

## TERMS AND CONDITIONS OF PURCHASING for companies in accordance with § 310 (1) German Civil Code (BGB)

### I. AREA OF APPLICATION

1. The following terms and conditions of sale are exclusively applicable to all orders placed by SST Steigerwald Strahltechnik GmbH for goods and services (hereinafter abbreviated to "deliveries"). Supplier terms and conditions shall remain invalid, even when not expressly undisputed or we accept deliveries from the supplier without reservation upon knowledge of the supplier's terms and conditions of business. For future business with the supplier, the terms and conditions shall apply without new inclusion.

### II. OFFER, ORDER DOCUMENTS, AMENDMENTS

1. In the event that the supplier fails to accept our order within 2 weeks of the order date through the return of our order duplicate, we shall no longer be bound to our order.
2. We reserve our property rights and copyright regarding diagrams, drawings, calculations and other documents. These are solely for the purpose of verifying the order or performance of the supply agreement. In the event that no supply agreement is concluded, or following the execution of the order, these are to be returned to us unrequested.
3. SST Steigerwald Strahltechnik GmbH may initiate changes to the order following conclusion of the contract, insofar as reasonable for the supplier. The effects of such a contract amendment as regards the increased or decreased costs and delivery dates are to be reasonably regulated accordingly.

### III. DELIVERY TERMS, CONTRACTUAL PENALTY, SUBCONTRACTORS

1. The delivery term stated on the order is binding.
2. The supplier is obliged to notify us immediately of any delays with provision of the cause and anticipated duration, when it is foreseeable that the delivery term cannot be adhered to.
3. In the event of delivery delays, we are entitled to assert statutory claims. In particular, we are entitled following the unsuccessful expiry of a reasonable extended term to demand compensation in place of the delivery. In the event that we should demand compensation, the supplier shall have the right to provide evidence that he is not responsible for the breach of duty.
4. In the event of a delivery delay we are entitled to assert a contractual penalty of 0.2% of the delivery value per working day as minimum compensation, however no more than 5%. The contractual penalty may be demanded in addition to fulfillment and must be asserted within one month of the receipt of the last incoming delivery on the basis of the order by way of a declaration to the supplier at the latest. Further rights and claims shall hereby remain reserved.
5. The supplier shall only be authorised to perform the delivery through a subcontractor in full or a significant part thereof with the prior written permission of SST Steigerwald Strahltechnik GmbH. The subcontractor is to be subject to the obligation of nondisclosure under the terms of Clause XI.

### IV. TRANSFER OF RISK, SHIPPING

1. The place of performance for deliveries is the destination provided on the order. Should a destination not be provided and no other written agreements are concluded, deliveries are to be issued free to the Maisach plant. The supplier is to ensure sufficient transport insurance coverage. The supplier may therefore not charge for transport insurance costs. SST Steigerwald Strahltechnik GmbH materials provided to the supplier are to be sufficiently insured by the supplier for the term they are in his possession. Ownership to these parts shall not be acquired by the supplier.

### V. DUTY TO REPORT DEFECTS, LIABILITY FOR DEFECTS

1. SST Steigerwald Strahltechnik GmbH shall inspect deliveries for defects within a reasonable time for quality and quantity deviations, insofar as this is required, upon agreement an outgoing goods inspection by the supplier shall be undertaken. A notification of defects is deemed timely insofar as this received by the supplier within a term of 10 working days, calculated from the receipt of the delivery, or for concealed defects, upon discovery.
2. In the event of material and legal defects, we are entitled to assert the statutory claims for defects. In all cases we are entitled to demand at our discretion either a rectification of the defects or a replacement delivery of new goods. The right to compensation, in particular to compensation instead of performance hereby expressly remains reserved. We are also entitled to remove defects ourselves at the expense of the supplier, in the event of exigent circumstances or particular urgency is given.
3. The statute for limitations for claims on grounds of defects is 36 months, calculated on the date of risk transfer. Insofar as the law implements a longer statute of limitations, e.g. for a delivery item intended for use in building construction, then these terms shall apply.

### VI. PRICES, PAYMENT, TRANSFER PROHIBITION

1. The price provided on the order is binding. Statutory VAT is included in the price. In the event of a lack of a deviating written agreement, the price includes free delivery to the stipulated destination or Maisach plant including packaging. The return of packaging requires a separate agreement.
2. Invoices are to be issued in duplicate in accordance with the instructions on our order, particularly including provision of the order number there stipulates. The supplier is responsible for the consequences of incorrect invoicing.
3. An agreed term of payment commences upon completed, defect-free delivery and receipt of a correct invoice. In the event that no deviating information is provided in the order, we shall issue payment within 30 days with a 3% discount or within 45 days net.
4. Claims against SST Steigerwald Strahltechnik GmbH may only be assigned upon our prior written authorization. In the event that the supplier processes materials that were purchased subject to retention to title, authorization hereby applies as issued.

### VII. PRODUCT LIABILITY, THIRD PARTY LIABILITY INSURANCE

1. Insofar as the supplier is responsible for product damage, he is obligated to exempt us from third party claims to compensation upon first request, insofar as the cause lies in his scope of control or organisation and he is personally liable in external relationships.
2. The supplier shall conclude public liability insurance with extended product liability cover with an adequate coverage sum for personal injury, property damage and loss of profit and shall maintain this for the term of this contract including the statute of limitation for claims to defects. We are to be provided with confirmation of the conclusion of adequate insurance for product liability risks upon request.

### VIII. SAFETY REGULATIONS

1. The supplier is hereby responsible that the delivery complies with environmental protection, accident prevention and other health and safety regulations of the German Federal Republic and the European Union. SST Steigerwald Strahltechnik GmbH is to be expressly informed of any special handling and disposal requirements that are not generally known in conjunction with the delivery.

### IX. PROTECTED RIGHTS

1. The supplier is responsible that no third party rights are violated through his deliveries and the intended use of the delivered items on the part of SST Steigerwald Strahltechnik GmbH.
2. The supplier shall exempt us from all claims upon first request and shall assume all damage, expenses and costs that SST Steigerwald Strahltechnik GmbH incurs through the violation of third party rights through the delivery or use of the delivered item.
3. The statute of limitation for claims on the grounds of numbers 1. and 2. is 10 years, commencing upon the conclusion of the supply agreement.

### X. RETENTION OF TITLE

1. Insofar as we provide parts to the supplier, we hereby retain title hereto. Processing or modification on the part of the supplier is undertaken on our behalf. If our goods subject to retention of title are integrated with other items that are not our property, we shall thus acquire co-ownership to the new object proportional to the value of our goods (purchase price plus VAT) to the other goods at the time of processing.
2. If the item we provide is inseparably integrated with other objects that are not our property, we shall thus acquire co-ownership to the new object proportional to the value of our goods (purchase price plus VAT) to the other goods at the time of integration. If this integration occurs in a manner that the supplier's object is deemed the principal object, it is deemed agreed that the supplier shall assign us proportional co-ownership; the supplier shall safeguard the sole ownership or co-ownership on our behalf.
3. Insofar as under the terms of Para. 1 and/or Para. 2, the lien exceeds the purchase price to which we are entitled for all not yet remunerated goods subject to retention of title by over 10%, we are obligated upon the request of the supplier to release the liens of our choice.

### XI. NONDISCLOSURE

1. The supplier is obligated to treat all received drawings, diagrams, calculations and other documents as confidential. These may only be disclosed to a third party upon our prior written permission. The obligation to nondisclosure shall also apply following the execution of this contract; this shall expire if and insofar as the manufacturing information contained in the drawings, diagrams, calculations and other documents becomes generally known.

### XII. LEGAL VENUE, APPLICABLE LAW, FORM

1. The legal venue for all disputes on the basis and in conjunction with this agreement is Hanau. However, we have the right to claim against the supplier at his general legal venue. Insofar as not otherwise provided in our order confirmation, place of performance is our domicile.
2. The law of the German Federal Republic shall apply, UN CISG is hereby excluded.
3. All contractual provisions regulating the delivery are stipulated in writing in the order and these terms and conditions of purchase. Supply agreements and terms and conditions of purchase shall also remain legally binding in the event that individual provisions should be legally invalid.

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