

General Terms of Sale
of
PIT Production in time Zerspantechnik und Handels GmbH

1. Scope

1. These General Terms of Sale apply to all dealings between PIT Production in time Zerspantechnik und Handels GmbH (hereinafter referred to as “PIT”) and the customer, even if they are not referred to in subsequent contracts. They apply mutatis mutandis to any work and services. Instead of the acceptance of the delivered products, the acceptance of the delivered products shall occur in case of work, and the acceptance of the service regarding services.
2. Opposing, additional or other terms of the customer that deviate from these General Terms of Sale shall not become content of contract unless PIT agreed to them in writing in advance. These General Terms of Sale shall also apply if PIT executes, without reservation, a delivery to the customer with knowledge of their opposing, additional or deviating terms.
3. Additional or deviating arrangements regarding these General Terms of Sale between PIT and the customer concerning the performance of a contract shall be stipulated in writing in the contract. This shall also apply to this written form requirement.
4. Rights not mentioned in these General Terms of Sale PIT is entitled to according to statutory regulations or other agreements shall remain unaffected.

2. Conclusion of contract

1. Offers by PIT are subject to confirmation and are non-binding.
2. Figures, drawings, weights, dimensions, performance specifications and consumption details as well as other descriptions of the products from the documentation pertaining to the offer are only approximate values unless designated in writing as binding. They do not constitute any agreement or guarantee of a corresponding nature or durability of the products.

3. PIT reserves all titles, copyrights and other property rights in and to all offer documents. Such documents must not be made available to any third parties. The same shall also apply, in particular, to samples, drawings and other documents of PIT.
4. An order shall only become binding when it has been confirmed by PIT via a written order acknowledgement or upon its execution by PIT, especially if PIT performs the order by consigning the products. An order acknowledgement generated by automated means which does not contain any signature or names is deemed to comply with the written form requirement. Silence on the part of PIT to offers, orders, requests or other statements of the customer shall only constitute consent if so agreed in writing in advance. To the extent the order acknowledgement contains obvious errors, misspellings or miscalculations, it shall not be binding for PIT.
5. If the customer files a petition for bankruptcy or similar proceedings over their own assets or if a third party's reasoned petition for bankruptcy or similar proceedings over the assets of the customer is rejected for lack of assets, PIT shall be entitled to rescind, entirely or partly, the contract.

3. Scope of delivery

1. For the scope of delivery, the written order acknowledgement of PIT shall be binding. Amendments to the scope of delivery by the customer require PIT's written approval to be effective. Design and dimensional changes of the products remain reserved, provided the changes are not material and are deemed to be acceptable to the customer.
2. Deliveries in instalments shall be allowed.

4. Delivery time

1. Delivery periods and delivery dates have to be agreed in writing. Delivery periods and dates shall be non-binding unless they have been designated by PIT as binding in writing in advance.
2. The delivery periods shall begin upon PIT sending the order acknowledgement, but not before all documents, authorizations and approvals

to be obtained by the customer have been provided, all technical matters have been resolved and an agreed down payment or, in case of a foreign business, full payment has been received. In case of a delivery date, the delivery date shall be postponed in an appropriate way if the customer does not provide, in due time, the documents, authorizations and approvals to be obtained by him, if approvals are not granted in due time, if not all technical matters have been resolved completely in due time or if the agreed down payment or, in case of a foreign business, full payment has been fully received by PIT. Compliance with the delivery time is subject to the timely and proper fulfilment of the remaining duties of the customer.

3. The delivery time is deemed to be complied with if the products have left the factory before its expiry or if PIT has communicated that they are ready to be picked up or to be dispatched. Compliance with the delivery time is subject to PIT's timely and proper own receipt of delivery.
4. In case of any delay in delivery, the customer shall be entitled to rescind the contract after ineffectual expiry of a proper grace period set by the customer for PIT after the delay in delivery has occurred.

5. Prices and payment

1. Unless otherwise agreed, the prices are to be understood ex works and do not include any transport costs, packaging costs, insurances, statutory taxes, tariffs or other duties. Any costs incurring in this respect, including but not limited to the costs for packaging and transport of the products will be invoiced separately. The statutory value-added tax will be stated separately in the invoice in the statutory amount which applies on the date of invoice.
2. Orders no fixed prices have been explicitly agreed for and with an agreed delivery date which falls six weeks after the conclusion of the contract will be invoiced according to PIT's list prices which are effective on the day of delivery. Entering of the list price which is effective on the order date into an order form or an order acknowledgement shall not be deemed an agreement of a fixed price. In case of price increases of more than 5%, the customer shall be entitled to rescind the contract. Upon PIT's request, the customer will state, without undue delay, whether or not the customer will execute their right of rescission. To the extent production-related price increases occur up to the delivery date, PIT shall be entitled, irrespective of any offer and order acknowledgement, to adjust the price correspondingly.

3. Unless otherwise agreed, the customer will make a down payment in the amount of 20% of the gross delivery price without deductions within 14 days of the date of the order acknowledgement and the invoice date. The remaining gross delivery price will be invoiced subsequent to the performance of the service. This invoice shall also be payable within 14 days of the invoice date without deductions. The date of payment shall be the day on which the payment is available to PIT. In case of late payment, the customer has to pay default interest of 8 percentage points above the respective base interest rate p.a. Further claims by PIT shall remain unaffected.
4. In case of foreign businesses, payment shall be made, notwithstanding paragraph 3, before delivery unless otherwise agreed in writing in advance.
5. With the conclusion of the contract, any customer from another EU member state (with a valid value added tax identification number) agrees to confirm receipt of the goods in the form "Confirmation of Arrival" with their signature and to return it to PIT within 6 days after receipt of goods. In accordance with sec. 4(1b) and (6a) of the German Value-Added Tax Act (UStG) and sec. 17a of the German Value-Added Tax Regulation (UStDV), PIT is obliged to charge the customer for German value-added tax should the customer not return to PIT the confirmation required by the German fiscal authorities within the mentioned period of time.

6. Passing of risk

1. The risk of accidental loss and accidental deterioration shall pass to the customer when the products are handed over to the person carrying out the transport or are leaving PIT's factory for shipping. In case of pickup by the customer, the risk shall pass to the customer with the notification that the products are ready to be picked up. Sentence 1 and sentence 2 shall also apply if delivery is made in instalments or if PIT has agreed to bear further costs such as transport costs or to perform further services such as the installation of the products at the customer's premises.
2. Should the customer be in default of acceptance, PIT can demand compensation for the resulting damage, including any additional expenses. The same shall apply, if the customer breaches any other duties to cooperate unless the customer has not been responsible for such breach of any other duties to cooperate. The risk of accidental loss or accidental deterioration of the product shall pass at the moment mentioned in paragraph 1 if the customer enters into default of acceptance or breaches any other duties to cooperate. Should the customer be in default of acceptance at an earlier point of time, the risk shall pass to the customer at the moment

the customer enters into default of acceptance. In case of ineffectual expiry of an adequate deadline set by PIT, PIT shall be entitled to dispose otherwise of the products and to supply to the customer with an adequately extended deadline.

3. Should delivery be delayed because of circumstances which are beyond the control of PIT, the risk shall pass to the customer with the notification that the products are ready to be dispatched.
4. Delivered products have to be accepted by the customer without prejudice to their deficiency claims even if they have non-substantial defects.

7. Claims based on defects

1. The customer's rights arising from defects are conditional upon the customer having examined the delivered goods upon receipt, to the extent deemed acceptable, even by sample processing or sample use, and having informed PIT, without undue delay, however no later than two weeks after receipt of the goods, about any obvious defects in writing. Latent defects have to be communicated to PIT immediately upon their discovery. In the customer's notification to PIT, the customer has to describe the defects in writing. Moreover, the customer's claims based on defects are conditional upon the guidelines, directions, instructions and conditions in the technical notes, installation, operating, planning-construction guidelines and other documents of the individual products being complied with during the planning, construction, installation, connecting, operation and maintenance phase of the products, especially upon the maintenance being carried out and verified properly and recommended components being used.
2. In case of defect products, PIT may at their own option remedy the defect or provide a defect-free product. In case faulty goods have to be rectified or replaced, PIT shall be obliged to bear any and all costs necessary for such rectification or replacement, including but not limited to transport, road, labour and materials costs, to the extent they do not increase because of the products being taken to another place than the shipping address. Labour and materials costs which the customer claims in this context shall be charged on a cost basis. Replaced parts shall become the property of PIT and have to be returned to PIT.
3. To the extent PIT is not willing or not able to rectify or replace faulty goods, the customer may, without prejudice to any damage claims or claims to reimbursement of expenses, at its own option rescind the contract or lower the delivery price. The same shall apply

if the rectification or replacement of faulty goods fails, is infeasible for the customer or is delayed beyond reasonable deadlines for reasons beyond the control of PIT.

4. The customer's right of rescission shall be excluded if the customer is unable to return the merits received and if this is not based on the fact that a refund is impossible because of the nature of the merits received, PIT is responsible for the same or the defect did not become apparent before the processing or remodelling of the products. Further, the right of rescission shall be excluded if PIT is not responsible for the defect and if the customer has to pay compensation for lost value instead of a refund.
5. No claims based on defects will arise for defects resulting from wear and tear, especially in case of wearing parts, improper handling, installation, especially in case of erection on inadequate building ground, usage or storage or incorrectly carried out changes or repairs of the products by the customer or any third parties. The same shall apply for defects which are to be attributed to the customer or which are based on another technical reason than the original defect.
6. Claims of the customer for reimbursement of expenses instead of damages in lieu of the performance shall be excluded to the extent an informed third party would not have incurred the expenses either.
7. PIT does not provide any guarantee, especially no quality or durability guarantees, unless anything to contrary has been agreed in writing in a given case.
8. The limitation period for the customer's claims based on defects shall be one year. To the extent the defect products have been used, in line with their common manner of use, for a building and have caused its defectiveness or a defect at a building is concerned, the limitation period shall be five years. It also applies for claims of wrongdoing which are based on a defect of the products. The limitation period shall begin with the delivery of the products. The reduction of the limitation period shall not apply to the unlimited liability of PIT for any damage resulting from the breach of a guarantee or from harm to life, body or health, for wilful intent or gross negligence and for product defects. A statement of PIT regarding a claim based on defects asserted by the customer shall not be regarded as entering into negotiations about the claim or the circumstances giving reason for the claim to the extent PIT's claim based on defects is rejected in its entirety.

8. Liability of PIT

1. PIT has unlimited liability for any damage resulting from the breach of a guarantee or from harm to life, body or health. The same applies to intent and gross negligence. For slight negligence, PIT shall only be liable to the extent essential duties are breached which result from the nature of the contract and which are of special importance for fulfilling the purpose of the contract. In case of breach of such duties, default and impossibility, PIT's liability shall be limited to such damages which have to be typically expected as part of this contract. Any mandatory statutory liability for product defects shall remain unaffected.
2. To the extent PIT's liability is excluded or limited, this shall also apply to the personal liability of the employees, workers, representatives and vicarious agents of PIT.

9. Product liability

1. The customer will not modify the products and shall, in particular, not modify or remove any existing warnings related to the improper use of the products. In case of breach of this duty, the customer shall indemnify PIT against any third-party product liability claims unless the customer is not responsible for the defect giving rise to the liability.
2. If a product defect of the products causes PIT to initiate a product recall or a product alert, the customer shall make all reasonable efforts to cooperate regarding any measures PIT deems necessary and appropriate and shall support PIT especially in identifying the necessary customer data. The customer shall be obliged to bear the costs for the product recall and alert unless the customer is not responsible for the product defect and the resulting damage according to the product liability law. Further claims by PIT shall remain unaffected.
3. The customer will inform PIT without undue delay in writing about any and all risks regarding the use of the products and possible product defects which become known to customer.

10. Force majeure

1. To the extent PIT is unable to perform its contractual duties, including but not limited to the delivery of the products, PIT shall be exempted from the duty to perform, without being liable for damages vis-a-vis the customer, during the existence of the impediment and during an appropriate setting-up time. The same shall apply to the extent unforeseeable circumstances and circumstances PIT is not responsible for, including but not limited to industrial disputes, administrative measures, lack of energy, impediments to delivery with a supplier or significant interruptions of operations, make it for PIT unacceptably difficult or temporarily impossible to fulfil their duties. The same applies if a subsupplier is affected by such circumstances. This shall also apply if PIT is already in default. To the extent PIT is exempt from the duty to supply, PIT will return any advance consideration of the customer.
2. PIT shall be entitled to rescind the contract upon expiry of a reasonable period of time if such an impediment lasts more than four months and if PIT is no longer interested in the performance of the contract due to the impediment. Upon the customer's request, PIT will, upon expiry of the period of time, declare whether PIT will exercise their right of rescission or will deliver the products within a reasonable period of time.

11. Reservation of title

1. The supplied products shall remain the property of PIT until all payments have been fully made PIT is entitled to from the business relationship. The customer shall be obliged to treat the products under reservation of title with care during the period of the reservation of title. The customer shall, in particular, be obliged to insure the products on its own expenses against fire, water and theft damage. Upon request of PIT, the customer shall provide evidence of the insurance cover. The customer does now already assign to PIT all claims for damages from this insurance. PIT, herewith, accepts this assignment. Should the assignment not be permitted, the customer herewith instructs the insurer to make any payments to PIT only. Further claims by PIT shall remain unaffected. In case the customer does not provide PIT with sufficient evidence of the insurance cover upon expiry of a reasonable period of time determined by PIT, PIT shall be entitled, but not obliged, to effect a corresponding insurance at the expense of the customer.

2. The customer may sell the products under reservation of title only within the regular course of business. The customer is not entitled to pledge the products under reservation of title, assign them as collateral or to make other disposals which could compromise the property of PIT. In case of attachments or other interventions by third parties, the customer shall inform PIT in writing without undue delay and provide all necessary information, inform such third party about PIT's property rights and support actively the measures taken by PIT to protect the products under reservation of title. To the extent such third party is unable to compensate PIT for the court and out-of-court expenses for enforcing the property rights of PIT, the customer shall be obliged to compensate PIT for the loss resulting therefrom unless the customer is not responsible for the breach of duty.
3. The customer now already assigns the claims from the resale of the products with all ancillary rights to PIT regardless of whether the products under reservation of title are resold without or after processing. PIT does now already accept such assignment. Should an assignment not be permitted, the customer herewith instructs the third-party debtor to make any payments to PIT only. Until further notice, the client shall be authorised to collect the receivables assigned to PIT on a trust basis for PIT on their own behalf. The collected amounts shall be paid to PIT without undue delay. PIT shall be entitled to revoke the customer's collection authorization and the customer's resale authorization for cause, especially if the customer does not duly fulfil their payment obligations vis-a-vis PIT, enters into default in payment, suspends payments or if the opening of insolvency proceedings or similar proceedings for debt settlement over the assets of the customer is requested by the customer or if the reasonable request of a third party to open insolvency proceedings or similar proceedings for debt settlement over the assets of the customer is rejected for lack of assets. In case of a global assignment by the customer, the claims assigned to PIT shall be expressly excluded.
4. Upon request of PIT, the customer shall be obliged to inform the third-party debtor without undue delay before the assignment and to provide PIT with all information and documents necessary for the collection.
5. In case of behaviour in breach of the contract, especially in case of default in payment on the part of the customer, PIT shall be entitled, without prejudice to their other rights, to rescind the contract upon expiry of an adequate grace period set by PIT. The customer shall grant PIT or their representatives immediately access to the products under reservation of title and surrender them.

Upon timely notification, PIT shall be entitled to dispose otherwise of the products under reservation of title to settle their outstanding claims against the customer.

6. The processing or remodelling of the products under reservation of title by the customer will always be done for PIT. The expectant right of the customer to the products under reservation of title shall continue in the processed or remodelled object. Should the products be processed or remodelled with other objects which do not belong to PIT, PIT shall acquire joint ownership to the new object in proportion of the value of the supplied products to the other processed objects at the time of the processing or remodelling. The same shall apply if the products are combined or mixed with other objects which do not belong to PIT so that PIT loses their full ownership. The customer shall keep the new objects safe for PIT. Besides, for the new object created by processing or remodelling and combining or mixing, the same terms and conditions shall apply as for the products under reservation of title.
7. Upon request of the customer, PIT shall be obliged to release the collateral they are entitled to if and when the realizable value of the collaterals, taking into account any reductions of the valuation in accordance with bank practices, exceeds the receivables of PIT from the business relationship with the customer by more than 15%. Concerning the valuation, the invoice value of the products under reservation of title and the nominal value in case of receivables shall form the basis. The selection of the objects to be released rests specifically on PIT.
8. In case of deliveries to other jurisdictions where these reservation of title regulations do not have the same collateralization effect as in Germany, the customer herewith grants to PIT a corresponding security interest. To the extent further actions are necessary in this context, the customer will do everything to grant such a security right without undue delay. The customer will cooperate regarding any measures which are necessary and conducive for the effectiveness and enforceability of such security interests.

12. Secrecy

1. The parties shall be obliged to keep secret all information they gain access to and which are designated as confidential or are otherwise identifiable as business or trade secrets for an unlimited period of time and to neither record nor disclose or utilize them unless required for the business relationship.

2. The parties will, by way of suitable contractual arrangements with their employees and agents, ensure that these employees and agents also refrain from utilizing, disclosing or recording, without authorization, any such business and trade secrets for an unlimited period of time.

13. Final provisions

1. Any assignment of rights and duties of the customer to any third parties requires the prior written consent of PIT in order to be effective.
2. Counterclaims of the customer may only be used by the customer for offsetting purposes if they have been finally established or are undisputable. The customer may exercise a right of retention only if the customer's counterclaim is based on the same contractual relationship.
3. The legal relationships between the customer and PIT shall be subject to German law with the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).
4. The sole place of jurisdiction for all disputes arising from the contractual relationship between PIT and the customer shall be the place of business of PIT. Moreover, PIT shall be entitled to take legal action at the place of business of the customer and at any other permitted place of jurisdiction.
5. The place of performance of the customer and of PIT shall be the place of business of PIT.
6. The language of contract shall be German.
7. Should any provision of these General Terms of Sale be or become, in full or in part, invalid or unenforceable or should there be a lacuna in these General Terms of Sale, this shall not affect the validity of the remaining provision. The invalid or unenforceable provision shall be deemed replaced by such valid or enforceable provision which comes as close as possible to the purpose of the invalid or unenforceable provision. In case of a lacuna, such a provision shall be deemed agreed which corresponds to what would have been agreed in accordance with the purpose of these General Terms of Sale if the contractual parties had considered the matter herein at the outset.