

General Terms and Conditions of Sale and Delivery of BG Drives GmbH, D-79650 Schopfheim

1. Scope

Sales, deliveries and other services of BG Drives GmbH (hereinafter: "BG Drives") are carried out exclusively in accordance with the following general terms and conditions of sale and delivery (hereinafter: "terms and conditions of delivery"), which the buyer acknowledges by placing the order or accepting the delivery. They also apply to all future transactions with the buyer. The validity of deviating or supplementary terms and conditions of the buyer is excluded, even if BG Drives does not expressly object to them.

2. Conclusion of contract

2.1 BG Drives' offers are non-binding. A contract is only concluded upon written order confirmation from BG Drives and is governed exclusively by the content of the order confirmation and these delivery conditions. Verbal agreements or promises require written confirmation by the company to be effective.

2.2 BG Drives reserves all rights to the sales documents (in particular illustrations, drawings, weight and dimensions) and the samples.

They may not be made accessible to third parties and must be returned to BG Drives immediately upon request. Such documents may only be passed on to third parties with the prior written consent of BG Drives.

2.3 BG Drives reserves the right to make technical or production-related changes and deviations from the agreed quality (see section 7.1) within reasonable limits for the purchaser and within reasonable commercial tolerances.

2.4 Agreements and orders concluded with our representatives require our written confirmation to be valid. Our representatives are not authorized to act for or against us. We are not liable for simple negligence on the part of our representatives.

2.5 Unless specifically authorized, BG Drives' field service cannot conclude contracts or make any binding commitments regarding the delivery item or other conditions.

3. Delivery dates and delivery periods

3.1 Delivery dates and delivery periods are only binding if they are confirmed by BG Drives have been confirmed in writing and the buyer has provided BG Drives with all information and documents required to carry out the delivery in a timely manner and has paid any agreed down payments as agreed. Agreed deadlines begin on the date of the order confirmation. In the case of additional or extended orders placed later, the deadlines are extended accordingly.

3.2 Unforeseeable, unavoidable events that are outside the control of BG Drives and for which BG Drives is not responsible, such as force majeure, war, natural disasters, official orders or industrial disputes, release BG Drives from the obligation to deliver on time or

Performance. Agreed deadlines are extended by the duration of the disruption; from the occurrence The buyer will be informed of the disruption in an appropriate manner. If the end of the disruption is not foreseeable or if it lasts longer than two months, either party is entitled to withdraw from the contract.

3.3 If deliveries by BG Drives are delayed, the Buyer shall only be entitled to withdraw if BG Drives is responsible for the delay and a reasonable deadline set by the Buyer for delivery has expired without success.

3.4 If the buyer defaults on acceptance or violates other obligations to cooperate, BG Drives is entitled to store the goods at the buyer's risk and expense. Without prejudice to its other rights, BG Drives is entitled to withdraw from the contract if a reasonable grace period set for the buyer to accept delivery expires without success.

3.5 BG Drives may make partial deliveries for justified reasons.

4. Shipping, transfer of risk, insurance

4.1 Unless otherwise specified by the seller, shipping will be carried out via an appropriate shipping method in the usual packaging.

4.2 The risk passes to the customer upon delivery of the goods to the transport company or the buyer himself. If the handover or shipment is delayed for reasons for which the buyer is responsible, the risk passes to the buyer on the day on which the delivery item is notified that it is ready for shipment.

4.3 Insurance is only provided at the request and expense of the buyer.

5. Prices, payment terms

5.1 If the contracting parties have not agreed on a specific price, the price shall be determined according to the BG Drives price list valid at the time the contract is concluded.

5.2 Unless otherwise agreed in writing, the terms of payment for export orders shall be either delivery against irrevocable letter of credit or cash against documents or cash on delivery or advance payment.

If the parties have not agreed on any of these options in an individual case, BG Drives will make the decision.

5.3 All BG Drives prices are ex works and exclude the applicable statutory sales tax, any customs duties and packaging and shipping costs, which are charged separately. Surcharges for small quantities are calculated according to the price list.

5.4 Each invoice is due for payment within 30 days of the invoice date without deduction. Payments by the buyer are only deemed to have been made when BG Drives can dispose of the amount.

5.5 In the event of late payment (see section 5.4), BG Drives is entitled to charge the applicable statutory default interest. The assertion of further damages due to default remains unaffected.

5.6 Bills of exchange and cheques will only be accepted for performance following a special agreement and free of charge and expenses for BG Drives.

5.7 The buyer is only entitled to offset if his counterclaim is undisputed or has been legally established. The buyer is only entitled to assert a right of retention if his counterclaim is based on the same contract, is undisputed or has been legally established.

5.8 If BG Drives becomes aware of the risk of the buyer's inability to pay after the conclusion of the contract, BG Drives is entitled to carry out outstanding deliveries only against advance payment or security. If the advance payments or security are not made even after a reasonable grace period has expired, BG Drives may withdraw from individual or all of the contracts concerned in whole or in part. BG Drives remains free to assert further rights.

6. Acceptance

6.1 The Buyer is obliged to accept the delivery item manufactured in accordance with the contract.

6.2 If the buyer does not accept the delivery item immediately after it has become apparent that it is ready for use or after it has been requested to accept it, BG Drives can set the buyer a reasonable deadline for acceptance. If the buyer does not accept the delivery item within this deadline, acceptance is deemed to have taken place.

7. Quality agreement without guarantee

7.1 BG Drives guarantees that the delivery item has the agreed quality at the time of transfer of risk; this is determined exclusively by the specific agreements made in writing between the parties regarding the properties, characteristics and performance characteristics of the delivery item.

7.2 It is not the intention of BG Drives and the contract between the parties is not designed to impose on the Buyer a liability (guarantee) for the quality of the delivery item that goes beyond the quality agreement according to Section 7.1.

7.3 In accordance with clause 7.2, information in catalogues, price lists and other information material provided to the buyer by BG Drives shall under no circumstances be understood as guarantees of a particular quality of the delivery item.

8. Warranty, obligation to inspect

8.1 The buyer's warranty rights require that he inspects the delivery item after delivery and notifies BG Drives of any defects in writing immediately, but no later than two weeks after delivery; hidden defects must be notified to BG Drives in writing immediately after they are discovered.

8.2 In the event of any complaint of defects, BG Drives shall have the right to remove and inspect the delivery item in question. The buyer shall reimburse BG Drives necessary time and opportunity. BG Drives can also demand that the seller return the defective delivery item to BG Drives at BG Drives' expense. If a complaint by the buyer proves to be unjustified, the buyer is obliged to reimburse BG Drives for all expenses incurred in this connection - e.g. travel and installation costs or shipping costs.

8.3 BG Drives will remedy defects subject to warranty at its own discretion by remedying the defect free of charge for the Buyer or by supplying a replacement item free of defects (collectively "subsequent performance").

8.4 The Buyer shall grant BG Drives reasonable time and opportunity to remedy the defect or provide a replacement.

8.5 Parts replaced by BG Drives must be returned.

8.6 BG Drives assumes no liability for damage caused by unsuitable or improper use, incorrect assembly, incorrect commissioning, incorrect handling or incorrect installation by the buyer or by natural wear and tear, unless the damage

are the responsibility of BG Drives.

8.7 The material, shipping, labor costs and other expenses incurred for the purpose of subsequent performance shall be borne by BG Drives, provided that the

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Buyer does not have to bear these costs as an exception according to the last sentence of paragraph 8.2.

8.8 If BG Drives seriously and definitively refuses to fulfil the contract, if there are special circumstances which, after careful consideration of the interests of both parties, justify the immediate assertion of rights other than those mentioned in section 8.3, or if the remedy of the defect or replacement delivery fails, is unreasonable for the buyer or BG Drives has refused it in accordance with Section 439 Paragraph 3 of the German Civil Code (BGB) due to disproportionate costs, the buyer can, at his discretion and in accordance with the statutory provisions, withdraw from the contract, reduce the purchase price and/or demand compensation (or, if applicable, reimbursement of his expenses). **8.9** The limitation period for warranty claims for subsequent performance, withdrawal or reduction is 24 months from the time of delivery to the buyer. With regard to the claim for damages, the statutory limitation period remains.

9. Damages and Limitation of Liability

9.1 BG Drives is liable for damages in accordance with the statutory provisions, unless clause 9.2 provides otherwise.

9.2 BG Drives shall be liable in exceptional cases

(i) limited in amount to the foreseeable damage typical for the contract for the slightly negligent breach of essential obligations arising from the contractual relationship, otherwise

(ii) not at all for the slightly negligent breach of immaterial obligations arising from the contractual relationship. These limitations of liability do not apply in cases of mandatory statutory liability, in particular under the Product Liability Act.

9.3 BG Drives shall be liable for damages caused by the Buyer through slight negligence, limited to the amount of the foreseeable damage typical for the contract (i) for the breach of essential obligations arising from the contractual relationship (ii) insofar as the Buyer demands compensation instead of performance

- in the event of a significant or insignificant breach of duty;

- if in the event of a breach of a duty of protection and care or any other

non-performance-related ancillary obligation, the performance can no longer be expected of the buyer;

- if the performance is impossible.

9.4 Excluded are claims by the buyer for damages caused by BG Drives through slight negligence - for compensation instead of

the full performance (large compensation) in the case of

insignificant breaches of duty by BG Drives

- furthermore, to compensation for damages in the event of a breach of non-essential obligations arising from the contractual relationship

9.5 Clauses 9.1 – 9.4 apply to all claims for damages, regardless of the legal basis, in particular liability for tort. **9.6** The buyer is obliged to take appropriate measures to prevent and reduce damage.

10. Retention of title

10.1 The delivered products remain the property of BG Drives until all claims of BG Drives arising from the business relationship with the buyer have been paid in full.

10.2 In the case of a current invoice, the reserved title applies to secure the balance claim owed to BG Drives.

10.3 The buyer is only permitted to sell the reserved products in the ordinary course of business.

The buyer is not entitled to pledge the reserved products, to transfer them as security or to make other dispositions that endanger the ownership of BG Drives. The buyer hereby assigns the claim from the resale to BG Drives; BG Drives hereby accepts this assignment. If the buyer sells the reserved products after processing or transformation or after combining them with other goods or together with other goods, the assignment of the claim only applies to the amount that corresponds to the price agreed between BG Drives and the buyer plus a security margin of 10% of this price. The buyer is revocably authorized to collect the claims assigned to BG Drives in trust for BG Drives in its own name. BG Drives can revoke this authorization and the right to resell if the buyer is in default with essential obligations such as payment to BG Drives.

10.4 Any processing or transformation of the reserved products by the buyer is always carried out for BG Drives. If the reserved products are processed with other items, BG Drives acquires co-ownership of the new item in proportion to the value of the reserved products to the other processed items at the time of processing. The same applies to the new item created through processing as to the products delivered subject to reservation.

10.5 If the reserved products are combined with other items, BG Drives acquires co-ownership of the new item in proportion to the value of the reserved products to the other items at the time of combination. If the combination is made in such a way that the buyer's item is to be regarded as the main item, it is agreed that the buyer will pay BG Drives

transfers proportionate co-ownership. The resulting co-ownership is transferred to

Buyer for BG Drives.

10.6 The buyer will provide BG Drives with all requested information about the reserved products or about claims that have been assigned to BG Drives hereunder at any time. The buyer must immediately report any access or claims by third parties to reserved products to BG Drives, handing over the necessary documents.

The buyer will also inform the third party of BG Drives' retention of title. The buyer will bear the costs of defending against such access and claims.

10.7 If the buyer defaults on essential obligations such as payment to BG Drives, BG Drives may, without prejudice to other rights, take back the reserved products and use them in another way to satisfy outstanding claims against the buyer. In this case, the buyer will immediately grant BG Drives or BG Drives' representatives access to the reserved products and hand them over.

10.8 For deliveries to other legal systems in which the above retention of title regulation does not have the same security effect as in Germany, the buyer will do everything possible to immediately grant BG Drives appropriate security rights. The buyer will participate in all measures such as, for example,

registration, publication, etc., which are necessary and conducive to the effectiveness and enforceability of such security rights.

10.9 At BG Drives' request, the Buyer is obliged to adequately insure the reserved products, to provide BG Drives with the appropriate proof of insurance and to assign the claims arising from the insurance contract to BG Drives.

11. Product Liability

If the buyer sells the delivery items unchanged or after processing, transformation or combination with other goods, he shall indemnify BG Drives internally against product liability claims from third parties, insofar as he is responsible for the defect giving rise to the liability.

12. Industrial property rights

If the buyer specifies how BG Drives should manufacture the products to be delivered by means of specific instructions, information, documents, drafts or drawings, the buyer guarantees that BG Drives will not infringe the rights of third parties such as patents, utility models and other protective rights and copyrights. The buyer indemnifies BG Drives against all claims made by third parties against BG Drives due to such an infringement.

13. General Provisions

13.1 Changes and additions to the contract and/or these delivery conditions as well as ancillary agreements must be made in writing. This also applies to any amendment to this written form requirement.

13.2 If a provision of the contract and/or these terms and conditions of sale is invalid in whole or in part, the validity of the remaining provisions shall remain unaffected. In this case, the parties undertake to replace the invalid provision with the valid provision that comes closest to the economic purpose of the invalid provision.

13.3 If the buyer is a merchant, a legal entity under public law or a special fund under public law, the exclusive place of jurisdiction for all disputes arising from the contractual relationship is the Ulm District Court. This also applies if the buyer does not have a general place of jurisdiction in the Federal Republic of Germany or has moved his usual place of residence abroad after the conclusion of the contract. BG Drives is, however, entitled to sue the buyer at any other legal place of jurisdiction.

13.4 The law of the Federal Republic of Germany applies, excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG).