

General Terms and Conditions of Delivery and Payment of Rheonik Messtechnik GmbH

1. General Provisions

- 1.1. The following terms and conditions of Delivery and Payment (AGB) shall apply to all our business relationships with our Customers. The AGB apply only if the Customer is an entrepreneur (§ 14 BGB), a legal entity under public law or a public special fund.
- 1.2. These AGB shall apply exclusively. Deviating, conflicting or supplementary purchasing conditions of the Customer shall become only and insofar part of the contract as we have expressly agreed to their validity. This approval requirement applies even if we are aware of these conditions of purchase and deliver to the customer without reservation.
- 1.3. In single cases, individual agreements made with the Customer (including ancillary agreements, supplements or amendments) have in any case take precedence over these AGB.

2. Conclusion of Agreement

- 2.1. Our price lists shall be subject to change and not binding. The prices on the price list valid at the time of the Customer's order shall apply.
- 2.2. Each Customer order shall comprise an offer to us that the corresponding binding agreement be concluded. This shall also apply in the event a written or oral "offer" from us preceded the order. An agreement shall become binding only when accepted by us in writing (order confirmation).

3. Brochures and Documents

- 3.1. All illustrations, drawings and specifications of weights and measures contained in our brochures, offers or other documents shall be approximate specifications only unless expressly designated as binding.
- 3.2. We hereby reserve all property rights and copyrights related to cost estimates, drawings and other documents. Such estimates, drawings and documents may not be made available to third parties. We hereby reserve the right to reclaim our documents in the event an agreement does not take effect.
- 3.3. In the event our products are modified after an agreement is concluded as part of the continuous further development of our products, we shall be entitled to deliver the modified versions provided they are at least equal in quality to those required by agreement. We shall be entitled to alter models, designs, plans, illustrations, drawings, descriptions, colors and weight, measurement and other specifications provided the quality and technical conditions for the use of the products are not thereby altered.

4. Pricing, Insurance, Packaging

- 4.1. Our prices shall be understood as subject to the applicable turnover tax.
- 4.2. Unless expressly stipulated otherwise, our prices shall be understood as ex works including factory loading though excluding packaging and transport insurance.
- 4.3. Packaging may be returned to us. The Customer shall bear the freight costs for the return of packaging.
- 4.4. We shall take out transport insurance for the account of the Customer only at the express written instruction of the Customer.

5. Terms and Conditions of Payment

- 5.1. Our invoices shall be due and payable immediately.
- 5.2. In the event the Customer does not pay within 30 days following the invoice date, the Customer shall be in default. Default interest shall be 1.5% per month.
- 5.3. Payments shall always be deducted from the oldest debt outstanding.
- 5.4. All setoffs shall be excluded unless the counterclaims are acknowledged by us or recognized by non-appealable decision. The Customer hereby waives the right to assert a right of retention arising from earlier or other transactions with regard to current business relations.

5.5. In the event the financial circumstances of the Customer worsen substantially after an order is concluded, we shall be entitled to require security for all outstanding payments from current agreements regardless of the due dates thereof. Security may be provided by advance payment in full or by provision of a bank guaranty from a bank certified in the Federal Republic of Germany provided such guaranty is absolute and unlimited and all defenses are waived.

6. Delivery Periods

- 6.1. Delivery periods or delivery deadlines shall be binding only if expressly designated as such. Otherwise we shall endeavor to observe the non-binding delivery periods whenever possible.
- 6.2. Instances of force majeure (e.g., public unrest or similar events), difficulties in procuring raw materials, operating disruptions through no fault of our own (e.g., strikes, lockouts, etc.) and other circumstances for which we are not responsible (such as erroneous or delayed delivery from previous suppliers or loss of previous suppliers, e.g., due to insolvency, composition or other suspension of production, or traffic disruptions) as well as all unavoidable events affecting our company or our suppliers shall entitle us to suspend or postpone delivery to the Customer in whole or in part to an extent commensurate with and for the duration of the impediment. We shall not be responsible for the above-mentioned circumstances even in the event such circumstances arise during an existing delay. We shall be obligated to inform the Customer of the beginning and end of such impediments without delay. No Customer damage compensation claims against our company shall arise in such event.
- 6.3. Each agreed-upon delivery period shall be extended by the period by which the Customer is in default on its obligations towards us. This shall apply in particular in the event the Customer has not yet clarified or fulfilled all details of the performance and other requirements it must meet or in the event the agreed-upon advance payment is not on time.
- 6.4. Dispatch-ready goods of which the Customer has been notified are to be retrieved without delay. Otherwise we shall be entitled to store such goods in an appropriate fashion at the expense and risk of the Customer.

7. Place of Performance, Transfer of Risk

- 7.1. Even in the event of delivery "to place of destination," the place of performance shall be our factory.
- 7.2. Risk shall be transferred to the Customer upon acceptance for loading onto the means of transport. In the event of pickup by the Customer, risk shall be transferred to the Customer upon provision for loading.
- 7.3. In the event shipment is delayed due to circumstances for which the Customer is responsible, risk shall be transferred to the Customer on the date the product is ready to be shipped.

8. Retention of Title

- 8.1. We shall retain our title to the delivered goods (the "Reserve Goods") until payment of the purchase price including all other claims arising from the basic legal transaction, regardless of their legal grounds, has been completed. With regard to the acceptance of checks, this shall apply until they are definitively honored. In the event of open accounts, the Reserve Goods shall be considered security for the balance of the debt outstanding.
- 8.2. The Customer must store our Reserve Goods separately or clearly label them as such. Reserve Goods may be resold, consumed, modified, combined or mixed only as part of regular business and only as long as the Customer has observed its payment obligations. Reserve Goods may not be pledged or transferred as a means of security. The recovery of Reserve Goods shall be considered a cancellation only if the Customer is expressly informed.

- 8.3. The Customer hereby transfers its (joint) title to the newly created item (the "Security Property") to us in advance in proportion to its value (the invoice value) in order to secure our claims in the event our Reserve Goods are modified, mixed, combined or consumed, and hereby also agrees that it shall store such item for us free of charge. To secure our claim, the Customer hereby assigns in advance all claims from the modification, combination, use or sale of our Reserve Goods or the Security Property replacing the Reserve Goods in the amount of the remaining purchase claim together with all ancillary rights. In the event any goods to which we have joint title are sold, the assignment shall be limited to the priority portion of the claim, corresponding to the portion to which we have joint title.
- 8.4. Upon our request, the Customer shall be obligated to document its individual claims against third parties arising from the resale, inform the subsequent buyers of the assignment and request that they pay us. We shall be entitled at all times to inform the subsequent buyers of the assignment and collect the claim ourselves. The Customer shall not be authorized to make any other assignment. The Customer shall be entitled to collect the said claim as long as it fulfills its payment obligations toward our company. The Customer must inform us without delay of any legal actions by third parties which will affect our affairs or rights.
- 8.5. In the event the value of the securities granted to us on the basis of the above paragraphs exceeds the claim to be secured by more than 10%, we shall release the securities of our choice at the Customer's request.

9. Warranty

- 9.1. We warrant that under normal use and service our products will function in accordance with the current product specifications if installed and operated in accordance with the accompanying installation manuals; but the Customer is solely responsible for determining the suitability of the products for the customer's use. The Customer shall examine the goods immediately after receipt with responsible care; defects discovered shall be reported to us within a preclusive period of 2 weeks in writing. Not recognizable defects shall be reported in writing to us within 2 weeks after discovery.
- 9.2. In case of a justified immediate notification of defects, a warranty will be granted either by repairing the goods (rectification of defects) or replacement of default parts (subsequent delivery). Instead we shall also be entitled to compensate the decrease in value when obeying the interest of the Customer appropriately.
- 9.3. In case we does not comply to rectify defects or to replace defective parts or the rectification or replacement fail, the Customer shall be entitled to reduce the remuneration or, at his option, to rescind the contract.
- 9.4. As regards spare parts, parts being subject to wear and tear or parts being designated to become a part of or to be converted into other products, the Customer is committed to examine such parts and give notification of defects within the time period set for in para. 1. With regard to defects which could have been noticed before installation or conversion, any warranty claims are excluded after installation and conversion.
- 9.5. In case the Customer requests examination of the delivered goods by us and alleges a defect for which we would be responsible according to para. 2 above, the Customer shall be committed to bear the associated costs in case it turns out that the delivered goods are free from such defect.
- 9.6. Other or further claims of the Customer based on defects including claims for damages, also with respect to consequential damages, are excluded unless otherwise expressly set forth in these Standard Terms and Conditions of Sale and Delivery. The disclaimer shall not apply in the case of injury to life, limb or health and in the case of violation of a material contractual obligation (cardinal obligation), whereby, however, in the case of violation of a cardinal obligation due to slight negligence, our liability shall be limited to such loss or damage foreseeable and typical for this type of contract, which shall in no way include indirect losses (e.g. loss of profit). In case of non-compliance with a guarantee, which has to be expressly designated and confirmed in the order confirmation as guarantee, claims for damages can only be enforced, if it was intended that the guarantee given to the Customer should apply precisely to damage of the kind that has occurred.

- 9.7. Our is expired, if the goods delivered have been dismantled by a third party or altered by the incorporation of parts produced elsewhere and the cause of the damages is connected with such alterations. Our liability is also expired, if the Customer does not duly observe our instruction for handling the goods (installation & operation instructions).
- 9.8. The warranty period shall last for a period of 12 month after passing the risk.

10. Liability

- 10.1. Unless otherwise expressly set forth in these AGB, we are only liable for damages, whatever their legal basis is, in case that they are based on a wilful action or gross negligence. Insofar as permissible, any additional liability shall be limited to a maximum amount of € 1 million per damage event.
- 10.2. This limitation on liability does not apply in the event the Customer raises claims relating to personal injury or damages to property according to the Product Liability Law based on a defect of the delivered goods.
- 10.3. Any advice given by us, in particular regarding the application of the delivered goods, shall only commit us if given or confirmed in writing.
- 10.4. The Customer acknowledges that our goods and services shall not be used in life-sustaining or life-supporting devices and systems, nuclear power plants, for military, aeronautics or other purposes, where a malfunction of the product may, within reasonable assessment, lead to life-threatening situations or cause catastrophic consequential damage.

11. Cancellation

- 11.1. The following lump-sum compensation is hereby agreed upon in the event the Customer cancels an order:
Up to six weeks prior to the delivery date: 40% of the order total.
- 11.2. The Customer is allowed to prove that a lower or no damage has occurred.

12. Representatives

Legally binding declarations such as taking orders, receipt of notices of defects or payments made by our sales representatives or active in the field staff and of these about acceptances need to be confirmed in writing by us.

13. Copyright

- 13.1. We retain the property and copyright in drawings, sketches, cost estimates and the documents attached to any offers or order confirmation. The Customer may only be entitled to use them to the agreed purpose and may not reproduce or disclose them to third parties without the prior written consent of us. At our request, such documents and any duplicates have to be rendered to us.
- 13.2. The technology and the knowledge patented or not, used in the materials and services, all the rights of technical intellectual properties relating to the products and services, remain the exclusive property of us. Only is conceded to the customer a right of user of the materials on a purely non-exclusive basis.
- 13.3. With regard to the delivered Software, we are not aware that the use of the Software will violate any third party's industrial property rights. We assume no liability for Software free from third parties' industrial property rights and copyrights, excluding industrial property rights in the Federal Republic of Germany. This shall also apply, if the Customer uses the Software outside the Federal Republic of Germany, irrespectively of whether or not we have been informed by the Customer in advance thereof. If the use violates industrial property rights, we are allowed at his own option either to alter the Software to a reasonable scope for the Customer so it is excluded from the extent of protection or to obtain the right for the Customer to use the Software in an unlimited way without paying additional costs.

14. Place of Jurisdiction

Exclusive – also international - place of jurisdiction for all disputes arising out of or in connection with any contract between us and the Customer shall be the registered office of our company in Odelzhausen. However, we shall be entitled in any case to bring an action either at place of delivery or performance obligation or at Customer’s general jurisdiction. Prior-ranking statutory provisions, in particular to exclusive competence, shall remain unaffected.

15. Choice of Law

The law of the Federal Republic of Germany shall be exclusively authoritative for these AGB and any contractual relation between us and the Customer exclusion of the United Nations Convention on Contracts for the International Sale of Goods.

Rheonik Messtechnik GmbH, Odelzhausen, June 2020