

General Terms and Conditions

for the Sale of Products, Assembly-, Commissioning- and other Performances and Services of SeioTec GmbH, 99086 Erfurt, Hugo-John-Straße 8 („SeioTec“ resp. „we“)

I. Scope of Application

- (1) These terms and conditions apply
 - a) in commercial use with business Customers in the sense of Art. 310 Ss. 1 of the German Civil Code (BGB) and those deemed to have the same legal status.
 - b) as well for the delivery of all products as for the performance of any services on behalf of the Customer by SeioTec.
 - c) exclusively; by accepting the delivery of our products the Customer agrees to be exclusively bound by and accepts to these terms and conditions. Any additions, supplements, modifications or alterations are valid only if SeioTec expressly agrees in writing.
 - d) also if SeioTec performs without reservation, even if the Customer usually uses different terms and conditions which might differ from those contained herein and even if we know that.
 - e) even if SeioTec indicates that it uses these GTC for the first time in a commercial confirmation letter and the Customer does not contradict immediately.
- (2) All agreements between SeioTec and the Supplier are to be attested in writing and, if existing, to be documented in the written contractual agreement between them. The same applies for all oral side agreements or subsequent understandings.
- (3) These GTC apply on all offers from SeioTec and on all accepted orders and as well on any and all future transactions with the same Customer.

II. Orders / Order Documents

- (1) Any agreement first becomes effective when SeioTec sends a written order confirmation, but at the latest when we start providing performance by delivering products or rendering services.
- (2) Descriptions of the project, plant equipment etc. contained in an offer or order confirmation substitute any further Specifications and Descriptions, unless a detailed description of the tasks is provided by the Customer (whereby in case of any contradiction the task descriptions contained in the order confirmation always have priority over any further documents).
- (3) SeioTec's quotations are free for us and not binding until we give a written order confirmation or provide performance. If, by mistake, an error in information concerning the product, the price or the availability is contained in a quotation we will notify the Customer as soon as possible. The Customer then may confirm the changed agreement. Otherwise SeioTec is free to invalidate the deal without further consequence, such as e.g. damages. The content of any advertisement and public promotion will not be content of the contract. Guarantees are only valid if denominated as such and given in writing.
- (4) If we don't indicate a term of validity in an offer, we will be bound to it maximum 30 days. If an order of the Customer is to be qualified as offer according to Art 145 German Civil Code, then for 14 days SeioTec is free to accept it, beginning with reception of the order.
- (5) Notwithstanding any further ruling in these GTC concerning Confidentiality and IP, - also already in the status of offer - we reserve all IP rights on any designs, pictures, drawings, cost estimates, calculations as well as any step of procedure, work results, information and any other documents we provided on the order and as the case may be also software. The Customer shall not transmit any such thing to third persons nor use it otherwise than for the contractual purpose without the prior written consent of SeioTec. If an order is not bestowed on SeioTec, all such items and information are to be rendered or deleted, as requested by SeioTec. Unless otherwise expressly specified in writing by the Customer when disclosing, SeioTec shall be entitled to make accessible any information obtained from the Customer to its suppliers if necessary for the accomplishment of the order.

- (6) The right choice and dimensioning of the products remains in the Customers own responsibility and is the sole risk of the Customer, unless these expressly were part of the contractual performance.
- (7) SeioTec reserves the right to change its performance in the interest of technical progress as long as those do not fundamentally change the function or the design. SeioTec would give information to the Customer prior to any such change. Documents and information such as e.g. those mentioned herein before in subsection II.4 as well as indications on weights and measures are non-binding, unless they are signed as or have been agreed on being binding.
- (8) Staff and personnel of SeioTec are not entitled to agree on any oral side agreements or promises leaving the contractual frame set by the agreement or to change it. Any payments are valid only if performed to the bank accounts indicated by SeioTec.

III. Obligations of the Customer

- (1) The Customer shall support the performance of our contractual obligations with best efforts. Even if not expressly asked for any detail, the Customer shall provide us all necessary information, material requirements and all other parameters as soon as possible. All responsibility for timely and correct information is on the Customer's side. The same applies for all information which turns out only during the process of performance of SeioTec.
- (2) The Customer has to indicate to SeioTec all particularities and extraordinary risks, which are not at once evident (e.g. risk of extraordinarily high damages, any conditions which are not stable, urgent processing periods, predefined performance indications or else). The same applies, if the Customer can recognise, that on SeioTec's side there might have arisen some misunderstanding concerning any predefined performance indications.
- (3) The Customer shall immediately indicate to SeioTec any mistakes and aberrations from any documents, information or performance specifications. On this behalf any and all documents, information and performances provided by SeioTec are to be checked and analysed in each possible characteristic without any undue delay by the Customer.
- (4) The Customer shall denominate a representative who is constantly addressable in the course of ordinary business, who also shall be entitled to find necessary decisions or at least communicate them in due time.
- (5) Should the Customer not meet these obligations, or not communicate any necessary information, papers, documentation or statements, notwithstanding any further legal consequences this may have, the time period for the performance of SeioTec shall be extended accordingly.
- (6) The Customer shall always keep all necessary allowances and permissions for his business and obey to all legal rulings impending on him and his business and shall prove this to SeioTec at any time on request by documentary evidence. The Customer shall as well obey to all technical, ethical and moral standards which may apply on the business. Also the provisions of the Law on Minimum Wages ("MiLoG") are to be obeyed.
- (7) The Customer altogether shall accomplish all necessary preconditions so that the contractual deliveries and other performances can begin in due time and pursued without impediment or interruption. He shall also take care for the well-timed accomplishment of any and all preliminary works and deliveries as well as ancillary works outside our industry, including all tools and materials.
- (8) Fuels, scaffolds, lifting devices, operational force, supply of energy, water connections, heating, suitable lighting, acclimatization and aeration as well as all process media and utilities are to be provided by the Customer free of any costs not expressly agreed on in the agreement.
- (9) All requirements for personal and public order and security are to be safeguarded and continuously controlled respecting all circumstances at the place of fulfilment. Suitable means of transport for staff, tools, equipment and material are to be provided by the Customer free of any costs not expressly agreed on in the agreement. The same applies for all permissions and approvals concerning the im- and export of equipment, tools, vehicles and materials, which have to be handed out to us.
- (10) The Customer shall provide appropriate catering and accommodation as well as storage, work, sanitary and leisure time accommodations and rooms on site including the usual standard for hotels (according to 3 star European standard or better). Rooms for accommodation, work, leisure time and warehousing are to be sufficiently insured against theft, damage, destruction, and other influences on the personal property of the staff and our industrial property.

(11) The Customer shall be liable for shortfalls and damages on site according to SeioTec's request.

IV. Samples / Tools

The costs for any individually agreed Samples and Tools (e.g. instruments, devices, programs etc.) are invoiced separately unless otherwise agreed upon. This also applies on tools which need to be replaced due to normal wear and tear. SeioTec shall carry the costs for running maintenance and warehousing and the risk of injury, whereby SeioTec shall apply the same care as with its own tools.

V. Delivery

- (1) Deliveries are deemed to be accepted when taken over, unless the Customer upon immediate inspection of the goods and without any undue delay edits a reasoned, detailed, written protest note. Unless otherwise provided for, upon acceptance payment claims become due and the warranty period begins to run.
- (2) If nothing else has been agreed upon, project, assembly and commissioning performances are deemed to be accepted upon a note of SeioTec to the Customer that the corresponding services have been accomplished, provided that SeioTec can prove the functional capability of the works, or otherwise when contractual performances are put into operation.
- (3) On request of SeioTec also parts of the contractual performances are to be accepted, provided that such parts provide a functional capability of their own.
- (4) Our scope of our obligations extends to the scope defined at the beginning of the relationship with the Customer. Any possible modifications will be considered according to the rulings provided for in Section VI, if modifications are possible.
- (5) Time deadlines for delivery are only non-binding indications, unless expressly otherwise agreed upon. The delivery period begins with the day of confirmation of the order, but not before the Customer has provided the necessary documents, permissions, releases etc. as well as before the payment of any agreed down payments, LoC, proof of payment securities or other agreed upon conditions for performance. Unless anything more specific is agreed upon, we will deliver within an adequate time after order. If within this term delivery is not possible, we will notify the Customer and ask for confirmation. In such case the Customer can define an equitable time for delivery, after the expiration of which SeioTec would be in default of performance if the legal preconditions for it were met.
- (6) SeioTec shall be entitled to declare rescission of the agreement, if we are not delivered despite having executed agreements on delivery beforehand. SeioTec will be liable in such case for negligence and intent. SeioTec will inform the Customer on such circumstances and if so opt for rescission without any undue delay. Payments already made by the Customer will be returned, unless and not insofar as usable performances were already made on behalf of the Customer.
- (7) The delivery period is observed, when the products are held ready for collection at the SeioTec factory or warehouse and the Customer is informed about it, unless otherwise expressly agreed upon. SeioTec is entitled for partial delivery, unless this would be unacceptable for the Customer. The Customer may not refuse acceptance of the delivery because of insignificant defects.
- (8) The delivery period is furthermore subject to the fulfilment of all obligations of the Customer (e.g. necessary specifications and information, payment) as well as to the availability of all necessary permissions and shall otherwise extended. It will also be extended accordingly if the Customer during the performance process gives further information to SeioTec.
- (9) Open-ended agreements may be terminated with a 3 months term. Delivery agreements with delivery on call of the Customer must be requested by the Customer so timely, that SeioTec can reasonably produce and deliver, but in any way no later than 3 months before the prospective delivery time. Otherwise the delivery term will be prolonged and the Customer will have to carry any surplus costs, whereby the calculation of SeioTec is deciding. Unless otherwise agreed, calls must be put within 6 months from the signing date of the

agreement. If the Customer doesn't place order within 6 months from signing, the Customer is deemed to be in delay with the acceptance of the contractual performance. SeioTec is entitled to demand damages including potential higher costs and loss of profits. In such a case we reserve all further claims and rights.

- (10) The objection of a non-fulfilled contract remains reserved.

VI. Modifications of the Agreement

- (1) If the Customer would like a modification of the volume, specifications or production proceedings, he shall give corresponding information to SeioTec, specifying as well all background information, so that SeioTec may decide upon it. This applies regardless if whether the Customer is responsible for such change requests or not.
- (2) SeioTec will check the change request and inform the Customer possibly within 10 working days whether they may be performed without modification of the economic and technical parameters of the order or not.
- (3) Should such change requests of the Customer have influence on the volume, remuneration, time schedule etc., SeioTec possibly within a 10 days term will submit a corresponding change offer to the Customer. Should the Customer accept within 5 working days, the agreement will be changed accordingly. Should the Customer reject or not answer at all, the order shall be executed according to the modified version, provided that this is acceptable to SeioTec, and the amount of the claim of SeioTec for remuneration shall be adjusted according to good faith (in the sense of Sec. 315 German Civil Code/BGB). Should the changed scope be not acceptable for SeioTec, it has a right of rescission from the agreement, damages and all further legal consequences.

VII. Risk of Loss and Payment / Delay in Acceptance

- (1) Unless something different is stipulated in the order confirmation, the Parties agree on delivery FCA or resp. FOB (according to the actual circumstances and Agreement) (Incoterms 2010).
- (2) If on request of the Customer SeioTec sends the product to another place than the place of fulfilment, the risk for deterioration or destruction of the product also by chance passes over to the Customer, as soon as SeioTec hands over the product to the carrier („FCA“ Incoterms 2010), even if SeioTec performs transport itself. Unless otherwise agreed, SeioTec is free to choose the means and way of transport. If the Customer so requests we will enter into a transport insurance on his behalf; costs resulting thereof have to be borne by the Customer.
- (3) If the Customer fails to accept delivery in due time or does not come up to any other contractual obligation, if the legal conditions are fulfilled, the danger of deterioration or destruction of the product, also by chance, passes over to the Customer at that moment. The Customer then has to pay even if he cannot receive the (entire) products. Unless another time is agreed, risk passes over 3 days after the notice sent by SeioTec to the Customer, that the products are ready for collection. The Customer shall collect notified products immediately. Otherwise SeioTec is entitled either to send them to him or to warehouse them on risk of the Customer (whereby the Customer shall bear all costs arising within or to SeioTec). In deviation from this the Customer shall take the risk if contractual performances are destructed or destroyed partially or totally by circumstances of Force Majeure such as e.g. war, uprisings and others. The client shall as well be liable for any damage, theft or destruction of materials, tools, systems, components and parts, if those get damaged etc. in a place for the security of which the Customer bears responsibility or has control.
- (4) If the Customer is in default with acceptance or does not come up to any other contractual obligation by negligence or intent, without prejudice to any other claims SeioTec may have, SeioTec is entitled to claim for damages, including but not limited to further costs.
- (5) If due to a request of the Customer, shipment or delivery will be delayed by more than one month after the notification of readiness, the Customer may be invoiced warehousing charges of 0,5 % of the price of the items of the supplies for each commenced month, but not to more than 5,0 %. Both parties are entitled to prove higher or lower storage costs.

VIII. Delayed Delivery

- (1) In a case of delay with delivery of SeioTec, the Customer may set a reasonable grace period of time for fulfilment and if we don't meet it he can rescind from the agreement. If the performance becomes impossible, a grace period is not necessary. Reasonable is a time of no less than 30 days after failing to meet a binding contractual time, in case of special customized designs no less than 50 days.
- (2) SeioTec accepts responsibility according to the German Law if SeioTec is late on delivery by our fault in a way which can be qualified as gross negligence or intent, whereby such a fault of our representatives and of those persons which we use to fulfil our contractual duties also may be imposed on us. We also accept responsibility if the sale is a transaction for delivery by a fixed date and the final Customer therefore successfully claims that he has no more interest in accepting the product. In any such case SeioTec is responsible only for foreseeable damages, which usually do occur. However liability of SeioTec for delayed delivery shall be restricted to a lump sum damages payment of 0,5 % of the order value per week, but in no case more than 5 % of the order value.
- (3) On request of SeioTec the Customer shall declare within an acceptable period, if he intends to rescind from the agreement or insist on delivery.

IX. Packaging Costs

- (1) Transport- and all other packing will not be taken back according to the packaging ordinance, with the exception of pallets. The Customer shall take care for the waste disposal on his own costs.
- (2) Only if the Customer expressly does so ask for, SeioTec is obliged to insure stored goods on behalf and on costs of the Customer. SeioTec may ask for cost payment in advance.
- (3) The same applies for transport insurance.

X. Prices / Payment Terms

- (1) Unless otherwise agreed upon or requested by SeioTec, prices have to be paid - without any deduction - as follows: 30 % upon signing of the agreement, 60 % before delivery and assembly and 10 % after acceptance.
- (2) Unless something different is specified in the order confirmation, our list prices valid at the time of the order shall apply. Cost estimates are binding only if edited in writing and expressly declared as binding.
- (3) Unless something different is specified in the order confirmation, our prices are "ex works" (EXW Incoterms 2010). All transport, insurance and other costs for additional performances and services shall be borne by the Customer, including those for returns, unless in cases of justified warranty. Any agreements on free delivery are valid only when made in written. Travel costs, expenses, per diem allowances, accommodation and residence expenses related to the delivery shall be charged additionally. These are not covered by the contractual prices. Travel costs comprise public transport costs, common rail or flight costs as well as expenditures for cars or taxis.
- (4) Partial deliveries will be invoiced separately. They shall be paid according to these provisions.
- (5) If, after the execution of the agreement, costs for manpower or material, e.g. because of collective wage agreements or material- or energy price alterations, become higher or lower, SeioTec is entitled to adjust prices in a reasonable way. If the Customer so demands, we will provide proof for such cost alterations. Regarding long term agreements (longer than 6 months) or agreements indefinite in time, each Party shall be entitled to claim for corresponding appropriate price adjustments if costs change considerably, taking into consideration the relevant cost modifications. If there is no fixed quantity of delivery agreed upon, SeioTec may take as basis for its price calculation the amount which is duly to be expected from this Customer (target amount). If the Customer requires less, SeioTec shall be entitled to increase the price per unit accordingly.
- (6) All prices apply net in the currency which is indicated in the offer. Unless anything else is agreed upon, they are in Euros (€). VAT (as well as any other taxes, duties, levies or fees or other similar charges) are not included in our prices. VAT (etc.) will be indicated in the invoice separately to the amount relevant at the date of the invoice. SeioTec shall always receive the full (net-)price as agreed upon between the Parties. Any additional payments due to state taxes, duties or retentions of all kind are to be borne by the Customer additionally.

- (7) Invoicing and settlement will follow the SEPA transfer and direct debit procedures, the relating regulations of the EU or EEA as well as further international regulations or agreement of the parties.
- (8) Any deductions of payments are valid only if agreed upon beforehand in writing.
- (9) Unless anything else is specified in the order confirmation (e.g. advance payment or cash), the Customer shall pay, without offset, all invoiced amounts immediately, unless a different date is specified in the invoice. If the Customer fails to pay on date against his obligation, without any further declaration of SeioTec he shall enter into default with payment the day after the day on which payment had become due. Amounts retained due to defaults in delivery always must be in a reasonable ratio to the relevance of the default. Invoices for spare parts and repairs not relating to defaults in delivery always have to be paid to their full amount. The payment term is deemed to be revoked and payment is due immediately, if the Customer did not pay earlier deliveries in due time. The same applies if cheques are not cashed in, if the Customer is late with payments, gets insolvent or if any state procedures due to that get opened against him, or if his values are seized or if after signing the agreement or delivery circumstances become known to us which arise reasonable doubts on the financial soundness of the Customer. If payment terms are not met, without prejudice to any further rights and claims SeioTec may have in such a situation, SeioTec is entitled to rescind partially or totally from a single or from all contracts with the Customer. The claim for payment will also become due if the financial circumstances of the Customer were bad already when the agreement was signed and SeioTec did ignore this or learned about it later.
- (10) All payments are deemed to be paid on the day when SeioTec can irrevocably dispose of the money without deduction. All payments and cheques will be calculated to the amount in which they reach the bank account of SeioTec indicated in the invoice, with deduction of any transfer-, cash in- or discount charges.
- (11) Payments to our employees or commercial agents are deemed not to be payments to us.
- (12) SeioTec at any time (also repeatedly) is entitled to claim for adequate advance payment. SeioTec needs to start with performing only when this has fully been paid for.
- (13) Payment terms contained in the agreement or indicated in invoices are binding. In case of default with payment SeioTec is entitled to retain its performance until full payment has been made. SeioTec is not liable for any damages caused thereby. The minimum interest in case of default of payment is deemed to be at 9 (nine) per cent per year, without prejudice to any other claims and rights we may have.
- (14) SeioTec will give notice to the Customer in case additional performances will be necessary which were not detected earlier. In such case the Parties shall bargain on an adaptation of the price with the intention, the additional performances will be specified and invoiced additionally. If Parties don't reach a result and this is not expecting too much, SeioTec will perform and the amount of the claim of SeioTec for remuneration shall be adjusted by SeioTec according to good faith (in the sense of Sec. 315 German Civil Code/BGB).
- (15) In case of default of payment SeioTec is entitled to send to the Customer a notice with payment term and to rescind from the agreement should not have been paid and/or claim for damages. The claim of SeioTec for payment shall persist until the rescission notice has reached the Customer. In any case any claims of SeioTec resulting from default of payment shall persist.
- (16) In a case of rescission from the agreement by SeioTec due to default of payment the Customer shall be entitled to claim for those performances which were performed by SeioTec prior to the declaration of rescission. The payment claim of SeioTec for such performances will not be cancelled in such case. The transfer of any such performances will be step by step against payment of the open invoice(es).
- (17) The Customer shall be entitled to a right of retention only when retention is based on claims of the Customer which are confirmed by a court, or uncontested or acknowledged by us. Set-offs by the Customer are legitimate only with claims of the Customer which are confirmed by a court, or uncontested or acknowledged by us. Furthermore set-offs are legitimate only if the counterclaim arises out of the same contractual relationship.

XI. Retention of Title

- (1) SeioTec reserves title, property does not pass over to the Customer until all deliveries out of the agreement concerned and any other transactions before or parallel are completely paid for by the Customer.
- (2) The Customer shall store the goods with due care and diligence on behalf of SeioTec. The Customer is obligated to handle the product with care. The Customer shall keep the products insured on his costs to their full value against fire, water and theft in a sufficient way and to the value of a new product. On request of SeioTec the Customer shall give documentary evidence about establishing and keeping upright the insurance. The Customer assigns all rights out of the insurance to SeioTec with the day of signing the agreement or at the latest of delivery.
- (3) If maintenance and inspection works are necessary, the Customer shall have these done on his costs.
- (4) If the Customer gets to know that the products threaten to be seized, or if he doesn't have such knowledge at the latest when the products are seized, the Customer shall give immediately a written information to SeioTec, so that we can raise legal objections; this applies as well in any other cases of cases of compulsory enforcement measures and all other third party interferences, which might endanger the reserved property. The Customer shall bear all costs of intervention procedures and of all measures made by SeioTec. If the third party is not capable of reimbursing all costs to SeioTec, the Customer shall pay for the loss.
- (5) The Customer is entitled to sell the product in the normal and due course of his business. However he already now assigns to us all claims for payment, which arise out of selling the product to third parties to the amount of the invoice (including VAT), no matter if the Customer had processed the products or not. SeioTec at any time can request, that the Customer gives information on the debtor of the assigned claims and any further information which is necessary for cashing in, to provide all necessary documents and to inform the Customer on the assignment. The Customer remains entitled to cash in the payments, however our right to cash in the assigned claims remains unaffected. We will not cash in as long as the Customer comply with his obligation to pay to us out of the profits of selling the products to third parties, does not get in default with payments, does not get insolvent, his goods are not seized, no insolvency procedures are started against him nor does any such situation threaten to arrive.
- (6) If the Customer does not come up to his contractual duties, especially in cases of default of payment, SeioTec is as well entitled to demand the Customer to return the products. The Customer has to refund any costs resulting therefrom to SeioTec. In taking back the products we rescind from the agreement. When SeioTec takes back the product, we are entitled to dispose of it, e.g. by selling to a third party for any price which is not unreasonable. The profit from disposing in such a way shall be deducted from the Customer's obligations to us, whereby costs of disposing shall first be deducted.
- (7) The processing or transformation of the product is done by the Customer for SeioTec and on our behalf. If the product is inseparably joined with other items, we become owner by shares or co-owner according to local law to the degree of the value of the product (invoice amount including VAT) at the time of joining together. For the new item the same rules on the retention of title as for the original product apply.
- (8) If the product is inseparably mixed up with other items, we also become owner by shares or co-owner according to local law to the degree of the value of the product (invoice amount including VAT) at the time of mixing up. If in result of mixing several parties acquire joint property, SeioTec shall acquire such a joint property share. If necessary, the Customer herewith assigns his share of the joint property to SeioTec. For the new item the same rules on the retention of title as for the original product apply.
- (9) The Customer also assigns to us all claims which might arise when he installs the product within the property of a third party so that the latter acquires the property, especially a house or other building or ground.
- (10) SeioTec shall give free our security rights if the realisable value of our securities exceeds the amount of all our claims against the Customer for more than 10 (ten) per cent. SeioTec is free to choose which security we abandon. For the evaluation of securities our net list price at the time of the demand to give free is relevant. If it concerns claims against third persons, a security deduction of 30 (thirty) per cent is to be made. If the Customer of the Customer is already late with payment or if there are information which give sound reason to believe that this will happen, then the security deduction amounts to 50 (fifty) per cent. In cases of processing, transformation or mix up, the security deduction amounts to 30 (thirty) per cent.
- (11) The Customer already now agrees that those people SeioTec will order to bring back the retained property products are entitled to enter into his ground and premises by foot and vehicle for that purpose.

- (12) All products or items delivered for testing and presentation purposes remain property of SeioTec. A use beyond testing or presentation is allowed only if agreed upon beforehand in writing. If the agreed time of usage is over, the Customer shall render immediately all delivered products or items free of costs to SeioTec.
- (13) If according to local law further formal necessities, such as e.g. official registrations, do exist for the validity of the preceding clauses on title, then the Parties shall do all that is necessary to come up to those. The Parties shall not claim the invalidity of this retention of title clause because of such reasons and would regard such arguing as against good faith.

XII. Warranty

- (1) The specification of the performance is determined exclusively by the written specification in the agreement or respectively by the relevant actual technical prescriptions. Any statements of SeioTec or its potential suppliers including assistants, helpers and any third parties outside the agreement, especially public statements such as in advertising and other publications do not establish contractually binding specifications nor guarantees. Warranty claims are also excluded by irrelevant defaults, especially differences from drawings, specifications or samples or in quality, color, dimension, weight, furnishing, design etc. due to the technical process of production, unless a written guarantee of delivery in accordance with the sample has been agreed on.
- (2) SeioTec is not responsible in which way ever for that the described technical characteristics of the products would suffice for the purposes of the Customer, unless we were mandated to corresponding consulting tasks preliminarily to signing the contract. If SeioTec has to deliver according to designs, specifications, samples etc. of the Customer, he shall always carry the risk of being able to use them. The decisive moment for judging the proper conditions of our performance is the time of passing over of the contractual risk.
- (3) Any warranty claims of the Customer are subject to the condition, that the Customer did properly check-up the product for any kind of defect immediately when receiving or getting control on it and did immediately give notification about any detectable defect to us, as stipulated in Art 377 German Commercial Code.
- (4) If a defect is justified, the Customer may claim for remedy, whereby SeioTec has the option to choose between repair or replacement. In such a case costs (esp. for transport, way and travel, wages and material) because the product was transported to another place than the place of fulfilment shall be borne by the Customer. Also costs for removal and fitting shall be borne by the Customer.
- (5) If repair or replacement do not succeed in a product free of defects, whereby SeioTec will have two tries, the Customer at his option is entitled to lower the price to a reasonable degree or, if the defect is not only unessential, to rescind from the purchase agreement and – if the legal conditions are fulfilled and only according to the provisions in these GTC – also claim for damages. The Customer can declare rescission from the whole of the contract only, if the whole of the contract is without any interest for him.
- (6) Should one of the two ways of remedy or both be impossible or unreasonable, SeioTec may refuse it, with the legal consequences this may have. If the Customer is in default with payment to an amount equivalent to a part of the delivery which is without fault, SeioTec may correspondingly deny providing remedy concerning the faulty part of delivery. If a defect is justified, payments may be held back by the Client only to an amount which is appropriate to the defect.
- (7) These provisions apply as well if another product or a wrong quantity of a product is delivered.
- (8) Warranty is excluded for any defects or damages which are due to normal wear and tear, any improper or use, usage not according to the intended purpose, any mistakes in operating, any negligence concerning the maintenance requirements, or as well as to any wrong kind of electricity or to connecting to any energy sources which are not fit for the products. Warranty is excluded also for fire, lightning, explosions, electricity excesses, humidity and other such kind of reasons.
- (9) If the Customer extinguishes or manipulates any marking and labelling, serial numbers or - if such case may arise - seals of any kind all warranty claims are excluded. After cutting, tailoring, customizing or any processing or treatment and of such kind, all defaults which were openly detectable before are excluded.

- (10) If the Customer states defects which are not true, SeioTec is entitled to claim for damages for searching endeavours and tests. Damages notably consists of labour and other costs.
- (11) The limitation period for all warranty claims is 12 (twelve) months and commences with the passing over of the risk. The limitation periods in case of an obligatory warranty regress according to national law (compare Art. 478, 479 of the German Civil Code) as well as in cases in which a building is concerned remain unrestricted. In cases of intent, fraudulent concealment of the defect, if written expressly guaranteed characteristics are not complied with and of any harms to life, body or health, the legal limitation period also remains unrestricted. The legal rules on suspension and recommencement of the period also remain unaffected.
- (12) Concerning defects of title, unless otherwise expressly agreed on in writing, SeioTec, shall only be obliged, to provide delivery free of defects of intellectual property and copyrights (hereinafter: IP-rights) in the country in which the place of delivery is agreed on. If a third party raises justified claims against the Customer due to a delivery provided by SeioTec and used by the Customer according to the contractual use, within the limitation period defined in Chapter XII Sect. 11 as follows: SeioTec according to his choice and on his costs will either acquire a right of use of the delivery, so that offense will be finished with, or replace the concerning delivery. If this will not be possible for SeioTec for adequate conditions, the Customer will be entitled to the legal rights for rescission and price reduction. The obligation of SeioTec to pay damages is given only according to the provisions of these GTC for the Sale of Products. SeioTec shall be obliged as described herein before only, if the Customer gives information to SeioTec immediately in written form, doesn't give any statement of acceptance to the third party and leaves any defense possibilities and ways of defense to SeioTec. If the Customer stops the use of the delivery for reasons of diminishing a supposed damage, he shall give information to the third party that this happens without acknowledgment of being obliged accordingly. All claims of the Customer are excluded insofar, as he is responsible for the defect of title. All claims of the Customer are excluded also insofar, as the infringement of rights is due to special indications concerning the performance given by him to SeioTec, due to a usage not foreseeable to SeioTec or due to any modification in the performance made by SeioTec or usage in combination of SeioTec's delivery together with deliveries from third suppliers. All this applies accordingly for any other deficiencies in legal entitlements concerning deliveries and performances made by SeioTec. Beyond the scope described in these GTC for the Sale of Products no further or other claims and rights against SeioTec will be accepted.

XIII. Liability

- (1) SeioTec accepts responsibility due to intention or gross negligence whereby liability is restricted to foreseeable damages, which usually do happen. However, if we breach indispensable contractual obligations, which are vital for the realization of the agreement and on which the Customer relies with justified reason (so-called "Essential Obligations" or "Cardinal Obligations"), we accept responsibility also for slight negligence. The liability for any harms to life, body or health remains unrestricted; this also applies for any obligatory liability according to product liability law.
- (2) Unless in these GTC something different is expressly provided for, all liability and warranty claims out of what reason ever are excluded.

XIV. Liability for Contractual ancillary Duties

If due to a fault of SeioTec related to advices or other contractual ancillary duties before or after signing of the agreement a delivered product cannot be used by the Customer according to the agreement or damage occurs, with exclusion of any and all other claims and rights of the Customer, these GTC for the Sale of Products apply as well.

XV. Confidentiality / Intellectual Property

- (1) The contractual relationship is highly personal, individual and confidential. Any partial or total assignment of the agreement to third parties on the Customer's side is excluded.
- (2) The Parties recognise that under or connected with the agreement they may each receive or otherwise get to know trade secrets and confidential and proprietary information of the other Party, which is either marked "confidential" or is confidential already by its nature and significance, which constitutes proprietary or "Confidential Information". Each Party shall keep such confidential information secret and not disclose it to any third party in which way ever. Third parties are also those related to a Party in the sense of Sec. 15 German Stock Corporation Act. Each Party shall use confidential information exclusively for the contractual purposes, for which they were disclosed.

- (3) Also any models, methods, techniques and instruments (including software) as well as any specifications, pictures, drawings, designs, calculations or other documentation used or provided by SeioTec are deemed to be Confidential Information, are Intellectual Property of SeioTec and must not be disclosed to any such third party without the expressed prior written permission of SeioTec.
- (4) The obligations and restrictions provided under this Confidentiality Clause exceptionally shall not apply to information, which the Customer can prove is or becomes available in the public domain otherwise than by breach of this Agreement, already was in the unrestricted possession of the receiving Party at the time of disclosure, was provided to it by a third party not bound by a confidentiality agreement to SeioTec or the disclosure of which is required by court order or government or regulatory requirement whereby in any such case the Parties shall convene on in which way such obligation can best be fulfilled.
- (5) All intellectual property rights of SeioTec (including but not restricted to copyrights, designs, geschmacksmuster- and all other rights as the case may be) as well as all rights concerning Confidential Information and know-how, also if communicated before the agreement was signed and also concerning any contractual performances, exclusively belong to SeioTec, unless agreed upon otherwise in the agreement. However the Customer will be entitled to make use of such IP in the necessary degree according to the contractual purposes. In any way SeioTec will be entitled to use the scientific knowledge and other knowledge the contractual performance is based on.
- (6) If any products delivered bear a trademark protection mark fixed in which way ever on the packaging or the product itself, the Customer shall not remove it without the prior written approval of SeioTec.
- (7) Any disclosure or use of the IP or confidential information not legitimated by these GTC is prohibited. The Customer shall pay liquidated damages amounting to 150 % of the gross contract value, unless SeioTec can prove a higher or the Customer can prove a lower damage value. If for SeioTec there is an continuous damage, without prejudice to any further rights and claims SeioTec may have in such situation, this liquidated damage arises anew in each month in which the violation lasts on.
- (8) These provisions keep on indefinitely in time, also if the contract ends or gets dissolved. These provisions keep on indefinitely in time, also if the contract ends or gets dissolved. However the obligation of confidentiality will not apply on Confidential Information of which the receiving party can prove, that such information was a) known to the public in the time of receiving it, b) already known to the receiving party in the time of receiving it or has been communicated later on lawfully from a third party without offending a confidentiality clause on behalf of the disclosing party, c) without contribution of the receiving party has become public information after having been disclosed to the receiving party, d) has been developed by the receiving party or its staff independently from the Confidential Information received hereunder or e) when due to the development in time and circumstances there will be no more need for Confidentiality.

XVI. Foreign Business Transactions

- (1) The products delivered by SeioTec are for commercial use only and exclusively in the country agreed upon with the Customer. If nothing else is agreed upon, then it is the country in which the Customer has his seat of business at the time of the order. The re-exportation of products is to be notified to SeioTec and may be subject to our prior written consent.
- (2) The Customer shall provide to SeioTec all information and documents, which are necessary for the export, transport and import of the goods to be delivered. In any case the Customer shall in his own responsibility apply and take care for all necessary official permissions of state authorities of any kind which are necessary for importation to his country.
- (3) The Customer also is obligated to obey in on his own responsibility to all tax law and such like provisions which might apply to him. The Customer also shall fully bear all foreign taxes, duties and other obligations.
- (4) The Customer also shall provide us all information necessary for our communication with all authorities and competent bodies, including as well on his VAT- identification number and all necessary information on his quality of commercial being, on the usage and the transport of the products delivered, his final Customer as well as statistical information.

- (5) If in the destination country particular legal provisions might apply or factual conditions are unusual and SeioTec cannot detect this without special scrutiny, the Customer shall give a corresponding notice to SeioTec at reasonable time.

XVII. Extraordinary Termination / Force Majeure

- (1) SeioTec may extraordinarily terminate an agreement, if in the Customer's financial situation suffers a decisive deterioration or threatens to do so and the Customer cannot provide a sufficient payment security. This is the case inter alia when the Customer becomes insolvent, insolvency proceedings have been initiated or dismissed for lack of assets. If such circumstances would arrive concerning SeioTec, the Customer would have the same right.
- (2) If either Party does not come up completely with its duties under an agreement and has been reminded in written by the other Party in vain, the other party may declare extraordinary termination of the Agreement. To give a fair chance to the other side to come up with its obligations, a 30 days period, beginning with the reception of the Written Reminder, prior to the declaration of termination is required, unless in cases of intentional or repeated breaches.
- (3) In cases of acts beyond control, e.g. if without fault of SeioTec do happen any politically or climatically caused interruptions of the normal supply proceedings or interruptions of the production process of any kind, or shortages of necessary raw materials and service products, or delayed or interrupted means of transport, hold-ups or jams of railways, seaways or delivery by trucks, labor disputes and lockouts, electronic attacks which defy the usual scope of precaution in such matters, e.g. by virus or else or hacking, as well as in case of any laws and legal acts by any state authorities of all level, such as German, European or for example American legislative or administrative acts, for example trade embargos, concerning our plant or those of our suppliers, leading to a diminution or stop of production ("Force Majeure"), the obligation of performance of SeioTec shall be suspended. If the term during which Force Majeure persists will last for longer than 60 days, both Parties are entitled to rescind from the agreement without having to pay damages by registered mail, unless an adaptation of the agreement to the given situation wouldn't be more suitable.

XVIII. Jurisdiction – Place of Performance

- (1) German Law shall apply including CISG.
- (2) Internationally and locally exclusively competent are those Courts with Competence for the seat of business of SeioTec, unless a German Judgment wouldn't be enforceable in the state of execution. However SeioTec is also entitled to pursue the Customer at his seat of business or place of business activities (in case of non-enforceability, the Customer will have the same right).
- (3) Unless anything else is agreed upon, the seat of business of SeioTec is the place of performance.
- (4) SeioTec alternatively has the option, to pursue the Customer in Arbitration. In such case, the Parties agree on the jurisdiction of the German Institution for Arbitration (DIS Rules 2012; 3 Arbitrators; procedural language in national disputes German, in international disputes English, unless SeioTec wouldn't choose the contractual language if this is different from English; place of the Arbitration is Erfurt).
- (5) As far as legally permitted all kind of procedure for the discovery of evidence according to the rules or according to the spirit of a pre-trial discovery and E-Discovery is excluded.

XIX. Other Provisions

- (1) In the event that one or several sections of this Agreement would be or become invalid, all other sections and provisions shall remain valid.
- (2) In performing the contract, electronic data storage and processing may be applied. The Customer expressly declares his consent that SeioTec may use the data provided by him in electronic data storage and processing for handling the order and performing the contract. The Customer agrees that SeioTec may use the data received by him during the handling of the order for its commercial purposes according to the applicable legal rules on electronic data processing.
- (3) The headings of the chapters or other subdivisions of this Agreement, are for the convenience in reference only. They will not be used in any way to govern, limit, modify, construe or otherwise be given any legal effect.

- (4) By the words “and” and “or”, the Parties mean the one or the other according to the context in which these words are used. Generally, all relevant alternatives are included when one of these words is used in this Agreement. The same applies for the use of singular or plural forms. All examples used do not exclude any other applications of the term or idea which is in question. The term “damages” in these conditions as well implies frustrated expenditures. All masculine forms imply the feminine and vice versa. The German Version of the agreement always prevails upon any and each translation, or respectively the English speaking version, if the agreement originally is drafted in English.
- (5) Nothing in an agreement between SeioTec and the Customer shall constitute any kind of corporation, association or joint venture between the Parties. Nor shall an agreement give any right of representation on behalf of a Party nor shall a Party enter into any obligations on behalf of the other Party. The purpose of an agreement is limited on the regulation of the transaction and purposes for which the agreement is signed.
- (6) All notices to be given pursuant to the agreement, shall be deemed to be appropriate if sent to the last known address, if the Customer didn't give notice of having moved his address of business.
- (7) By signing the agreement, the Customer guarantees to the best of his knowledge to have full capacity to enter into it and to have obeyed to all internal company requirements he might have to follow.