

General Terms of Delivery relating to international Business transactions

I. Scope

- The following General Terms of Delivery apply exclusively to all – including future – deliveries of goods and services (hereinafter referred to together as „Deliveries“) by DREHMO GmbH (hereinafter „Supplier“) to Customers within the meaning of Clause I.2., unless otherwise expressly agreed in writing. The Customer's terms and conditions shall not become part of the contract, even where the inclusion of such conditions has not been expressly rejected by the Supplier.
- These General Terms of Delivery only apply to businesspersons acting in their professional or commercial capacity (hereinafter „Customer“).

II. Conclusion and content of the contract

- The Supplier's offers are generally non-binding. Unless otherwise indicated in the offer, the Supplier is bound by its offers as regards technical content and prices for a period of 3 months. Contracts only come into effect by way of the Supplier's written order confirmation or delivery.
- Insofar as they are not expressly identified as binding, documents such as illustrations, drawings, weight specifications and measurements, provided by the Supplier in connection with the contract, only represent approximate values and, insofar as it is permitted by law, all liability in connection with such documents is hereby expressly excluded. The Supplier reserves all rights of ownership and copyright over cost estimates, drawings and other documentation which the Supplier makes available to the Customer; such documents shall not be disclosed to third parties without the prior written consent of the Supplier.

III. Price and Payment

- Prices are in euro and, unless otherwise agreed, apply CPT to the agreed destination pursuant to Incoterms® 2010 plus freight and packaging and any applicable value added tax.
- Where the delivery period is longer than 2 months, the Supplier is entitled to increase the agreed prices accordingly where, following conclusion of the contract, there are major changes in the cost of salaries, materials, energy or raw materials and the Supplier is not responsible for these changes. Where the price increase exceeds 10 %, the Customer is entitled to rescind the contract, in writing, within two weeks of receipt of notification of the price increase, insofar as the Customer did not approve the cost overrun.
- In the absence of any special agreement, payment shall be made within 30 days of receipt of the invoice, without deduction, into the Supplier's bank account. Payments are only deemed to have been made to the extent that the Supplier has free disposal over them at its bank.
- The Parties can agree that the Customer must open an irrevocable and non-transferable documentary credit, via its bank or another bank, which is acceptable to the Supplier. In this particular case it is stipulated that the opening of a documentary credit is carried out in accordance with the ICC Uniform Customs and Practice for Documentary Credits UCP 600.
- The Customer is only entitled to withhold payments or to a set-off against the Customer's counter-claims insofar as the counter-claims are undisputed or have been upheld by a final court judgement and provided the statutory requirements under Art. 120 et seq. Swiss Code of Obligations have been fulfilled.
- In the case of delays in payment, the Supplier is entitled - without prejudice to any other rights and claims to which it is entitled - to charge interest at a rate of 18 % p.a. until full and final payment has been made. The Supplier is entitled to assert a claim for a higher level of damages incurred as a result of the delay in payment, subject to provision of the corresponding proof thereof. The Customer is entitled to prove that there has been no loss incurred as a result of the delay in payment or that the loss was lower.

IV. Delivery, delivery time

- Unless otherwise agreed, delivery takes place CPT to the agreed destination pursuant to Incoterms® 2010.
- Delivery periods or delivery times, specified in the order confirmation, or otherwise agreed, are approximate and therefore non-binding.
- The delivery period commences on dispatch of the order confirmation but not before the submission of any documents, permits and clearances necessary for delivery, which must be obtained by the Customer; and not before the receipt of any agreed down payment or payment security; and also not before confirmation of an agreed letter of credit. The delivery period is complied with where, prior to its expiry, the goods have been handed over to the carrier at the Supplier's supplying plant. Where an acceptance procedure is required, – other than in the case of justified refusal of acceptance – the acceptance date shall determine compliance or, alternatively, the notification of readiness for acceptance.
- It is not necessary to notify the Customer of successful delivery.
- Unforeseen and unavoidable events, for which the Supplier cannot be held responsible (e.g. force majeure, strikes or lockouts, operational breakdown, problems in the procurement of material or energy, transport delays, shortages in staff, energy or raw materials, official measures as well as difficulties in obtaining authorisations particularly import or export licences), shall extend the delivery time by a reasonable period. This shall also apply in the event that such obstacles affect its own suppliers. Where the obstruction is not purely temporary, the Supplier is entitled to declare the contract avoided. In this case, claims for damages by the Customer are excluded.
- Requests made by the Customer for changes shall extend the delivery time until the Supplier has examined their feasibility and, where the Supplier gives its consent, by the period required for implementing the new requirements into production. Where ongoing production is suspended due to the request for changes, the Supplier may bring forward and finish other orders. The Supplier is not obliged to keep production capacity free during the period of the delay.

- Where dispatch is delayed at the Customer's request, or as a result of circumstances for which the Supplier cannot be held responsible, the Customer shall be charged for the costs of storage, and in any case a minimum of 0.5 % of the net invoice amount, for each month of storage, as from one month after notification of readiness for shipping. This shall be without prejudice to the Supplier's additional statutory rights.
- Compliance with the delivery period requires performance of the Customer's contractual obligations.
- Partial deliveries are permitted and must be accepted by the Customer.
- The Supplier is entitled to comply with its contractual obligations, even after expiry of the agreed delivery time, provided it has notified the Customer of the overrun and specified a new delivery date. The Customer is entitled, within a reasonable period, to reject delayed performance of the delivery provided it can show that delayed delivery is of no use to it. The Supplier shall only be liable in accordance with Clause IV.11. for any necessary additional expenditure incurred by the Customer as a result of late delivery.
- The Supplier shall only be liable for the consequences of late delivery in cases of intent or gross negligence. In all other cases, liability on the part of the Supplier is excluded insofar as this is permitted by law.

V. Right of retention

- The Supplier may suspend performance of its contractual obligations, in whole or in part, if after conclusion of the contract it becomes evident that the Customer will not fulfil its contractual obligations, whether in whole or in part. This applies in particular where the Customer fails to comply, fails to comply in full or delays in complying with its payment obligations towards the Supplier or a third party.
- The Supplier is also under no obligation to continue with performance where the Customer provides security, as guarantee for the consideration, which can be contested under the applicable insolvency provisions.

VI. Passing of risk, reservation of delivery by own suppliers

- The risk to price and performance shall pass to the Customer on handover to the carrier at the Supplier's supplying plant (= place of delivery). This also applies in the case of partial deliveries. Where an acceptance procedure is required, this shall determine the passing of risk. It must take place without delay on the acceptance date, or alternatively on notification of readiness for acceptance. The Customer is not permitted to refuse acceptance due to minor defects.
- The Supplier's delivery obligation is subject to the proviso that it receives on-time and correct delivery from its own suppliers unless incorrect or delayed delivery by its own suppliers has been caused by the Supplier, at least as a result of gross negligence. The Supplier shall not be liable for the consequences of non-performance or defective performance by its own suppliers and, in the absence of any gross negligence or intent on the part of the Supplier, the latter may by declaration release itself from its delivery obligation towards the Customer.

VII. Reservation of Title

- The Supplier reserves title to the delivery item until full payment of the purchase price and any ancillary claims. This also applies where individual or all claims by the Supplier have been recorded on a running account and the balance has been drawn and acknowledged. The Customer shall sufficiently insure the delivery item, at the replacement value, against loss and damage. The insurance policy and evidence of payment of the premiums must be submitted to the Supplier on request. The Customer hereby assigns to the Supplier any claims under the insurance policy, subject to the condition subsequent that title passes to the Customer. The Supplier hereby accepts the assignment.
- Where a third party substantiates or asserts a right to the goods which are subject to retention of title, the Customer shall notify the Supplier of this without delay. The costs arising as a result of any defense against a take hold by a third party of the goods which are subject to retention shall be borne by the Customer insofar as they cannot be recovered from the third party.

VIII. Liability for delivery of goods which do not comply with the contract

- Within a short time after delivery pursuant to Clause IV.1., the Supplier shall examine the goods for lacks of conformity with the contract and give the Supplier notice in writing by no later than 14 days after becoming aware of the lack of conformity or after the lack of conformity becomes recognizable. In this regard, the Customer must precisely specify the lack of conformity.
- In the case of a notification of a lack of conformity which does not comply with these requirements, the Customer may only rely on the remedies to which it is entitled under these provisions if the Supplier positively knew of the facts substantiating the lack of conformity and fraudulently failed to disclose them to the Customer.
- In the case of a lack of conformity of the goods (material defects and defects in title), the Supplier provides the Customer with a warranty in accordance with the following provisions. Clause VIII para. 4. and 5. apply with respect to guarantees and assured characteristics additionally conferred by the Supplier.
 - Technical improvement of the goods shall not constitute a lack of conformity with the contract.
 - The Supplier accepts liability under Art. 42 CISG for the fact that the goods are free from any third-party right based on industrial or other intellectual property, only with regard to infringements in the Federal Republic of Germany. The Supplier declares, however, that (without specific investigation) it is unaware of any infringements of intellectual property rights in other countries.
 - In the case of a legitimate complaint, the Customer may exclusively demand that the goods be repaired or, if this is not possible, delivery of substitute goods conforming to the contract.

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- d) The rights to declare a contract avoided, reduce the purchase price and to claim for damages are excluded insofar as this is permitted by law.
 - e) Statements by the Supplier on the lack of conformity notified by the Customer serve only to clarify the situation and shall not constitute any acknowledgement that there has been a lack of conformity or that there has been a proper notification of it.
 - f) Insofar as the lack of conformity arises from an essential third-party product, the Supplier is initially entitled to restrict its liability to the assignment of the rights of recourse to which it is entitled as against the supplier of the third-party product, unless satisfaction by way of the assigned right fails or cannot be obtained for some other reason.
 - g) In the case of improper modifications or repair work to the delivery item, carried out by the Customer or a third party without the prior consent of the Supplier, the Supplier shall not be liable for any resulting consequences.
- 4. Where a guarantee has been given, the Supplier shall be liable for the existence of the guaranteed characteristics of the goods within the scope of the guarantee.
 - 5. Assured characteristics are only those which are expressly designated as such by the Supplier. The Supplier's liability for the lack of assured characteristics is excluded insofar as this is permitted by law.
 - 6. Claims by the Customer for the delivery of goods which do not comply with the contract, shall lapse within the statutory limitation period as from statutory commencement of the limitation period. In the event of liability under guarantee, the Supplier shall be liable in accordance with the provisions of the guarantee.

IX. Damages

- 1. Unless otherwise specified in Clause VIII and IX.2, the Supplier shall be liable, irrespective of the legal basis, for loss incurred by the Customer only where such loss is the result of intentional or grossly negligent conduct on the part of the Supplier. In all other cases, liability on the part of the Supplier is excluded insofar as this is permitted by law.
- 2. The Supplier's liability for death, personal injury, damage to health, and under guarantee, remains unaffected.
- 3. Claims for damages against the Supplier under Clause IV.11 and Clause IX.1 shall lapse 12 months after statutory commencement of the limitation period.

X. Liability for vicarious agents

Contractual liability for vicarious agents shall be excluded insofar as this is permitted by law. This applies in particular in connection with guarantees, assured characteristics, other defects, transportation and delay.

XI. Written form, contract language, place of performance, jurisdiction, applicable law

- 1. Where any provision of these General Terms of Delivery are or become invalid, or where the General Terms of Delivery contain an omission, this shall not affect the legal validity of the remaining provisions. In place of the invalid provision, a valid provision is deemed to have been agreed which comes closest to the meaning and purpose intended by the Parties.
- 2. Amendments, additions and any agreement to cancel the contract must be in writing in order to be valid. The same applies to other declarations of the contracting partners which are necessary for the substantiation, safeguarding or exercise of their rights, particularly notifications of defects, setting of deadlines or unilateral declarations to declare the contract avoided. Fax, remote data transmission (RDT) and email are also deemed to constitute the written form. The sender can only invoke notifications which have been received by the recipient. Where a notification, which has been sent by registered post or by way of an international, recognised courier service, is delivered late, it shall be deemed to have been received on the date that it would have been delivered under normal circumstances.
- 3. Any communication between the Parties and any declaration by the Parties must be in German or English.
- 4. Unless otherwise agreed, the place of performance for delivery of goods is the location of the works in which they were produced; with regard to all other obligations arising under the contractual relationship with the Customer, the place of performance is the Supplier's head office.
- 5. Any disputes, controversy, or claim arising out of, or in relation to the contractual relationship with the Customer, including the validity, invalidity, breach, or termination thereof, shall be resolved by **arbitration in accordance with the Swiss Rules of International Arbitration of the Swiss Chambers' Arbitration Institution** in force on the date on which the Notice of Arbitration is submitted in accordance with these Rules. The seat of the arbitration shall be **Zurich**. The arbitral proceedings shall be conducted in English.
- 6. Swiss law applies including the provisions of the UN Convention on Contracts for the International Sale of Goods of 11 April 1980 (CISG).