

## **Standard Terms and Conditions of Sale and Delivery of Interlit Filtration GmbH**

### **1. Scope of the Terms and Conditions**

1.1 The following Standard Terms and Conditions of Sale and Delivery (hereinafter "T&C") shall apply exclusively to all contracts between Interlit Filtration GmbH, Cologne, Germany, ("Supplier"), and the purchaser ("Purchaser").

1.2 Any deviating, conflicting, or supplementary terms and conditions of the Purchaser shall not apply unless the Supplier has expressly agreed to their inclusion. This requirement of the Supplier's consent shall also apply if the Supplier delivers the goods without reservation while being aware of the Purchaser's terms and conditions. At the latest upon taking receipt of the Supplier's goods or services, the terms and conditions of the Supplier shall be deemed to have been accepted. These T&C shall serve as a master agreement applicable also to all future contracts regarding the sale and/or the delivery of movables with the same Purchaser without having again to be expressly included in the respective contract.

1.3 Individual agreements made with the Supplier on a case by case basis (including collateral agreements, supplements, and amendments) shall take precedence over these T&C in any event.

1.4 References to the applicability of certain provisions of the law shall merely have clarifying effect. Hence, the provisions of the law shall apply without any such clarification unless altered or expressly excluded in these T&C, or in a contract these T&C form an integral part of.

1.5 If the Supplier does not exercise or enforce any of its rights under these T&C in individual cases, this shall in no event constitute a waiver of such rights in the future.

### **2. Offers**

2.1 The Supplier's offers are subject to change. Any information provided in documents attached to the offer, such as catalogues and prospects, is approximate unless expressly specified as binding.

2.2 The Supplier reserves unrestricted proprietary rights and the right of exploitation under copyright laws in cost estimates, drawings, and other documents attached to an offer, which may not be made accessible to third parties.

2.3 The Purchaser's order for goods/services shall be binding.

### **3. Conclusion of the Contract / Scope of Delivery / Written Form / Rescission**

3.1 The conclusion of the contract and the scope of the delivery/service shall be governed by the Supplier's confirmation of order, which may be given in writing or by email. The order can also be confirmed upon invoicing if this occurs before or at the same time as the delivery.

3.2 Unless provided otherwise in the order, the Supplier shall be entitled to accept the offer to enter into a contract within two (2) weeks of receipt thereof.

3.3 All declarations and notices of legal relevance that must be made or given by the Purchaser to the Supplier after the conclusion of the contract (such as setting of time limits, notices of defect, declarations of rescission or reduction of the price) must be made in writing to be effective and serve as evidence, unless the parties have mutually waived this requirement.

3.4 The Supplier shall be entitled to cancel the contract if the Purchaser's economic situation or assets have subsequently deteriorated to such an extent that it would be unconscionable to expect the continuation of the contract.

3.5 The contract language is German. The German language version of these T&C is the only authoritative version of these T&C and their interpretation.

### **4. Prices**

4.1 Unless provided otherwise in individual cases, the Supplier's prices valid at the time of the confirmation of order shall apply.

4.2 All prices are net prices plus the applicable statutory value-added tax. The value-added tax, if applicable, shall be shown separately in the invoice.

4.3 Unless agreed otherwise, the prices shall be net EXW "Supplier's Works" in accordance with the applicable INCOTERMS 2010, excluding packaging and acceptance of returned packaging, transport costs, customs duties, and statutory taxes.

4.4 The Supplier shall be entitled to invoice the Purchaser for the costs of test parts, samples, and tools required for the production of test parts and series products.

## 5. Payment

5.1 The Supplier's invoices shall be payable within thirty (30) days of the invoice date without any deduction where the delivery of goods is concerned. Maintenance or any other services and repair work, as applicable, shall be due for payment without any deduction within fourteen (14) days of the invoice date and, where work under a contract for work is concerned, after acceptance by the Purchaser.

The deduction of a cash discount is subject to a specific agreement to this effect.

If the Purchaser is in default of payment, the Supplier shall be entitled to refuse further performance until the overdue payments on which the Purchaser has defaulted have been settled in full, including any interest and other damages on the grounds of default.

5.2 The Purchaser may set off only against claims that are not contested by the Supplier or that have been finally adjudicated (proven). In the event of defects of delivered goods, the Purchaser's remedies shall remain unaffected, in particular shall the Purchaser be entitled to retain a portion of the purchase price that is commensurate in relation to the defect.

5.3 Notwithstanding any further claims and rights of the Supplier, the Purchaser, if it is in default of payment, shall be obligated to pay default interest at the statutory rate, as applicable from time to time, to the Supplier.

5.4 Unless a different method of redemption of payment has been stipulated by the Purchaser, payments made by it shall be credited against the oldest outstanding invoice.

5.5 If, after the contract has been entered into, it becomes apparent that the Supplier's claim for consideration is jeopardized by the Purchaser's lack of ability to pay, the Supplier shall be entitled to refuse performance or rescind the contract pursuant to Section 321 German Civil Code [*Bürgerliches Gesetzbuch*; "BGB"]. If the Purchaser is a business [as opposed to a consumer] and fails to meet its payment obligations, the Supplier shall be entitled to demand immediate payment of the remaining total debt or the surrender of the delivered goods as security, even if the Supplier has accepted checks or bills of exchange. In this case, the Purchaser may, however, avert the payment of the remaining debt and the surrender of the goods delivered as security if it provides other equivalent security in the amount of the remaining debt.

5.6 No payment shall be deemed to have been made until the Supplier can dispose of the amount. Any costs associated with the payment (such as transfer fees) shall be borne by the Purchaser.

## 6. Term of Delivery / Delivery

6.1 The delivery period or delivery date shall be agreed individually or specified by the Supplier upon acceptance of the order. Compliance with the delivery period or the delivery date shall be subject to (complete) and timely delivery to the Supplier by third parties, unless the incomplete or late delivery to the Supplier was caused by the Supplier.

6.2 The agreement of a delivery period or a delivery date shall be deemed an agreement in which time is of the essence [*Fixgeschäft*] only if this has been specifically agreed upon as such.

6.3 The period for deliveries and services shall start to run upon entering into the contract. Compliance with the delivery period shall be subject to the Purchaser's timely fulfillment of its obligations and incidental obligations of cooperation, such as the provision of required documents and parts. If the Purchaser fails to fulfill its obligations/incidental obligations, the parties shall jointly determine a new delivery date. Further claims of the Supplier, in particular claims for damages and reimbursement of expenses, shall remain unaffected.

The delivery period shall be extended reasonably in the event of unforeseeable events beyond the parties' control, such as measures in connection with industrial disputes, in particular strike and lockout, and in the case of unforeseen obstacles such as fire, flooding, extreme weather conditions, accidents through no fault of the Supplier, intervention by the authorities, material shortages through no fault of the Supplier, delays in deliveries through no fault of the Supplier, or other cases of delays through no fault of the Supplier or any of its suppliers.

6.4 If dispatch is delayed at the Purchaser's request, or if the Purchaser is in default of acceptance, the Supplier shall be entitled to store the goods at the Purchaser's expense. The Supplier's right to assert further claims in the event of the Purchaser's default in acceptance shall remain unaffected.

6.5 Partial deliveries shall be permitted to the extent that they are reasonable for the Purchaser.

6.6 The Supplier shall determine the shipping method and transport route, unless an agreement has been made in this respect.

## **7. Place of Performance / Passing of Risk / Receipt**

7.1 Unless expressly agreed otherwise between the parties, delivery shall be made in accordance with INCOTERMS 2010 EXW "Supplier's Works". The place of performance shall therefore be the Supplier's works in Joachimsthal, Germany. The risk of accidental loss, destruction or deterioration of the goods shall pass to the Purchaser in accordance with INCOTERMS 2010 EXW "Supplier's Works" as soon as the goods leave the Supplier's works. If the shipment is delayed due to circumstances for which the Purchaser is responsible, the risk shall pass to the Purchaser on the day of notification that the goods are ready for dispatch.

7.2 Upon the Purchaser's request and at its expense, the goods will be shipped to a place other than the place of performance (so-called "place of destination") ("Sales Shipment"). The goods will be shipped for the account and at the risk of the Purchaser. The risk of accidental loss, destruction or deterioration of the goods, and the risk of delay shall pass to the Purchaser upon delivery to the goods to the forwarding agent, the carrier, or any other person or organization entrusted with the shipment. If the Purchaser so requests, the delivery shall be covered by transport insurance; the costs incurred shall also be borne by the Purchaser. The acceptance of returned packaging shall be governed by separate agreements.

7.3 Delivered items, even if they have minor defects, shall be accepted by the Purchaser without prejudice to the rights under Clause 9, unless acceptance is unconscionable for the Purchaser.

## **8. Retention of Title**

8.1 The goods delivered by the Supplier shall remain the property of the Supplier until all existing claims of the Supplier arising from the business relationship with the Purchaser have been satisfied.

8.2 Processing or transformation of the goods delivered by the Supplier shall always be carried out on behalf of the Supplier as manufacturer, but without obligation for the Supplier. If the Supplier's co-ownership expires due to combination or other statutory provisions, it shall be agreed as of the conclusion of the contract of which these T&C are an integral part, without the necessity of a separate additional statement, that the Purchaser's joint ownership of the combined new item shall pass to the Supplier on a pro rata basis corresponding to the invoice value. The Purchaser shall keep the item co-owned by the Supplier in safe custody at no charge to the Supplier.

8.3 The Purchaser shall be permitted to sell the goods subject to this retention of title in the ordinary course of business. The Purchaser's resulting claims against third parties shall be fully assigned to the Supplier as of the conclusion of the contract of which these T&C form an integral part. The Purchaser shall remain entitled to collect these claims even after such assignment. The authority of the Supplier to collect the claims itself shall remain unaffected. The above assignment does not imply any deferment of the Supplier's claims against the Purchaser.

8.4 The Supplier undertakes to release the collateral to which the Supplier is entitled, at the Purchaser's request to such extent as the realizable value of the Supplier's collateral exceeds the claims to be secured by more than 10% or the nominal amount by more than 50%; the selection of the items of collateral to be released shall be incumbent on the Supplier.

## **9. Defects**

9.1 The Purchaser shall give the Supplier the opportunity to provide a cure within a reasonable period of time, at the Supplier's option by remedying the defect, delivering an item free from defects, or producing a new work.

9.2 If the cure ultimately fails, or if it cannot be reasonably expected of the Supplier or the Purchaser, or if it would involve disproportionate cost, the Purchaser concerned may – without prejudice to any claims for damages – rescind the contract or reduce the agreed price.

9.3 Claims of the Purchaser against the Supplier for reimbursement of expenses incurred for the purpose of the cure, in particular transport, travel, labor, and material costs, shall be excluded to the extent that such expenses are increased because the object of the delivery/service was subsequently brought to a location other than that of the Purchaser's place of business, unless such transport is linked to the intended use of the object of the delivery/service.

9.4 The Purchaser's statutory rights of recourse against the Supplier shall only apply to the extent that the Purchaser has not entered into any agreements with its customers exceeding the scope of the statutory claims and rights in respect of defects. Furthermore, the scope of the right of recourse of the Purchaser against the Supplier shall be governed accordingly by the above Clause 9.3.

9.5 In the event of notice of defects, the Purchaser may withhold payments only to an extent which is in reasonable proportion to the notified defects.

9.6 The limitation period for defects of quality and in title shall be one (1) year and shall commence upon the passing of risk. This shall not apply if and to the extent that longer periods apply pursuant to Sections 438(1) No. 2, 479(1), 634a(1) No. 2, 651 BGB, or the defect was fraudulently concealed, or any of the cases of liability specified in Clause 10.1 below applies.

9.7 Used items shall be delivered by the Supplier, subject to the following Clause 10.1, to the exclusion of any liability for defects in quality and in title.

9.8 The Supplier's obligation to pay damages shall be governed by Clause 10 below.

9.9. The above provisions do not imply a reversal of the burden of proof to the detriment of the Purchaser.

## **10. Claims for Damages**

10.1 Claims for damages and the reimbursement of expenses (hereinafter "Claims for Damages") by the Purchaser against the Supplier based on any cause in law whatsoever shall be excluded, unless they are based on the provisions of the Product Liability Act, on a violation of contractual or legal obligations by the Supplier due to willful misconduct or gross negligence, damage to health or bodily injury of the Purchaser due to a breach of duty for which the Supplier is responsible, the non-compliance with a warranty for the presence of a characteristic, or the violation of essential contractual obligations by the Supplier. Essential contractual obligations are those obligations, which are imperative to proper performance of the principal contractual obligation incumbent upon the Supplier and in the observance of which the Purchaser trusts and may trust as a matter of course. In the event of the violation of essential contractual obligations by the Supplier, the Claim for Damages of the Purchaser against the Supplier shall be limited to the foreseeable damage typical of this type of contract, unless the Supplier is liable based on the provisions of the Product Liability Act, or for a breach of duty due to willful misconduct or gross negligence, for damage to health or bodily injury of the Purchaser, or for the non-compliance with a warranty for the presence of a characteristic. A loss or damage that must be typically expected when the essential contractual obligation has been violated is deemed typical of this type of contract/foreseeable.

A breach of duty by any of the Supplier's legal representatives or vicarious agents [*Erfüllungsgehilfen*] shall be deemed equivalent to a breach of duty by the Supplier itself.

10.2 The above provisions do not imply a reversal of the burden of proof to the detriment of the Purchaser.

## **11. Return of Goods**

In exceptional cases, the Supplier is prepared to buy back the goods delivered by it. However, this requires an express written agreement for each individual case. When determining the repurchase price, the Supplier will make a deduction from the original invoice value, taking into account the processing and inspection costs incurred by it as well as the condition of the repurchased goods, with the amount of the deduction to be determined by the Supplier separately for each individual case.

## **12. Confidentiality Agreement**

The Purchaser undertakes to maintain secrecy regarding all business information and/or know-how made known to it or become known to it, also beyond the duration of the business relationship. This agreement shall exclude information that is or has become publicly known or which was received from third parties.

## **13. Data Protection**

The Supplier shall be entitled within the scope of the business relationship with the Purchaser, to electronically store, process and use required data of the Purchaser and the individual contracts with the Purchaser in accordance with the provisions of the law.

## **14. Place of Jurisdiction and Applicable Law**

The location of the Supplier's registered office shall be the place of jurisdiction for all contract disputes. The laws of the Federal Republic of Germany shall apply exclusively without regard to all international and supranational (contractual) legal systems, in particular the United Nations Convention on Contracts for the International Sale of Goods (CISG).

## **15. Severability**

If any of the provisions of a contract with the Purchaser on deliveries and services, of which these Standard Terms and Conditions of Sale and Delivery are an integral part, are or become invalid, this shall not affect the validity of the remaining terms and conditions of that contract. In order to replace the invalid provision, the Supplier and the Purchaser shall agree on a provision which shall fully, or, to the extent that this is not possible in a legally effective manner, to the greatest possible legally effective extent provide for that which the parties intended to achieve economically under the invalid provision.