

**GENERAL TERMS AND CONDITIONS (GTCs) for business customers of  
Groz-Beckert (Yantai) Trading Co., Ltd., 10 Songhuajiang Road, YETDZ, Yantai 264006 China**

- (1) The following general terms and conditions apply only to customers for business purposes, i.e. to customers who order or obtain the goods, work or services for a commercial or self-employed commercial activity. These general terms and conditions do not apply to consumers as defined under Chinese law.
- (2) The following general terms and conditions apply to the supply of goods as well as to work services such as in particular installation, repair and maintenance, and to other services such as paid consulting by Groz-Beckert (Yantai) Trading Co., Ltd. ("Groz-Beckert" or "we").
- (2) Our relationship with the customer is governed by these general terms and conditions ("GTCs"), GBYT's Privacy and Enterprise Information Protection Policy ("Privacy Policy"), GBYT's General Terms of Use for the Customer Portal ("Terms of Use") and the Legal Notice posted on the Customer Portal. Please read carefully the GTCs, the Privacy Policy together with the Terms of Use and Legal Notice in their entirety. They also apply to all future transactions, as well as to all business contacts with the customer, such as the initiation of contractual negotiations or the initiation of a contract, even if they are not expressly agreed upon or referred to again. The application of the customer's general ordering or purchasing conditions is expressly rejected.

|   |          |
|---|----------|
| <b>A. General terms and conditions</b>  | <b>1</b> |
| § 1 Scope of application  | 1        |
| § 2 Conclusion of contract  | 1        |
| § 3 Scope of supply and performance, performance deadlines  | 1        |
| § 4 Prices, costs   | 2        |
| § 5 Terms of payment  | 2        |
| § 6 Retention of title  | 3        |
| § 7 Obligations of the customer to cooperate  | 4        |
| § 8 Liability for defects and general liability   | 4        |
| § 9 Industrial property rights, tools, models and moulds  | 5        |
| § 10 Miscellaneous provisions, place of performance, place of jurisdiction, applicable law, severability clause                 | 5        |
| <b>B. Special terms and conditions for the supply of goods</b>  | <b>6</b> |
| § 1 Scope of application  | 6        |
| § 2 Scope of services   | 6        |
| § 3 Supplementary provisions for the supply of software   | 6        |
| § 4 Supplementary warranty provisions for the supply of software  | 6        |
| <b>C. Special conditions for work services: installations, repairs, maintenance services, customising, software development</b> | <b>6</b> |
| § 1 Scope of application  | 6        |
| § 2 Subject of the contract   | 6        |
| § 3 Provision of materials  | 6        |
| § 4 Appointment of project managers   | 7        |
| § 5 Changes during the execution of the work/ change request management   | 7        |
| § 6 Acceptance  | 7        |
| § 7 Supplementary provisions concerning the development of software   | 7        |
| § 8 Supplementary warranty provisions for the development of software   | 8        |

- (3) If, in individual cases, contractual relationships are also established with persons or companies who are not themselves intended to become contracting parties, the limitations of liability in these general terms and conditions will also apply to them, provided that these general terms and conditions were included in the establishment of the contractual relationship with the third parties. This is particularly the case if the third parties were aware or already had knowledge of these general terms and conditions when the contractual relationship was established.
- (4) Accessing or using any part of this website by the customer is considered as acknowledgement of the validity of these general terms and conditions.
- (5) Any new features or tools which are added to the current website shall also be subject to the GTCs. We may from time to time update the GTCs. Prior to the effectiveness of the updated GTCs, we will inform you of the changes by posting announcements on the Customer Portal of our website seven (7) days in advance and seek for your comments on such changes. Your continued use of or access to the website following the posting of any changes constitutes acceptance of those changes.

**§ 2 Conclusion of contract**

- (1) Unless otherwise agreed, our invitation to offers are subject to confirmation and non-binding.
- (2) We are not bound by an order until it has been confirmed by us in writing in the form of an order confirmation, or until we commence with the execution of the order.
- (3) Descriptions and illustrations of our products as displayed on the website shall only be looked upon as approximations and shall be an invitation to offer. We reserve the right to make alterations to our products prior to delivery, in particular technical changes made in the course of our regular updating of products, which, however, may not unreasonably prejudice the interests of the customer.

**§ 3 Scope of supply and performance, performance deadlines**

- (1) Our written offer or our order confirmation is definitive in respect of the scope of our supply or service. Additional agreements and amendments require our written confirmation. If our offer or order confirmation is based on information provided by the customer (data, figures, illustrations, drawings, system requirements, etc.),

**A. General terms and conditions**

**§ 1 Scope of application**

- (1) These general terms and conditions apply to all our areas of operation. The following general terms and conditions apply to the supply of goods as well as to work services such as in particular installation, repair and maintenance, and to other services such as paid consulting.

our offer will only be binding if this information is correct. If it becomes apparent after conclusion of the contract that the order cannot be carried out according to the customer's specifications, we will be entitled to withdraw from the contract if and to the extent that the customer is not prepared to accept any alternative solution proposed by us and to assume any additional costs which may actually arise.

- (2) For all supplies and services we will be entitled to partial performance to a reasonable extent as long as such partial performance is not detrimental to the customer's interests. We will have the right to use subcontractors to fulfil our contractual obligations. For customized works or services to be performed by us, we will not subcontract any principal part of such work or services without your prior consent.
- (3) If we become aware of a risk of the customer's inability to meet its obligations we will be entitled to supply goods and services only against advance payment or security. Our right to withdraw from individual contracts already concluded remains unaffected if and insofar as the customer fails to make an advance payment or provide security within a reasonable extension period.
- (4) The delivery and performance period is agreed individually and stated on the order confirmation. If this is not the case, the delivery period will be approximately 4 calendar weeks from the date of our order confirmation. The delivery period will be regarded as having been met if the goods have been dispatched by the end of the period or if notification has been given that the goods are ready for dispatch. The commencement of the delivery period and compliance with delivery dates presupposes that all the details of the order have been clarified and the customer provides any cooperation required of it in a timely and proper manner, that it makes available all documents to be provided and makes any agreed advance payments.
- (5) We will not be in default in the event of force majeure or other exceptional circumstances beyond our control. In this case, even if we are already in default, we will still have the right to withdraw from the contract. In particular, we will not be in default in the event of delays in delivery if these are caused by incorrect or late delivery by our suppliers, strikes, acts of authority, wars, public health emergencies, acts of god, raw material or energy shortages, plant and transport interruptions, travel ban, export control whatsoever for which we are not responsible. In the event of hindrances of a temporary nature, the delivery or performance deadlines will be extended or the delivery or performance dates postponed by the period of the hindrance plus a reasonable start-up period.
- (6) If we are contractually obliged to provide advance performance, we may refuse or suspend the performance incumbent upon us if, after conclusion of the contract, it becomes apparent that our claim to remuneration may be jeopardised by the customer's inability to make such payment. This is particularly the case if the payment to which we are entitled is at risk due to the customer's poor financial circumstances, including the circumstances in which the business conditions of the customer are seriously deteriorating, the customer is diverting assets or withdrawing capital to evade debts, the customer loses its business creditworthiness; or other circumstances showing that the customer loses or will possibly lose its capability to perform its obligations or if other obstacles to

payment are threatened, e.g. export or import bans, war, the insolvency of suppliers or absence of the required employees due to illness.

- (7) In the case that we suspend our performance under the contract in accordance with Section A § 3 No. 6 hereof, we will notify the customer in a prompt manner and will resume the performance when the customer provides appropriate guarantees. We will have the right to terminate the contract if the customer neither regains its capability of meeting its liabilities nor provides appropriate guarantees within a reasonable period of time after the suspension.

#### § 4 Prices, costs

- (1) Our prices for supplies of goods are net prices and, unless otherwise agreed in writing, the terms of delivery are always FCA Groz-Beckert's designated place of delivery (Incoterms 2020). Notwithstanding the provisions of this incoterm concerning the conclusion of transport and insurance contracts, we undertake to organise the transport by determining the means of transport, the transport route and, if we consider it necessary, transport insurance, without being responsible for choosing the fastest and cheapest option. The customer will bear the costs and risks for transport and insurance in accordance with FCA provisions in Incoterms 2020. The prices can be taken from our offer or our order confirmation or - if no prices are stated in the offer or in the order confirmation - from our currently valid price list.
- (2) For services, the prices refer to the implementation of the service at the agreed place of performance. When the invoice is issued, VAT will be added at its respective statutory rate.
- (3) If a performance period of more than four months has been agreed between the time of confirmation of the order and the performance of the service, or if the increase of cost exceeds 20%, we will have the right to a corresponding extent to pass on to the customer any increases in costs which have occurred to us in the meantime due to price increases. The same will apply if a performance period of less than four months has been agreed, but the performance can only be rendered by us later than four months after confirmation of the order for reasons for which the customer is responsible.
- (4) In the case of work or services to be performed by us the remuneration - even in the case of a previously submitted cost estimate - is always based on a time fee according to the time actually spent, unless flat-rate remuneration has been agreed. The units of time recording and the current hourly rates can be taken from our offer or our order confirmation or, if no hourly rates are stated in the offer or order confirmation, from our currently valid price list.
- (5) Unless agreed otherwise, expenses and travel costs will be invoiced separately. The reimbursement by the customer of travel and accommodation costs will be made on presentation of receipts in copy and deduction of the input tax amounts contained in these receipts, unless otherwise agreed in writing between the parties before the trip is carried out. The current travel and expense rates can be found in our offer or our order confirmation. If no rates are listed there, the currently valid rates can be found in our current price list.

#### § 5 Terms of payment

- (1) Unless otherwise contractually agreed, our invoices relating to the

supply of goods are payable without deduction within 30 days of the invoice date. Invoice amounts relating to work and services are payable within 15 days of the invoice date without deduction. If we provide our supplies or services in part deliveries, we will have the right to demand a corresponding part of the remuneration for each part delivery.

- (2) The customer is not entitled to make deductions without express agreement.
- (3) If the registered place of business of the customer is outside China and the contractual agreement with the customer does not provide for delivery against advance payment, we will be entitled, even without a special agreement, to make our performance dependent on the provision of an irrevocable documentary letter of credit in the amount of the gross performance price from a reputable bank in accordance with the currently applicable Uniform Customs and Practice for Documentary Credits (UCP 600) of the International Chamber of Commerce (ICC). If we do not demand the provision of such a documentary letter of credit and unless otherwise contractually agreed, our claim will become due upon receipt of the delivery or upon complete performance of our service. If we provide our supplies or services in part deliveries, we will in any case be entitled to demand a corresponding part of the remuneration for each part delivery and, if necessary, to demand a documentary letter of credit for each part delivery.
- (4) If the customer is in default of payment from the 16th or 31st day after receipt of the invoice, it must compensate us for the damage caused by the delay, in particular interest at 8 percentage points above the benchmark interest rate of the People's Bank of China for a one-year bank loan for the delayed period.
- (5) Payment by bill of exchange or accepted bill is only permitted by express agreement, and even then is only valid on account of payment. If additional costs are incurred as a result, these are to be borne by the customer.
- (6) Payments are to be made exclusively by the customer. Payment by third parties is inadmissible and will not have the effect of fulfilment of the customer's obligations.
- (7) All payments must be affected free of charge for us. Bank charges, discount charges and collection charges shall be exclusive from the payments and be borne by the customers.
- (8) If we have agreed on instalment payments, the following will apply: if the customer is more than two weeks in arrears with an instalment, either in whole or in part, the entire outstanding balance will become due for immediate payment.
- (9) Only undisputed or legally established claims can be offset against our claims for remuneration. The same applies to the exercise of a right of retention. The customer will otherwise only be entitled to exercise a right of retention if it is based on the same contractual relationship.
- (10) The assignment of claims against us by the customer requires our prior written consent, which will only be refused for good cause.

#### § 6 Retention of title

- (1) We reserve the title to supplied goods until full payment of all our present and future claims arising from the concluded contract and an ongoing business relationship ("secured claims").

- (2) The reserved goods may neither be pledged to third parties nor transferred by way of security before full payment of the secured claims. The customer must inform us immediately in writing if and to the extent that the goods belonging to us are attached by third parties.
- (3) If the customer acts in breach of contract, in particular if the purchase price due is not paid, we will be entitled to withdraw from the contract in accordance with the statutory provisions and/or where the payment is less than 75%, demand the return of the reserved goods. The demand for the return of the goods does not at the same time include a declaration of withdrawal; on the contrary, we will be entitled to demand only the return of the goods and to reserve the right to withdraw from the contract. If the customer does not pay the due purchase price, we may only assert these rights if we have previously unsuccessfully set the customer a reasonable deadline for payment, or if setting such a deadline is unnecessary according to statutory provisions. We will have the right to dispose of the returned goods. The proceeds from disposal (minus the full cost of disposal) should offset the buyer's outstanding obligations.
- (4) The customer is entitled to resell and/or process the reserved goods in the ordinary course of business. In this case the following provisions will apply additionally.
  1. The retention of title extends to the full value of the products resulting from the processing, mixing or combination of our goods, in which case we will be considered the manufacturer. If, in the event of processing, mixing or combining of our goods with goods of third parties, the latter's right of ownership remains effective, we will acquire co-ownership in proportion to the invoice values of the processed, mixed or combined goods. In all other respects the same applies to the resulting product as to the reserved goods.
  2. The customer hereby assigns to us by way of security all claims against third parties arising from the resale of the goods or products, together with all ancillary rights, security interests and reservations of title, either in full or to the amount of our possible co-ownership share in accordance with the preceding paragraph. We accept the assignment. The obligations of the customer mentioned in the above Section A. § 6 No. 2. will also apply in relation to the assigned claims.
  3. In addition to us, the customer remains authorised to collect the claim. We undertake not to collect the claim as long as the customer fulfils its payment obligations to us, is not in default of payment, no application for the opening of insolvency proceedings has been made and there is no other lack of ability to pay. If this is the case, however, we can demand that the customer informs us of the assigned claims and their debtors, provides all the information necessary for collection, hands over the relevant documents and informs the debtors (third parties) of the assignment.
  4. If the realisable value of the securities exceeds our claims by more than 10%, we will release securities of our choice at the customer's request.
- (5) If reselling and/or processing the reserved goods by the customer will cause damages to us, we will demand the return of the reserved goods. In the case that a third party has obtained the ownership or

other property rights to the reserved goods in good faith pursuant to the provisions of Article 106 of the PRC Real Rights Law, we will have the right to claim damages against the customer.

- (6) The customer must treat the reserved goods with care. At our request, the customer must sufficiently insure the reserved goods at its own expense against fire, water and theft at their replacement value. If maintenance and inspection work becomes necessary, the customer must carry it out in good time at its own expense.
- (7) If the validity of this reservation of title is dependent on its registration, e.g. in public registers in the customer's country, we will be entitled and authorised by the customer to effect this registration at the customer's expense. The customer is obliged to provide all cooperation services necessary for this registration free of charge.

**§ 7 Obligations of the customer to cooperate**

- (1) The customer must support us and our employees to a reasonable, customary extent. If we have to provide project-related work or services by our employees at the customer's company, support at our request may also include the provision of work rooms and workstations with PCs and telephones, the costs of which will be borne by the customer.
- (2) Materials, information and data that we require to perform our services must be made available to us by the customer. Data and data carriers must be technically free of defects. If special legal or operational safety regulations apply at the customer's premises, the customer must expressly inform us of this before we provide our service. Otherwise, we will not be held liable for any violation of the afore-mentioned legal or operational safety regulations.
- (3) Instructions from the customer to our employees regarding the concrete form of the performance of services are excluded, unless instructions are necessary in connection with safety requirements and operating regulations in the customer's company. Instructions on individual questions regarding work or services to be provided by us are not to be given to the employees entrusted with the task by us, but to the contact persons named by us for the project. We always decide independently on the necessary measures within the scope of our performance obligations.
- (4) Concrete further obligations to cooperate may result from the annexes to our order confirmation or our offer.

**§ 8 Liability for defects and general liability**

- (1) **The limitation period for claims due to defects in our supplies and services is one year from delivery of goods or provision of services.** After expiry of this year, we may in particular also refuse subsequent performance without the customer having any claims against us for reduction of the purchase price, withdrawal from the contract or compensation. This one-year limitation period does not apply to claims for damages other than those for refused subsequent performance and generally not to claims in the case of fraudulent concealment of a defect.
- (2) Claims by the customer for subsequent performance due to defects in the service or goods to be provided by us are subject to the following provisions:
  - 1. If the supplied goods are defective, we may initially choose whether to provide subsequent performance by eliminating the

defect (rectification of defects) or by supplying a defect-free item (replacement delivery). This is without prejudice to the right of a customer to refuse the chosen type of subsequent performance under statutory regulations.

- 2. We are entitled to make the supplementary performance dependent on payment by the customer of the due purchase price. However, the customer will be entitled to retain a part of the purchase price which is reasonable in relation to the defect.
- 3. The customer must give us the time and opportunity necessary for the supplementary performance owed, in particular to hand over the goods complained of for inspection purposes. In the event of a replacement delivery, the customer must return the defective item to us within 30 days from the replacement delivery.
- 4. We will be entitled to carry out the rectification of defects on the customer's premises.
- 5. We will bear the expenses required for the purpose of inspection and subsequent performance, in particular transport, travel, labour and material costs, provided that a defect actually exists.
- 6. In the case of the supply of goods, the following also applies:
  - If the customer has installed the defective goods into or attached to another product in accordance with their type and intended use, we will be obliged, within the framework of subsequent performance, to reimburse the customer for the necessary expenses for the removal of the defective goods and the installation or attachment of the repaired or delivered defect-free product. The rights of the customer due to a defect are excluded if the customer knowingly installs or attaches the defective goods to another product.
- 7. The customer will bear the expenses for rectification of defects or subsequent delivery that arise because the purchased goods have after delivery been taken to a location other than the customer's registered office or business location.
- 8. If the customer's request for the rectification of defects turns out to be unjustified, we can require the customer to reimburse us for the costs incurred.
- (3) In the case of the supply of goods:

The customer's claims for defects, in particular the claims for subsequent performance, withdrawal from the contract, reduction in price and compensation for damages, presuppose that the customer has duly inspected the goods provided by us without undue delay, i.e., within three (3) working days after the receipt of the goods. If a defect is revealed during the inspection or later, these must be reported to us immediately in text form (e.g. letter, fax, e-mail or in the customer portal under <https://my.groz-beckert.com>). The report will be considered immediate if it is made within 10 days of the discovery of the defect, with timely dispatch of the report being sufficient to comply with the deadline. Irrespective of this obligation to inspect and report defects, the customer must report obvious defects (including incorrect and short delivery) in text form (e.g. letter, fax, e-mail or in the customer portal under <https://my.groz-beckert.com>) within ten days of delivery, in which case timely dispatch of the report is sufficient to meet the deadline. **If the customer neglects the proper inspection and/or reporting of defects, the goods supplied shall be deemed in**

**conformity with the pre-agreed quantity or quality, and our liability for the unreported defect will be excluded.** This will not apply if we have fraudulently concealed the defect.

(4) The customer can only demand compensation

1. for damages resulting

- from an intentional or grossly negligent breach of duty on our part or

- from an intentional or grossly negligent breach by one of our legal representatives, executives or vicarious agents

of obligations that are not essential to the contract (cardinal obligations) and are not main or secondary obligations in connection with defects in our deliveries or services.

2. from damages resulting from the intentional or negligent breach of essential contractual obligations (cardinal obligations) on our part, on the part of one of our legal representatives, executive employees or vicarious agents. Essential contractual obligations (cardinal obligations) within the meaning of the above subsections (4) 1. and 2. are obligations whose fulfilment is essential for the proper execution of the contract and on whose compliance the customer can normally rely.

3. furthermore, we will be liable for damages due to the negligent or intentional breach of obligations in the case of deficiencies in our supplies or services subsequent performance or secondary obligations, and

4. for any damage that falls within the scope of a warranty (commitment) or a guarantee of quality or durability expressly given by us.

(5) In the event of a simple negligent breach of an essential contractual obligation, the amount of liability will be limited to direct damages typically to be expected and foreseeable for us at the time of conclusion of the contract.

(6) Claims for damages by the customer in the event of a simple negligent breach of a non-crucial contractual obligation will be excluded after one year from delivery of goods or provision of services. Excluded from this is damage in the case of injury to life, limb or health.

(7) Claims for damages against us arising from statutory liabilities, for example under the Product Quality Law, and from injury to life, limb or health are not affected by the above provisions of this § 8 and exist to the extent permitted by law within the statutory time limits.

(8) In the event that claims are asserted against the customer or its own customers in a supply chain, the following provisions will apply:

1. The customer bears the burden of proof that the expenses for subsequent performance to its customer were necessary and that it could not have refused subsequent performance in relation to its customer or could not have performed subsequent performance in a cheaper manner.

**2. Our liability is limited to those as set out in the contract and by statute. We exclude liability for all indirect, incidental or consequential damages arising out of or in connection with the purchase, resale or performance of any products or services by the customer, including liability for loss of**

**income, loss of profits, loss of a contract, data loss, loss of goodwill, loss of potential business, or any damage to personal property or any personal injury whether direct or indirect, or any kind, unless where we are the manufacturer of the relevant products and such loss has arisen due to the relevant products having a deficiency within the meaning of Article 46 of the Product Quality Law and further that none of the defences established under Article 41 of the Product Quality Law apply to the relevant products.**

3. Where the customer, as seller, has compensated its customer for the damages to a person or property other than the deficient product itself due to the deficiencies in our supplies or services, the customer may claim against us for indemnification of the customer's compensation to its customer within **two years** from the date of compensation, provided that the claims were not time barred by the statute of limitations in the relationship between the customer and its own customer.

4. Where we, as manufacturer, has directly compensated the customer's own customer in the supply chain for the damages to a person or property other than the deficient product itself due to the deficiencies in our supplies or services, the customer shall indemnify us for the damages due to any negligent act or omission or wilful misconduct of the customer, its employees, agents or sub-contractors or by any breach of its contractual obligations.

(9) If third parties are commissioned or involved in the initiation or settlement of the contractual relationship between the parties, the above-mentioned warranty and liability limitations will also apply to such third parties.

#### § 9 Industrial property rights, tools, models and moulds

(1) If we manufacture according to drawings, models or samples or specifications of the customer, the customer must ensure that industrial property rights of third parties are not infringed by this. Before placing an order with us, the customer is obliged to ascertain whether the products it has ordered infringe the property rights of third parties. In this respect, the customer must indemnify us against any claims by third parties, unless it is not responsible for the infringement of the property rights. If the customer is prohibited from manufacturing or supplying by a third party with reference to an industrial property right belonging to it, we will be entitled, without examining the legal situation, to stop work and demand reimbursement of the costs incurred.

(2) If we make tools, moulds, models or similar items for the purpose of providing the delivery or service, we will retain title to them. This will also apply if we demand partial remuneration from the customer for such production. If we invoice the customer for such items in full and the customer pays for the manufacture of such items in full, ownership will pass to the customer; we will retain possession of such items as long as we provide services to the customer with these items.

#### § 10 Miscellaneous provisions Place of performance, place of jurisdiction, applicable law, severability clause

(1) The legal relations between the customer and us under the GTCs shall be governed exclusively by the laws of the People's Republic of China (excluding Hong Kong, Macao and Taiwan for the purpose

hereof).

- (2) All disputes arising out of or in connection with the GTCs, the contracts, the conclusion of the contracts or their constructions shall be adjudicated exclusively by the competent People's Court of the place where Groz-Beckert is registered. As an exception to this, we are also entitled to assert claims against the customer at the competent people's court in the place where the customer is domiciled.
- (3) If any provision in these general terms and conditions or a provision within the framework of other agreements is or becomes invalid, the validity of all other provisions or agreements will not be affected.

## **B. Special terms and conditions for the supply of goods**

### **§ 1 Scope of application**

The following special conditions for the supply of goods apply in addition to the general conditions under Section A. for all contracts with the customer for the supply of goods.

### **§ 2 Scope of services**

- (1) Transport insurance for goods to be shipped will only be taken out upon express request. The transport insurance is then taken out in the name and for the account of the customer.
- (2) Our obligations cover the transfer of ownership and surrender of the object of purchase. The assembly, installation or configuration of the object of purchase is not part of the obligation, unless this has been expressly agreed.

### **§ 3 Supplementary provisions for the supply of software**

- (1) Delivery and scope of supply

The software, including programme corrections, is delivered in the form of an object code on a standard data carrier or online as a download from a website. The scope of delivery also includes application documentation. Unless otherwise agreed between the customer and us, the application documentation can be provided at our discretion either as an operating manual or on a data carrier. A transfer of the source code of the software is not part of the obligation.

- (2) Rights of use to the software

- 1. The respective licensing conditions of the software apply to the granting of rights of use to the software.
- 2. In the absence of licence terms for the software or the absence of a separate software licence agreement between us and the customer, the customer will receive a non-exclusive, non-transferable and non-sub-licensable licence to access and use the software supplied unlimited in time. However, all rights, title or interest in respect of the intellectual property rights in the software remain with us or the licensor of the software at all times.
- 3. In the absence of other agreements, the right of use entitles the customer to use the software on a single PC (single user licence) or to use the software on a machine or server, provided that it is ensured that the use of the software / access to the software per

licence is only permitted to one user or the agreed number of users at the same time.

- 4. Further rights, in particular for reproduction beyond the extent required for contractual use, are not granted. With the exception of the right to correct errors, the customer is not entitled to make changes to the software. The right to correction of errors by the customer only applies if the correction of errors was previously refused by us or has failed. The making of a backup copy of the software by the customer as well as the duplication within the scope of the usual data backup to ensure the intended operation of the software is permitted. The reverse engineering, decompilation or other ways of attempting to extract the source code of the software or any part thereof is not permitted.
- 5. For any programme corrections provided the customer is granted the rights of use to which he is entitled for the original programme version.
- 6. Labelling of the software, in particular copyright notices, trademarks, serial numbers or similar may not be removed, changed or made unrecognizable.

### **§ 4 Supplementary warranty provisions for the supply of software**

- (1) We will also meet our obligation to remedy defects by providing updates with an automatic installation routine for download and by offering the customer telephone support to solve any installation problems that may arise.
- (2) If we are not in a position to remedy a defect or make a subsequent delivery free of defects, we will provide the customer with workarounds. Such workarounds will be considered as supplementary performance, provided that they do not lead to a significant impairment of the functionality or processes of the software. Workarounds are temporary solutions to an error or malfunction without interfering with the source code.
- (3) If necessary, in the event of reworking the user documentation will also be adapted.

## **C. Special conditions for work services: installations, repairs, maintenance services, customising, software development**

### **§ 1 Scope of application**

The following special terms and conditions for work services apply in addition to the general terms and conditions under Section A. for all contracts with the customer for the provision of work services, such as in particular the installation of goods and other items, the repair of goods and other items, and the development or customising (i.e. the adaptation of software to the customer's requirements) of software.

### **§ 2 Subject of the contract**

The subject of the contract is the provision of the agreed work services.

### **§ 3 Provision of materials**

In the case that the customer is responsible for providing materials

for the completion of the work, the customer will select and use materials as pre-agreed and accept inspection by us. We will promptly notify the customer to make replacement, make good the shortage or take other remedial measures if any inconformity with agreements is found. The customer shall be responsible for any losses caused to the work services due to the quality problems or specification differences of such materials provided by the customer.

**§ 4 Appointment of project managers**

- (1) Both we and the customer are obliged - in separately agreed cases - to appoint a project manager before the work begins. The measures necessary for the implementation of the project will be agreed between the project managers. The responsibility for the implementation of the work lies with us. The respective project managers must be named in writing to the respective contractual partner within a reasonable period of time after conclusion of the contract.
- (2) The project managers will meet on a regular basis, in project-related agreed periods of time to prepare, make and record any necessary decisions.

**§ 5 Changes during the execution of the work/ change request management**

- (1) The project managers may agree on changes by mutual consent. The agreements are to be recorded and signed by both project managers. Insofar as no agreements have been made regarding remuneration or other contractual provisions, in particular schedules with regard to the agreed changes, the changes must be implemented within the framework of the contractual terms agreed up to that point.
- (2) If the parties fail to reach agreement on changes requested by either party, the following will apply:

Until acceptance the customer is entitled to request us to make changes. The change requests are to be made to us in text form. We will examine the change request. We will accept changes requested by the customer unless they are unreasonable for us within the scope of our operational efficiency. We will inform the customer in writing within 14 days of receipt of the change request whether:

- the change request is accepted and will be carried out under the previous provisions of the contract.
- the change request has an impact on contractual provisions, e.g. price, execution deadlines etc. in this case we will inform the customer of the conditions under which the change can be made. The change will only be implemented if the customer accepts the change on the conditions notified by us within 14 days after receipt of the notification.
- the examination of the change request for feasibility will involve extensive work: In this case we can make the examination of the change request dependent on the customer paying for the work involved. In such a case we will be obliged to inform the customer in writing of the time required and the costs for the examination. The order to carry out an examination will not be deemed to have been placed until the customer has commissioned us in writing to carry out

the examination.

- the change request is rejected.

If we do not respond to the change request within 14 days of receipt, the change request will be considered rejected.

If the changes during the execution of the work cause losses to us, the customer shall be liable for the compensation.

- (3) In performing the work we observe the generally recognised testing methods as well as the applicable legal regulations. If legal or other regulations change after conclusion of the contract, if new regulations are introduced or if new or changed requirements which affect the contractual performance arise for us, for example from subsequently submitted, amended or new manufacturer documentation, factory standards or risk assessments, and if the customer has informed us of this in good time, we will take these requirements into account as far as possible. Remuneration agreed in service contracts or orders for services will be adjusted at our reasonable discretion. In particular, we will take into account the cost of changed requirements for testing, personnel and / or used or new tools.

**§ 6 Acceptance**

The work will be handed over after completion. If handover is excluded because of the nature of the work, notification of completion will be given. The work will be ready for acceptance after completion and handover or - if a handover is excluded because of the nature of the work - after notification of completion. The customer must accept the completed work within the agreed period, otherwise within a reasonable period, but at the latest within a period of two weeks after handover or - if handover is excluded according to the type of work - after completion. This period begins with the written notification from us to the customer that the work has been completed. The work will be deemed to have been accepted on expiry of the agreed period for acceptance if the customer neither declares acceptance in writing nor informs us in writing what defects are still to be remedied. We will inform the customer of this legal consequence when notifying the customer that the work has been completed or when handing over the work.

**§ 7 Supplementary provisions concerning the development of software**

- (1) Provision of the software

The software, including programme corrections, is provided in the form of object code on a standard data carrier or online as a download from a website. The scope of delivery also includes application documentation. Unless otherwise agreed between the customer and us, the application documentation can be provided at our discretion either as an operating manual or on a data carrier. A transfer of the source code of the software or a development documentation is not part of the obligation, unless otherwise agreed.

- (2) Rights of use to the software

1. In the absence of licence terms for the software or the absence of a separate software licence agreement between us and the customer, the customer will receive a non-exclusive, non-transferable and non-sub-licensable licence to access and use the software supplied unlimited in time. However, all rights, title

or interest in respect of the intellectual property rights in the software remain with us or the licensor of the software at all times.

2. In the absence of other agreements, the right of use entitles the customer to use the software on a single PC (single user licence) or to use the software on a machine or server, provided that it is ensured that the use of the software / access to the software per licence is only permitted to one user or the agreed number of users at the same time.
3. Further rights, in particular for reproduction beyond the extent required for contractual use, are not granted. With the exception of the right to correct errors, the customer is not entitled to make changes to the software. The right to correction of errors by the customer only applies if the correction of errors was previously refused by us or has failed. The making of a backup copy of the software by the customer as well as the duplication within the scope of the usual data backup to ensure the intended operation of the software is permitted. The reverse engineering, decompilation or other ways of attempting to extract the source code of the software or any part thereof is not permitted unless otherwise provided by law.
4. For any programme corrections provided the customer is granted the rights of use to which he is entitled for the original programme version.
5. Labelling of the software, in particular copyright notices, trademarks, serial numbers or similar may not be removed, changed or made unrecognizable.

## **§ 8 Supplementary warranty provisions for the supply of software**

- (1) We will also meet our obligation to remedy defects by providing updates with an automatic installation routine for download and by offering the customer telephone support to solve any installation problems that may arise.
- (2) If we are not in a position to remedy a defect or make a subsequent delivery free of defects, we will provide the customer with workarounds. Such workarounds will be considered as supplementary performance, provided that they do not lead to a significant impairment of the functionality or processes of the software. Workarounds are temporary solutions to an error or malfunction without interfering with the source code.
- (3) If necessary, in the event of reworking the user documentation will also be adapted.

**Valid from: June 2020**