicitly confirmed by us in writing. In any case, the Customer shall be required to individually check the suitability of our purchased goods for the intended purposes beforehand.
- (8) No modifications may be made to purchased goods found to contain defects without our prior permission and they must not be used.

VIII. Documentation

We are not required to produce any documentation beyond the explicitly agreed approvals and certifications, or provide any other documents. We are also not responsible for performing duties related to the distribution of the goods outside of Germany under any circumstances.

IX. Statute of limitations

- (1) Claims for defects shall become statute-barred 12 months after the date on which the goods are delivered to the Customer. In the case that acceptance of the goods has been agreed, the statute of limitations shall commence upon acceptance thereof.
- (2) The above statute of limitations with regard to purchasing rights also applies to contractual and non-contractual claims for compensation asserted by the Customer due to defective goods, unless the application of the standard statutory limitation period (Sections 195, 199 BGB) would result in a shorter statute of limitations in the individual case.
- (3) The above restriction in terms of the statute of limitations shall not apply in the event that a longer limitation period is applicable by law as per Sections 438(1)(2), 634a(1)(2) BGB and Sections 478, 479 BGB. It likewise does not apply in the event of claims arising from a warranty or due to injury to life, limb or health attributable to us, including injury to life, limb or health due to malicious intent or a negligent breach of duty by one of our legal representatives or agents. The restriction also does not apply in the event of liability for damages that can be attributed to a breach of duty on our part due to malicious intent or gross negligence, including liability for damages based on a breach of duty on the part of one of our legal representatives or agents due to malicious intent or gross negligence. However, the restriction shall not apply in the event that a defect is fraudulently concealed. Likewise, the restriction on the statute of limitations does not apply to claims according to the Product Liability Act and in cases where we have culpably violated an essential contractual duty, the fulfillment of which is essential for the proper execution of the contract and the observance of which the Customer can regularly rely on. Statutory regulations on the expiration, suspension and commencement of statutes of limitations shall remain unaffected by the above.

X. Joint and several liability

- (1) In the absence of any agreements to the contrary, our liability does not extend to further damages that do not affect the defective purchased goods themselves.
Notably, this shall apply for claims for damages arising from fault in conclusion of a contract, due to other breaches of duty or due to claims for compensation for material damage caused by unlawful acts in accordance with Section 823 BGB. The above also applies in the event that the Customer demands reimbursement to cover fruitless expenses, business interruption costs, production downtime costs, recall costs or lost profit in place of a claim compensation to cover losses instead of performance.
- (2) The above exemption from liability shall not apply to claims asserted by the Customer on the basis of an warranty granted pertaining to the quality of the purchased goods, to liability for damages arising from injury to life, limb or health, including injury to life, limb or health attributable to a breach of duty caused by malicious intent or negligence on the part of us or one of our legal representatives or agents, as well as liability in accordance with the Product Liability Act. Accordingly, we shall not be exempt from liability if the damage can be attributed to malicious intent or gross negligence on our part or on the part of one of our legal representatives or agents, or we have fraudulently concealed a defect.
- (3) In cases of ordinary negligence, we shall only be held liable in the event that we have culpably violated an essential contractual duty, the fulfillment of which is essential for the proper execution of the contract and the observance of which the Customer can regularly rely on.
In this case, liability is limited to foreseeable damage typical for this type of contract.

XI. Disclaimer for products from China/CIS

We hereby kindly point out that the quality of products from the People's Republic of China and the CIS region do not meet the quality standards and state of the art adhered to in Western Europe. Accordingly, products from these regions may only be used for subordinate applications, such as in the wheel and roller industry, and agricultural machinery construction (slow runners). We do not assume any liability for these products, particularly for their design and manufacture due to the inferior quality level. When an order is placed, the Customer is responsible for ensuring that the inferior quality of these products is adequate for their intended use. We do not accept any warranty claims on the basis of the Customer's misjudgements regarding the intended use and quality of the products. In particular, we shall not be held liable for any damage caused by the use of the inferior products.

XII. Warranty, procurement risk

- (1) The assumption of warranties on our part must be explicitly stated and recorded in writing in order to be effective.
- (2) Information found in our catalogues, printed material, advertising material and other general information does not constitute a warranty or assumption of procurement risk in any case.

XIII. Retention of title

- (1) We shall retain the ownership of the purchased goods until all payments from the business relationship with the Customer have been settled. In the event of open invoices, this particularly applies to the claim from the respective surplus. Cheques and bills of exchange are only accepted on account of performance and shall only be regarded satisfied after final payment.
- (2) The Customer is not permitted to pledge or assign the goods subject to retention of title. In the event of seizures or other forms of encroachment by third parties, the Customer must immediately notify us to enable us to file legal action according to Section 771 of the German Code of Civil Procedure [Zivilprozessordnung – ZPO]. If the third party is unable to reimburse us for the judicial and extrajudicial costs incurred, that Customer shall be liable for the resulting loss.
- (3) The Customer is only permitted to resell the purchased goods, use/process the goods or incorporate the goods into an object in the standard course of business and solely in accordance with the conditions below:
- (4) The Customer hereby assigns to us all claims in the amount of the invoice amount for the purchased goods (including VAT) arising from the resale or processing of the goods, regardless of whether the delivered goods have been resold with or without processing. We accept this assignment. If the claims cannot be transferred to us on legal or circumstantial grounds the Customer is not entitled to resell the goods.
Notwithstanding this assignment, the Customer retains the right to recover their claims. Our entitlement to independently collect claims shall remain unaffected by the above. However, we shall not recover claims ourselves if the Customer satisfies their payment obligations, is not in default of payment and, in particular, no application for the opening of insolvency proceedings has been filed and/or authorisation to collect the assigned claims by the Customer has not expired of its own accord as per clause 8, or we revoke the authorisation to collect claims on other grounds. Should any of the circumstances mentioned in the preceding clause occur, we reserve the right to demand that the Customer immediately discloses the assigned claims and their debtors, provides all information necessary for collection, surrenders the relevant documents and informs their debtors (third parties) of the assignment.
- (5) Any processing or modification of the purchased goods undertaken by the Customer shall always be done on our behalf. If the goods subject to retention of title are mixed during processing with other goods not belonging to us, then we shall acquire co-ownership of the new item created in the ratio of the value of the goods delivered subject to retention of title to the value of the other goods processed at the time of processing. The value of the goods corresponds to the invoice amount, incl. VAT. The same provisions shall apply to the items created by processing as for the goods delivered subject to retention of title.
- (6) If the goods subject to retention of title are irrevocably mixed during processing with other movable goods not belonging to us, then we shall acquire co-ownership of the new item created in the ratio of the value of the goods delivered subject to retention of title to the value of the other goods mixed at the time of mixing. The value of the goods corresponds to the invoice amount, incl. VAT. If the mixing takes place in a manner whereby the Customer's item is considered to be the main item, it is hereby agreed that the Customer shall assign joint ownership to us in the corresponding ratio. The joint ownership share to be assigned to us must correspond to the invoice amount, incl. VAT. Irrevocable mixing of the goods is considered equitable to the combination thereof. In doing so, the Customer shall maintain the resulting co-ownership for us.
- (7) If the goods are sold by the Customer individually or together with goods that do not belong to us, the Customer hereby assigns to us all claims arising from the resale in the amount of the invoice value of the purchase goods (incl. VAT) as a priority. We accept this assignment. If we jointly own the resold item, the assignment of the claim shall extend to the amount that corresponds to our share in the co-ownership. The value of the goods corresponds to the invoice amount, incl. VAT. If the goods are incorporated into a third-party item by the Customer, the Customer hereby assigns to us all assignable claims arising against the third party or the party concerned in the amount of the invoice value of the goods (incl. VAT) as a priority. We accept this assignment.
- (8) The Customer also assigns to us the claims in the amount of the invoice amount for the goods, incl. VAT, which they accrue from a third party due to the incorporation of the goods with the main item.
- (9) Likewise, the Customer assigns to us the claims to which they are entitled against a third party due to the destruction, damage, theft or loss of the goods in the amount of the invoice value of the goods (incl. VAT) as a priority.
- (10) In the event that payment is ceased, an application for the opening of insolvency proceedings is submitted, debt settlement proceedings are instigated out of court, or a cheque or bill of exchange is protested, the authorisation to collect the assigned claims and the right to resell and collect the assigned sales proceeds, and to use or incorporate the goods shall automatically lapse without us being required to explicitly revoke the corresponding authorisation.
- (11) At the Customer's request, we shall release the collateral, provided the realisable value of the collateral exceeds the claims to be secured by more than 10 %; we reserve the right to select which collateral shall be released.

XIV. Place of jurisdiction and fulfilment

- (1) The sole place of jurisdiction is 74821 Mosbach, provided the Customer is a merchant or a special fund under public law. However, we reserve the right to take legal action against the Customer at their place of business. In the event that the Customer is a merchant, legal entity

under public law or a special fund under public law, our registered office in Elztal-Dallau shall be the place of fulfilment.

- (2) All contractual relations with the Customer are exclusively governed by the laws of the Federal Republic of Germany to the exclusion of the provisions of private international law. The application of the United Nations Convention on Contracts for the International Sale of Goods from 11 April 1980 (CISG) is hereby excluded and shall not apply to the contractual relationship. The language of the contract is German.

Version: October
2022