

GENERAL TERMS AND CONDITIONS OF DELIVERS AND PAYMENT

Winkler AG ▪ Englerstrasse 24 ▪ D-69126 Heidelberg

1. SCOPE

1.1 Our Shipping and Payment Terms shall apply as set forth herein for any present and future supplies of goods and services to entrepreneurs as defined in Section 14 BGB (German Civil Code), legal entities under public law and special funds under public law (hereinafter: Buyer). Entrepreneur within the meaning of Section 14 BGB shall designate any natural or legal person or incorporated partnership acting in a commercial or self-employed capacity when entering into a legal transaction.

1.2 Unless expressly provided otherwise in addition to our Shipping and Payment Terms, our current Terms of Service (see www.winkler.org/downloads) shall apply to all services (e.g. re-pairs and inspections) provided by us.

1.3 Any terms of Buyer contrary to or deviating from our Shipping and Payment Terms shall not be binding, regardless of whether or not we have expressly objected to Buyer's terms. Our Shipping and Payment Terms shall remain in effect, even if we continue to provide full service to Buyer despite having knowledge of deviating terms of Buyer. Said Shipping and Payment Terms shall remain in effect for ongoing business relations, even if no reference is made to such terms.

2. QUOTATION, DOCUMENTS, CONTRACT, CONFIDENTIALITY, TERMS AND CONDITIONS

2.1 Our offers are not binding and without obligation. A contract shall not come into effect, unless we have confirmed the order in writing. Only our written order confirmation shall determine content and scope of the contract. This shall not affect the priority of any separate individual written or oral agreement. To comply with the written form requirement, it shall be sufficient to use telecommunication, more especially fax or email, provided a copy of the signed declaration is transmitted.

2.2 Our deliveries and services are subject to the reservation that no obstacles due to national or international regulations, in particular export control regulations as well as embargos or other restrictions occur after the conclusion of the contract. If the required approvals are not granted and if this was not foreseeable for us despite previous detailed examination, the aforementioned reservation shall apply. The contract regarding the non-approved delivery and service shall then be deemed not to have been concluded retroactively.

2.3 We reserve ownership of and copyright in cost estimates, illustrations, drawings, and any other documents; Buyer shall treat said documents confidentially and may not disclose them to third parties.

2.4 We may change the design of the ordered goods, unless such changes modify the critical functions of such goods, or unless Buyer furnishes evidence that such changes are unacceptable for Buyer. Likewise, we shall be allowed to make variations that represent technical improvements or to substitute components with equivalent parts, unless they

adversely affect the suitability of the product for the contractually intended purpose.

3. PRICES

3.1 Our prices shall apply Free Carrier (FCA) with a named place of delivery. Packaging, freight and insurance shall be invoiced separately. The risk of loss or damage to the goods shall pass to Buyer as soon as the goods are handed over to the carrier.

3.2 Value added tax shall be charged separately at the statutory rate.

3.3 Should we incur taxes, customs duties or similar expenses caused by exports or should any fees or charges, in particular customs duties or taxes, be introduced or increased after entering into the contract, Buyer shall assume said additional expenses.

4. DELIVERY TIME

4.1 Meeting the agreed delivery date shall be contingent on having resolved all commercial and technical issues and Buyer having fulfilled its duties in a timely and orderly fashion. This also includes that the customer is obliged to provide in due time and completely all information and documents which are required by us for the export/transfer/import.

4.2 Should Buyer default in accepting the delivery of goods or should it violate any other obligation to cooperate, we may seek compensation for any loss and additional expenditure incurred. Any other claims on our part shall remain unaffected.

4.3 Should we fail to make delivery in good time due to force majeure, industrial conflict or any other incidents beyond our control or not attributable to us, the delivery time shall be reasonably extended. This also applies in the event of unforeseeable delays due to export inspections or approval procedures. We shall not be liable for any delays caused thereby. In such case we shall inform Buyer of the onset and the end of such circumstances at the earliest time possible.

4.4 If we are responsible for a delay in delivery, Buyer may grant in writing an appropriate grace period stating that Buyer may refuse to take delivery of the goods; Buyer may cancel the order related to the delivery in default after said grace period has expired.

5. PAYMENT TERMS

5.1 Unless agreed otherwise with Buyer, our invoices shall be due and payable net within 30 days from the date of invoice. A 2% discount on the invoiced value of goods shall be granted for payments made within 10 days from the date of invoice.

5.2 Payment shall be made to us per bank transfer ex paying agent of Buyer. Payment shall be deemed received when the payment amount has been credited to our account.

5.3 Should Buyer default in payment we shall be entitled to immediately declare due and payable all outstanding accounts arising from the entire business relationship. In such case discount agreements, quantity discounts, rebates etc. shall be deemed forfeited. While defaulting in payment Buyer

shall pay on the money owed a rate of interest at 9 percent above the base interest rate. Our right to furnish evidence for any additional loss suffered and to seek compensation shall remain unaffected.

5.4 If partial shipments are possible because the parties agreed on such process or because Buyer can be expected to accept them, we shall be entitled to make out a separate invoice for every partial shipment which shall be paid as set out in the foregoing provisions.

5.5 Should Buyer fail to meet the payment terms or if circumstances give reason to doubt Buyer's creditworthiness and pose a risk to payment of our outstanding accounts by Buyer under the respective contractual relationship, we may suspend any outstanding deliveries under all current contracts made with Buyer or make said deliveries only with payment in advance or provision of security. Furthermore, we shall be entitled to prohibit any resale of goods delivered under retention of title and to repossess the goods at Buyer's expense after we have canceled the contract.

5.6 Buyer may exercise rights of setoff or retention only to the extent its claim is legally valid or undisputed. With respect to defects, Buyer's opposing rights pursuant to item 7.3 and 7.4 of these Shipping and Payment Terms shall remain unaffected.

6. RETENTION OF TITLE

6.1 We shall at all times retain title to goods delivered. We shall retain title to the goods until Buyer makes full payment of all claims arising from the business relation with Buyer. In the case of an open account, retained title to the goods shall serve as security for the net receivables.

6.2 Buyer may resell the delivered goods in its ordinary course of business. However, it may not pledge the retained goods or charge the same by way of security.

6.3 Buyer hereby assigns to us all claims and all ancillary rights arising from the resale of goods. This provision shall apply irrespective of whether Buyer sells the retained goods without processing them, after processing them, or in combination with other goods. Should Buyer sell the retained goods in combination with goods that are not our property, the assignment shall correspond solely to the amount resulting from the sale of the retained goods. This amount shall be calculated by using our sales prices.

6.4 Processing of the retained goods shall be carried out at all times for us as manufacturers within the meaning of § 950 BGB (German Civil Code), however, without any obligations arising for us. Such processed goods shall be regarded as retained goods within the meaning of the above cited provisions. Should the retained goods be processed or inseparably mixed with other items not owned by us, we shall acquire a co-owner's interest in the new item based on the ratio of the in-voice value of the retained goods to that of the other goods used at the time when the goods were processed or mixed. Within the meaning of these provisions, the resulting co-owner's interests in the processed goods shall be regarded as retained goods. Upon our request, Buyer shall be obliged to inform any purchasers of the retained goods about our title to said goods.

6.5 Buyer shall be authorized to collect any receivables arising from the resale of goods without prejudice to our authority to collect. We shall not assert any claims as long as Buyer meets its payment obligations. At our request, Buyer shall disclose to us the debtors of the assigned claims and notify said debtors of the assignment. Our right to independently inform garnishees about said assignment shall remain unaffected. Buyer may neither assign to third parties the claim against the garnishees nor agree on a non-assignment clause with the garnishees.

6.6 Buyer undertakes to advise us without undue delay and as quickly as possible of any attachment or any other impairment of our security interests through third parties. Buyer undertakes to furnish all records that we require to protect our rights and to reimburse to us any expenses incurred due to necessary interventions.

6.7 At Buyer's request we shall select and release securities at our discretion, as soon as the realizable value of the securities exceeds our claims by more than 10%.

6.8 Should Buyer be in breach of the contract, more particularly by defaulting in payment, we may cancel the contract and repossess the items delivered under retention of title, and Buyer shall be obliged to return said items.

7. WARRANTY, NOTICE OF DEFECTS, PERIOD OF LIMITATION

7.1 Pursuant to § 377 HGB (German Commercial Code) Buyer shall inspect goods immediately upon receipt for defects. Buyer shall give notice of defect in writing either immediately on receipt of goods or, at the latest, within five calendar days after receipt of goods. The same period shall apply for hidden defects following discovery of any such defect. Failure to notify us in due time about any defects may result in the forfeiture of Buyer's right to warranty claims.

7.2 We warrant that the goods supplied comply with the condition agreed upon, if any, at the point in time when such goods were handed over, i.e. at the passage of risk. If no special condition was agreed upon in the contract, a material defect is present only if the goods, at the transfer of risk, are not fit for the purpose stated in the contract, or not fit for the purpose for which goods of that kind are commonly bought and in a condition that is unusual for goods of that kind and which the Buyer would not have expected for goods of that kind.

7.3 For each defect that occurs, Buyer shall demonstrate that the good was already defective at the transfer of risk. In the case of justified complaints we will, at our discretion, provide subsequent performance either by remedying the defect or by supplying a replacement. We may subcontract our obligation to rectify defects to third parties. Our right to refuse subsequent performance under the statutory preconditions shall remain unaffected.

7.4 Buyer shall give us the time and opportunity necessary for the requisite subsequent performance, in particular to hand over to us the goods forming the subject of complaint for inspection purposes. In the event of replacement, Buyer shall return the defective item to us in accordance with the statutory regulations. Subsequent performance consists

neither of re-moving the defective item nor renewed installation if we were originally not obligated to install it. Should we fail to rectify the defect within a reasonable period of time, or fail to supply a replacement, Buyer shall have the right to withdraw from the contract, or to demand a reduction in the purchase price. Buyer may not rescind the contract if our breach of obligations was negligible.

7.5 The period of limitation for claims arising from defects shall be:

- a, For new goods supplied: 1 year
- b, For work whose result is in the manufacture, maintenance or change of an item or the provision of planning and supervision services therefor: 1 year;
- c, No warranty is given on used goods supplied to entrepreneurs.
- D, The above periods of limitation for the sale of goods apply as well to Buyer's contractual and extra-contractual claims for damages that are based on a defect in the goods, unless application of the regular statutory period of limitation (Sections 195, 199 BGB) would in individual cases lead to a shorter period of limitation. Buyer's claims for damages pursuant to item 8.2 sentence 1 and sentence 2(a) as well as under the Product Liability Act shall expire, however, exclusively pursuant to the statutory periods of limitation.

7.6 For new goods supplied the notice period shall begin upon the delivery of the goods, and for work within the meaning of Section 7.5 b upon acceptance of the work performed.

7.7 Even in the event of defects, Buyer may demand compensation for damages or compensation for wasted expenditures only pursuant to subsequent item 8. In other respects, they are excluded.

7.8 Claims for defects shall not be honored in the case of defects that occurred after transfer of risk due to unsuitable or improper use, wrong assembly or start-up by Buyer or third parties, invalid mode of operation, normal wear and tear, im-proper maintenance, and unsuitable equipment. If Buyer or third parties rectify defects with improper remedies, we shall not be liable for the resulting consequences. The same shall apply if the goods supplied are changed without our prior consent.

7.9 When manufacturing products according to drawings furnished by Buyer we shall be liable only for products designed according to the drawings. When carrying out engineering work assigned by Buyer we shall be liable for ensuring that the goods are manufactured in compliance with the generally recognized rules of sound engineering practice. We shall not be liable for defects caused by errors in the design, drawings etc. furnished by Buyer.

8. OTHER LIABILITY

8.1 If no other arrangement is reached in these Shipping and Payment Teams, including the following provisions, we are liable for a violation of pre-contractual, contractual and extra-contractual obligations pursuant to the statutory provisions.

8.2 For compensation for damages we are liable - for any legal reason whatsoever - within the scope of tortious liability in the event of willful intent and gross negligence.

For slight negligence we are liable subject to statutory limits of liability (e.g. duty of care in one's own affairs; negligible breach of duty), only

- a, For damage caused by injury to life, limb or health and
- b, For damage caused by a breach of a material contractual obligation (obligation of the performance of which makes proper performance of the contract even possible in the first place and compliance with which the other party to the contract may normally place its trust); in this case our liability is however limited to compensation for foreseeable, typically occurring damage.
- C, We shall not be liable for any claims or damages arising from the breach of collateral duties or non-contractually material duties caused by slight negligence.

8.3 The limits of liability under item 8.2 also apply to breaches of duty by or to the benefit of persons whose culpability we are responsible for under statutory provisions. They do not apply if we have maliciously concealed a defect or have taken on a guarantee for the composition of the goods and for Buyer's claims under the Product Liability Act.

8.4 Buyer may only withdraw from the contract or terminate it based on a breach of duty that does not consist of a defect if we are responsible for the breach of duty. An optional termination right on the part of Buyer (in particular pursuant to Sections 650, 648 BGB) is excluded. In other respects, the statutory preconditions and legal consequences shall apply.

8.5 Our products are used for a broad range of applications. If Buyer intends to use our products in a way or for a purpose that is not expressly specified in our product documentation or for which we have not given a separate, written release, Buyer shall verify the product's fitness for the intended purpose with its own tests. We shall accept no liability in this respect.

9. TOOLS AND SPECIAL ATTACHMENTS

9.1 Special-purpose tools and special attachments manufactured by us shall remain our property, even if Buyer agreed to assume the development and manufacturing costs.

9.2 If Buyer fails to purchase parts manufactured with said special-purpose tools within a minimum period of 5 years and does not object to us destroying said parts within a given period after we notified Buyer of such destruction, we may destroy said special-purpose tools at Buyer's cost.

10. NON-ASSIGNMENT

Buyer may not assign to third parties any rights arising from the contracts entered into with us without our consent.

11. APPLICABLE LAW, PLACE OF PERFORMANCE, PLACE OF JURISDICTION

11.1 The present Agreement shall be governed exclusively by German law, to the exception of the United Nations Convention on International Sale of Goods (CISG).

11.2 Heidelberg shall, unless otherwise specified, be the place of performance for any liabilities arising from the contracts we enter into with Buyer.

11.3 The following provisions shall apply to our contracts closed with Buyers with registered office in the EU-States, Switzerland, Norway, or Iceland: The District Court of Heidelberg shall be the exclusive place of jurisdiction. We may also bring charges against Buyer at its registered office.

11.4 The following provisions shall apply to our contracts closed with Buyers with registered office in countries other than the EU-States, Switzerland, Norway, and Iceland: Any disputes arising out of or in connection with the present Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce (ICC) by one or more arbitrators appointed in accordance with said Rules. The legal place of arbitration shall be Heidelberg. Said arbitration proceedings shall be performed in German.

Heidelberg, March 31, 2020