

General Conditions

of GesYTEC GmbH

for the Supply of Products and Services in commercial transactions between businesses

I. GENERAL CONDITIONS

1. Legal relations between GesYTEC GmbH (hereinafter referred to as "GesYTEC") and Purchaser in connection with supplies and/or services of GesYTEC (hereinafter referred to as „Supplies“) shall be solely governed by the present General Conditions. The Purchaser's general terms and conditions shall apply only if expressly accepted by GesYTEC in writing. The scope of delivery shall be determined by the congruent mutual written declarations.
2. GesYTEC herewith reserves any industrial property rights and/or copyrights pertaining to its costs estimates, drawings and other documents (hereinafter referred to as "Documents"). The Documents shall not be made accessible to third parties without GesYTEC's prior consent and shall, upon request, be returned without undue delay to GesYTEC if the contract is not awarded to GesYTEC. Sentences 1 and 2 shall apply mutatis mutandis to the Purchaser's Documents; these may, however, be made accessible to those third parties to whom GesYTEC has rightfully subcontracted Supplies.
3. The Purchaser has the non-exclusive right to use standard software and firmware, provided that it remains unchanged, is used within the agreed performance parameters, and on the agreed equipment. Without express agreement the Purchaser may make one back-up copy of standard software.
4. Partial Supplies shall be allowed, unless they are unreasonable to accept for the Purchaser.
5. The term "claim for damages" used in the present General Conditions also includes claims for indemnification for useless expenditure.

II. PRICES, TERMS OF PAYMENT AND SET-OFF

1. Prices are ex works and exclude packaging; value added tax shall be added at the then applicable rate.
2. If GesYTEC is also responsible for assembly or erection and unless otherwise agreed, the Purchaser shall pay the agreed remuneration and any incidental costs required, e. g. for traveling and transport as well as allowances.
3. Payments shall be made free GesYTEC's paying office.
4. The Purchaser may set off only those claims which are undisputed or non-appealable.

III. RETENTION OF TITLE

1. The items pertaining to GesYTEC ("Retained Goods") shall remain the property of GesYTEC until each and every claim GesYTEC has against the Purchaser on account of the business relationship has been fulfilled. If the combined value of the security interests of

GesYTEC exceeds the value of all secured claims by more than 10 %, GesYTEC shall release a corresponding part of the security interest if so requested by the Purchaser, GesYTEC shall be entitled to choose which security interest it wishes to release.

2. For the duration of the retention of title, the Purchaser may not pledge the Retained Goods or use them as security, and resale shall be possible only for resellers in the ordinary course of their business and only on condition that the reseller receives payment from its customer or makes the transfer of property to the customer dependent upon the customer fulfilling its obligation to effect payment.
3. Should Purchaser resell Retained Goods, it assigns to GesYTEC, already today, all claims it will have against its customers out of the resale, including any collateral rights and all balance claims, as security, without any subsequent declarations to this effect being necessary. If the Retained Goods are sold on together with other items and no individual price has been agreed with respect to the Retained Goods. Purchaser shall assign to GesYTEC such fraction of the total price claim as is attributable to the price of the Retained Goods invoiced by GesYTEC.
4.
 - a) Purchaser may process, amalgamate or combine Retained Goods with other items. Processing is made for GesYTEC. Purchaser shall store the new item thus created for GesYTEC, exercising the due care of a diligent business person. The new items are considered as Retained Goods.
 - b) Already today, GesYTEC and Purchaser agree that if Retained Goods are combined or amalgamated with other items that are not the property of GesYTEC, GesYTEC shall acquire co-ownership in the new item in proportion of the value of the Retained Goods combined or amalgamated to the other items at the time of combination or amalgamation. In this respect, the new items are considered as Retained Goods.
 - c) The provisions on the assignment of claims according to No. 3 above shall also apply to the new item. The assignment, however, shall only apply to the amount corresponding to the value invoiced by GesYTEC for the Retained Good that have been processed, combined or amalgamated.
 - d) Where Purchaser combines Retained Goods with real estate or movable goods, it shall, without any further declaration being necessary to this effect, also assign to GesYTEC as security its claim to consideration for the combination, including all collateral rights for the prorata amount of the value the combined Retained Goods have on the other combined items at the time of the combination.
5. Until further notice, Purchaser may collect assigned claims relating to the resale. GesYTEC is entitled to withdraw Purchaser's permission to collect funds for good reason, including, but not limited to delayed payment, suspension of payments, start of insolvency

proceedings, protest or justified indications for overindebtedness or pending insolvency of Purchaser. In addition, Gesytec may, upon expiry of an adequate period of notice disclose the assignment, realize the claims assigned and demand that Purchaser informs its customer of the assignment.

6. The Purchaser shall inform Gesytec forthwith of any seizure or other act of intervention by third parties. If a reasonable interest can be proven, Purchaser shall, without undue delay, provide Gesytec with the information and/or Documents necessary to assert the claims it has assigned its customers.
7. Where the Purchaser fails to fulfill its duties, fails to make payment due, or otherwise violates its obligations Gesytec shall be entitled to rescind the contract and take back the Retained Goods in the case of continued failure following expiry of a reasonable remedy period time set by Gesytec; the statutory provisions providing that a remedy period is not needed shall be unaffected. The Purchaser shall be obliged to return the Retained Goods. The fact that Gesytec takes back Retained Goods and/or exercises the retention of title, or has the Retained Goods seized, shall not be construed to constitute a rescission of the contract, unless Gesytec so expressly declares.

IV. TIME FOR SUPPLIES; DELAY

1. Times set for Supplies can only be binding if all Documents to be furnished by the Purchaser, necessary permits and approvals, especially concerning plans, are received in time and if agreed terms of payment and other obligations of the Purchaser are fulfilled. If these conditions are not fulfilled in time, times set shall be extended reasonably; this shall not apply where Gesytec is responsible for the delay.
2. If non-observance of the times set is due to
 - a) force majeure such as mobilization, war, terror attacks, rebellion or similar events (e.g. strike or lockout);
 - b) virus attacks or other attacks on Gesytec's IT systems occurring despite protective measures were in place that complied with the principles of proper care;
 - c) hindrances attributable to German, US or otherwise applicable national, EU or international rules of foreign trade law or to other circumstances for which Gesytec is not responsible, or
 - d) the fact that Gesytec does not receive its own supplies in due time or in due form such time shall be extended accordingly.
3. If Gesytec is responsible for the delay (hereinafter referred to as "Delay") and the Purchaser has demonstrably suffered a loss therefrom, the Purchaser may claim a compensation as liquidated damages of 0.5 % for every completed week of Delay, but in no case more than a total of 5 % of the price of that part of the Supplies which due of the Delay could not be put to the intended use.
4. Purchaser's claims for damages due to delayed Supplies as well as claims for damages in lieu of performance exceeding the limits specified in No. 3 above shall be excluded in all cases of delayed Supplies, even upon expiry of a time set to Gesytec to effect the Supplies. This shall not apply in cases of liability based on intent, gross negligence, or due to loss of life, bodily injury or damage to health.

Rescission of the contract by the Purchaser based on statute shall be limited to cases where Gesytec is responsible for the Delay. The above provisions do not imply a change in the burden of proof to the detriment of the Purchaser.

5. At Gesytec's request the Purchaser shall declare within a reasonable period of time whether it, due to the delayed Supplies, rescinds the contract or insists on the delivery of the Supplies.
6. If dispatch or delivery, due to Purchaser's request, is delayed by more than one month after notification of the readiness for dispatch was given, the Purchaser may be charged, for every month commenced, storage costs of 0.5 % of the price of the items of the Supplies, but in no case more than a total of 5 %. The parties to the contract may prove that higher or, as the case may be, lower storage costs have been incurred.

V. PASSING OF RISK

1. Even where delivery has been agreed freight free, the risk shall pass to the Purchaser as follows.
 - a) if the delivery does not include assembly or erection, at the time when it is shipped or picked up by the carrier. Upon the Purchaser's request, Gesytec shall insure the delivery against the usual risks of transport at the Purchaser's expense;
 - b) if the delivery includes assembly or erection, at the day of taking over in the Purchaser's own works or, if so agreed, after a successful trial run.
2. The risk shall pass to the Purchaser if dispatch, delivery, the start or performance of assembly or erection, the taking over in the Purchaser's own works or the trial run is delayed for reasons for which the Purchaser is responsible or if the Purchaser has otherwise failed to accept the Supplies.

VI. ASSEMBLY AND ERECTION

Unless otherwise agreed in written form, assembly and erection shall be subject to the following provisions:

1. Purchaser shall provide at its own expense and in due time.
 - a) all earth and construction work and other ancillary work outside the scope of Gesytec, including the necessary skilled and unskilled labor, construction materials and tools;
 - b) the equipment and materials necessary for assembly and commissioning such as scaffolds, lifting equipment and other devices as well as fuels and lubricants;
 - c) energy and water at the point of use including connections, heating and lighting;
 - d) suitable dry and lockable rooms of sufficient size adjacent to the site for the storage of machine parts, apparatus, materials, tools, etc. and adequate working and recreation rooms for the erection personnel, including sanitary facilities as are appropriate in the specific circumstances; furthermore, the Purchaser shall take all measures it would take for the protection of its own possessions to protect the possessions of Gesytec and of the erection personnel at the site;
 - e) protective clothing and protective devices needed due to particular conditions prevailing on the specific site.

2. Before the erection work starts, the Purchaser shall unsolicitedly make available any information required concerning the location of concealed electric power, gas and water lines or of similar installations as well as the necessary structural data.
3. Prior to assembly or erection, the materials and equipment necessary for the work to start must be available on the site of assembly or erection and any preparatory work must have advanced to such a degree that assembly or erection can be started as agreed and carried out without interruption. Access roads and the site of assembly or erection must be level and clear.
4. If assembly, erection or commissioning is delayed due to circumstances for which Gesytec is not responsible, the Purchaser shall bear the reasonable costs incurred for idle times and any additional travelling expenditure of Gesytec or the erection personnel.
5. The Purchaser shall attest to the hours worked by the erection personnel towards Gesytec at weekly intervals and the Purchaser shall immediately confirm in written form if assembly, erection or commissioning has been completed.
6. If, after completion, Gesytec demands acceptance of the Supplies, the Purchaser shall comply therewith within a period of two weeks. The same consequences as upon acceptance arise if and when the Purchaser lets the two-week period expire or Gesytec is put to use after completion of agreed test phases, if any.

VII. RECEIVING OF SUPPLIES

1. The Purchaser shall not refuse to receive Supplies due to minor defects.

VIII. DEFECTS AS TO QUALITY

Gesytec shall be liable for defects as to quality (hereinafter referred to as "Defects") as follows:

1. Defective parts or defective services shall be, at Gesytec's discretion, repaired, replaced or provided again free of charge, provided that the reason for the Defect had already existed at the time when the risk passed.
2. Claims for repair or replacement are subject to a statute of limitations of 12 month calculated from the start of the statutory statute of limitations; the same shall apply mutatis mutandis in the case of rescission and reduction. This shall not apply where longer periods are prescribed by law according to Sec. 438 para. 1 No. 2 (buildings and things used for a building), Sec. 479 para. 1 (right of recourse), and Sec. 634a para. 1 No. 2 (defects of a building) German Civil Code ("Bürgerliches Gesetzbuch"), in the case of intent, fraudulent concealment of the Defect or non-compliance with guaranteed characteristics ("Beschaffenhheitsgarantie"). The legal provisions regarding suspension of the statute of limitations ("Ablaufhemmung", "Hemmung") and recommencement of limitation periods shall be unaffected.
3. Notifications of Defect by the Purchaser shall be given in written form without undue delay
4. In the case of notification of a Defect, the Purchaser may withhold payments to an amount that is in a reasonable proportion to the Defect. The Purchaser,

however, may withhold payments only if the subject-matter of the notification of the Defect involved is justified and incontestable. The Purchaser has no right to withhold payment to the extent that its claim of a defect is time-barred. Unjustified notifications of Defect shall entitle Gesytec to demand reimbursement of its expenses by the Purchaser.

5. Gesytec shall be given the opportunity to repair or to replace the defective good ("Nacherfüllung") within a reasonable period of time.
6. If repair or replacement is unsuccessful, the Purchaser is entitled to rescind the contract or reduce the remuneration, any claims for damages the Purchaser may have according to No.10 shall be unaffected.
7. There shall be no claims based on Defect in cases of insignificant deviations from the agreed quality, of only minor impairment of usability, of natural wear and tear or damage arising after the passing of risk from faulty or negligent handling, excessive strain, unsuitable equipment, defective civil works, inappropriate foundation soil or claim based on particular external influences not assumed under the contract, or from non-reproducible software errors. Claims based on defects attributable to improper modifications or repair work carried out by the Purchaser or third parties and the consequences thereof are likewise excluded.
8. The Purchaser shall have no claim with respect to expenses incurred in the course of supplementary performance, including costs of travel, transport, labor, and material, to the extent that expenses are increased because the subject-matter of the Supplies has subsequently been brought to another location than the Purchaser's branch office, unless doing so complies with the normal use of the Supplies.
9. The Purchaser's right of recourse against Gesytec pursuant to Sec. 478 BGB is limited to cases where the Purchaser has not concluded an agreement with its customers exceeding the scope of the statutory provisions governing claims based on Defects. Moreover, No. 8 above shall apply mutatis mutandis to the scope of the right of recourse the Purchaser has against Gesytec pursuant to Sec. 478 para. 2 BGB.
10. The Purchaser shall have no claim for damages based on Defects. This shall not apply to the extent that a Defect has been fraudulently concealed, the guaranteed characteristics are not complied with, in the case of loss of life, bodily injury or damage to health, and/or intentionally or grossly negligent breach of contract on the part of Gesytec. The above provisions do not imply a change in the burden of proof to the detriment of the Purchaser. Any other or additional claims of the Purchaser exceeding the claims provided for this Article VIII, based on a Defect, are excluded.

IX. INDUSTRIAL PROPERTY RIGHTS AND COPYRIGHT; DEFECTS IN TITLE

1. Unless otherwise agreed, Gesytec shall provide the Supplies free from third parties' industrial property rights and copyrights (hereinafter referred to as "IPR") with respect to the country of the place of delivery only. If a third party asserts a justified claim against the Purchaser based on an infringement of an IPR by the Supplies made by Gesytec and then used in conformity with the contract, Gesytec shall be liable to the Purchaser within the time period stipulated in Art. VIII No.2 as follows:

- a) Gesytec shall choose whether to acquire, at its own expense, the right to use the IPR with respect to the Supplies concerned or whether to modify the Supplies such that they no longer infringe the IPR or replace them. If this would be impossible for Gesytec under reasonable conditions, the Purchaser may rescind the contract or reduce the remuneration pursuant to the applicable statutory provisions.
 - b) Gesytec's liability to pay damages is governed by Art XII.
 - c) The above obligations of Gesytec shall apply only if the Purchaser
 - (i) immediately notifies Gesytec of any such claim asserted by the third party in written form,
 - (ii) does not concede the existence of an infringement and
 - (iii) leaves any protective measures and settlement negotiations to the discretion of Gesytec. If the Purchaser stops using the Supplies in order to reduce the damage or for other good reason, it shall be obliged to point out to the third party that no acknowledgement of the alleged infringement may be inferred from the fact that the use has been discontinued.
2. Claims of the Purchaser shall be excluded if it is responsible for the infringement of an IPR.
 3. Claims of the Purchaser are also excluded if the infringement of the IPR is caused by specifications made by the Purchaser, by a type of use not foreseeable by Gesytec or by the Supplies being modified by the Purchaser or being used together with products not provided by Gesytec.
 4. In addition, with respect to claims by the Purchaser pursuant to No.1 a) above, Art. VIII Nos. 4, 5, and 9 shall apply mutatis mutandis in the event of an infringement of an IPR.
 5. Where other defects in title occur, Art VIII shall apply mutatis mutandis.
 6. Any other claims of the Purchaser against Gesytec or its agents or any such claims exceeding the claims provided for in this Art. IX, based on a defect in title, are excluded.

X. Conditional Performance

1. The performance of this contract is conditional upon that no hindrances attributable to German, US or otherwise applicable national, EU or international rules of foreign trade law or any embargos or other sanctions exist.
2. The Purchaser shall provide any information and Documents required for export, transport and import purposes.

XI. IMPOSSIBILITY OF PERFORMANCE; ADAPTATION OF CONTRACT

1. To the extent that delivery is impossible, the Purchaser is entitled to claim damages, unless Gesytec is not responsible for the impossibility. The Purchaser's claim for damages is, however, limited to an amount of 10% of the value of the part of the Supplies which, owing to the impossibility, cannot be put to the intended use. This limitation shall not apply in the case of liability based on intent, gross negli-

gence or loss of life, bodily injury or damage to health; this does not imply a change in the burden of proof to the detriment of the Purchaser. The Purchaser's right to rescind the contract shall be unaffected.

2. Where events within the meaning of Art. IV No. 2 (a) to (c) substantially change the economic importance or the contents of the Supplies or considerably affect Gesytec's business, the contract shall be adapted taking into account the principles of reasonableness and good faith. To the extent this is not justifiable for economic reasons, Gesytec shall have the right to rescind the contract. The same applies if required export permits are not granted or cannot be used. If Gesytec intends to exercise its right to rescind the contract, it shall notify the Purchaser thereof without undue delay after having realized the repercussions of the event; this shall also apply even where an extension of the delivery period had previously been agreed with the Purchaser.

XII. OTHER CLAIMS FOR DAMAGES

1. Unless otherwise provided for in the present conditions, the Purchaser has no claim for damage based on whatever legal reason, including infringement of duties arising in connection with the contract or tort.
2. This does not apply if liability is based on:
 - a) under the German Product Liability Act ("Produkthaftungsgesetz"),
 - b) intent
 - c) gross negligence on the part of the owners, legal representatives or executives;
 - d) fraud;
 - e) failure to comply with a guarantee granted;
 - f) negligent injury to life, limb or health; or
 - g) negligent breach of a fundamental condition of contract ("wesentliche Vertragspflichten").
 However, claims for damages arising from a breach of a fundamental condition of contract shall be limited to the foreseeable damage which is intrinsic to the contract, provided that no other of the above case applies.
3. The above provision does not imply a change in the burden of proof to the detriment of the Purchaser.

XIII. VENUE AND APPLICABLE LAW

1. If the Purchaser is a businessperson, sole venue for all disputes arising directly or indirectly out of the contract shall be Aachen, Germany. However, Gesytec may also bring an action at the Purchaser's place of business.

This contract and its interpretation shall be governed by German law, to the exclusion of the United Nations Convention on contracts for the international Sale of Goods (CISG).

XIII. SEVERABILITY CLAUSE

1. The legal invalidity of one or more provisions of this Agreement in no way affects the validity of the remaining provisions. This shall not apply if it would be unreasonable for one of the parties to be obligated to continue the contract.