

The translation of these General Terms & Conditions is intended purely as a courtesy. Only the German version is legally binding. In addition, only the German version forms part of the contract.

## General Terms & Conditions for RUNAWERK

### § 1 Application note

These General Terms & Conditions are applicable for contractors during the course of business.

### § 2 Performance description for goods and services provided by Runawerk

- (1) The qualities specified in the corresponding performance description and acknowledged by the order confirmation define the characteristics of the delivery item comprehensively and conclusively. Subject to the correct and punctual delivery of the required materials. Runawerk will notify the customer immediately if the delivery item becomes unavailable and, in case of a withdrawal, will refund the customer accordingly without delay.
- (2) Partial deliveries are permitted if viable for the customer.

### § 3 Prices, price adjustments

- (1) The prices quoted by Runawerk exclude packing and freight costs.
- (2) If more than six months pass between contractual conclusion and the agreed and/or actual delivery date, Runawerk shall be entitled to demand negotiations for a price review as a result of prices being increased by its suppliers, wage and transport cost increases or other unexpected cost increases.

### § 4 Shipping and transfer of risk

- (1) The risk passes to Runawerk's customer as soon as the consignment has been handed over to the individual handling the transport or has left Runawerk's plant for the purposes of shipping. If shipping is delayed or not executed at the customer's request, the risk shall pass to said customer when readiness for despatch has been notified.
- (2) At the customer's request, consignments will be insured on its behalf and for its account.

### § 5 Claims for defects for goods provided by Runawerk

- (1) In all cases, Runawerk is at liberty to decide between fault rectification and replacement. The customer must make any requests for supplementary performance in writing. Runawerk must be granted a 6-week period for supplementary performance. Subject to the correct and punctual delivery of the required materials. If the goods are to be repaired, a repair must not be deemed to have failed until the second fruitless attempt. If supplementary performance fails, the customer shall be entitled to a reduction or to withdraw from the contract as it deems fit. The legal cases of deadlines being expendable remain unaffected. The application of §§ 478, 479 (contractor's right to recourse) of the BGB (German Civil Code) remains unaffected.
- (2) The expenditure required for supplementary performance shall be paid by the customer, insofar as such expenditure is increased by the goods or services having to be provisioned at a location other than the customer's premises, unless such provisioning is consistent with the intended use. The application of §§ 478 of the BGB (contractor's right to recourse) remains unaffected. Notwithstanding further claims by Runawerk, the customer must—in the case of unjustified complaints—reimburse Runawerk with the expenditure incurred for inspecting and—if requested—rectifying the defect.
- (3) Minor departures from the agreed quality or slight impairment of usability do not constitute claims for defects.
- (4) In the event of defects identified on property provided by the customer within the period of complaint, Runawerk shall only be liable if the defects were caused in the working process by Runawerk and only if they were identified on more than 10% of the property provided by the customer. In this event, Runawerk will only be liable for the pieces over and above the first 10%.

### § 6 Limitation of liability

- (1) In cases of intent or gross negligence on the part of Runawerk or one of its representatives or vicarious agents, as well as in the case of injury to life, body or health being caused by slight negligence, Runawerk shall be liable under the terms of the law. In cases of gross negligence, Runawerk's liability is limited to the typical contractual, foreseeable loss, unless any exceptions other than those in Clause 1 or Clause 3 of this para. 1 have also occurred. Otherwise, Runawerk is only liable pursuant to the Product Liability Act or for the culpable infringement of significant contractual obligations. Damage claims for the infringement of significant contractual obligations, however, are limited to the typical contractual, foreseeable loss, unless any exceptions other than those in Clause 1 or Clause 3 of this para. 1 have also occurred.
- (2) The provisions of the aforementioned para. 1 apply to all damage claims (in particular for damages in addition to performance and damages in lieu of performance), irrespective of the legal grounds, in particular for defects, for breach of contractual obligations or for inadmissible actions. They also apply to claims for the reimbursement of alleged expenditure. The liability for delay, however, is determined in accordance with § 7 of these Terms & Conditions and the liability for impossibility in accordance with § 8 of these Terms & Conditions.

(3) Any change to the burden of proof to the detriment of the customer is not connected with the aforementioned provisions.

### § 7 Liability for delay

In cases of intent or gross negligence on the part of Runawerk or one of its representatives or vicarious agents, as well as in the case of injury to life, body or health being caused by slight negligence, Runawerk shall be liable for delay in performance under the

terms of the law. In cases of gross negligence, however, Runawerk's liability is limited to the typical contractual, foreseeable loss. Apart from the cases in Clause 1 and Clause 2, Runawerk's liability on account of delay for damages in addition to performance is limited to a total of 10% and for damages in lieu of performance (including the reimbursement of alleged expenditure) to a total of 20% of the consignment value. Any other claims by the customer—including at the end of any performance deadline set for Runawerk—are precluded. This limitation does not apply in the case of culpable breach of significant contractual obligations. Damage claims for culpable breach of significant contractual obligations, however, are limited to the typical contractual, foreseeable loss, unless a further case in accordance with Clause 1 has occurred. The customer's right to withdraw from the contract pursuant to § 9 of these Terms & Conditions remains unaffected. Any change to the burden of proof to the detriment of the customer is not connected with the aforementioned provisions.

#### § 8 Liability for impossibility

In cases of intent or gross negligence on the part of Runawerk or one of its representatives or vicarious agents, as well as in the case of injury to life, body or health being caused by slight negligence, Runawerk shall be liable for impossibility of performance under the terms of the law. In cases of gross negligence, however, Runawerk's liability is limited to the typical contractual, foreseeable loss, unless any exceptions other than those in Clause 1 have occurred. Apart from the cases in Clause 1 and Clause 2, Runawerk's liability on account of impossibility is limited to damages and to the reimbursement of alleged expenditure to a total of 20% of the consignment value. Any other claims by the customer for impossibility—including at the end of any performance deadline set for Runawerk—are precluded. The customer's right to withdraw from the contract pursuant to § 9 of these Terms & Conditions remains unaffected. Any change to the burden of proof to the detriment of the customer is not connected with the aforementioned provisions.

#### § 9 Right of withdrawal of Runawerk's customer

The customer shall be entitled to withdraw from the contract under the terms of the law only if Runawerk has committed a contractual breach. In the case of defects, however, the legal requirements for withdrawal shall apply in place of the clause above. In the case of contractual breaches, the customer shall, after an appropriate period and at Runawerk's request, declare whether it intends to withdraw from the contract on account of the breach or insist on performance.

#### § 10 Remuneration for goods and services provided by Runawerk

- (1) The remuneration for goods and services provided by Runawerk is due for payment in full at the time of delivery and/or acceptance. In the event of non-payment, the customer will be deemed to be in default 20 days after the due date without any additional explanation being required from Runawerk. Where defects are present, the customer has no right of retention unless the goods are clearly defective and/or the customer is clearly entitled to refuse acceptance of the service. In such a case, the customer shall be entitled to a retention right if the retained amount is proportionate to the defects and the anticipated costs of supplementary fulfilment (rectification of defects in particular). The customer shall not be entitled to assert claims and rights for defects if it has failed to make due payments and if the due amount (including any payments made) is proportionate to the value of the—defective—goods and/or services.
- (2) Runawerk's customer can only offset against claims that are indisputable or have been legally established.
- (3) In the case of delayed payment, Runawerk shall be entitled to demand default interest amounting to 10 percentage points above the German base interest rate (§ 247 of the BGB). Runawerk reserves the right to demonstrate that a higher loss has been incurred.

#### § 11 Reservation of title

- (1) The delivery item remains the property of Runawerk until all its claims on the customer ensuing from the business relationship have been satisfied.
- (2) The customer is permitted to process or remodel the delivery item ("Processing"). Processing is carried out on behalf of Runawerk. However, if the value of the delivery item belonging to Runawerk is lower than the value of the goods and/or the result of the processing not belonging to Runawerk, Runawerk shall acquire co-ownership of the new product in line with the value (gross invoice value) of the processed delivery item proportional to the value of the other processed goods and/or the result of the processing at the time of said processing. If, in accordance with the above, Runawerk does not acquire ownership of the new product, Runawerk and the customer agree that the customer shall grant to Runawerk co-ownership of the new product in line with the value (gross invoice value) of the delivery item belonging to Runawerk proportional to that of the other processed goods at the time of processing. The aforementioned Clause shall apply if the delivery item is inextricably combined or connected with goods not belonging to Runawerk. If Runawerk, in accordance with this § 11 (reservation of title) acquires ownership or co-ownership, the customer shall arrange, on behalf of Runawerk, secure storage with due professional care.
- (3) If the delivery item or new product is sold, the customer hereby assigns by way of security its claim ensuing from the resale against its customer, with all ancillary rights to Runawerk, without any separate declaration being required. The assignment includes any balance claims. The assignment, however, applies only in the amount corresponding to the price of the delivery item charged by Runawerk. The claim amount assigned to Runawerk must be satisfied as a priority.
- (4) If the customer combines the delivery item or the new product with land, it shall also assign, without any separate declaration being required, its claim to which it is entitled as remuneration for such combining, in the amount corresponding to the price of the delivery item charged by Runawerk.
- (5) Until the time of withdrawal, the customer shall be entitled to collect the receivables assigned to Runawerk in accordance with § 11 (reservation of title). The customer will pass to Runawerk payments made towards the assigned claims up to the amount of the secured claim without delay. In cases of legitimate interest, specifically payment default, payment stop, opening of insolvency proceedings, bill protest or legitimate indications of overindebtedness or threatened insolvency of the customer, Runawerk shall be entitled to revoke the collection authorisation from the customer. Runawerk may also, after advance

warning and observing an appropriate time limit, disclose the assignment by way of security, realise the assigned claim and demand that the customer discloses the assignment by way of security to its customer.

- (6) If a legitimate interest is substantiated, the customer must issue to Runawerk the information it requires to assert its rights against the customer and to present the necessary records.
- (7) While the reservation of title is in existence, the customer is forbidden to pledge or transfer by way of security. The customer must notify Runawerk immediately of any pledges, seizures or other instructions or interventions by third parties. Resellers are permitted to resell the delivery item or the new product only during the normal course of business and only on the proviso that the customer is paid the consideration for the delivery item. The customer must also agree with its customer that ownership is acquired only at the time of payment by the end customer.
- (8) In the case of contractual breaches on the part of the customer, specifically payment default, Runawerk shall be entitled, even if a deadline is not set, to demand the return of the delivery item and/or the new product and/or—where applicable after a deadline has been set—to withdraw from the contract; the customer is obliged to meet such demands for return. The demand for the return of the delivery item/new product does not constitute a withdrawal declaration on the part of Runawerk, unless this is explicitly declared.

#### § 12 Time bar for claims against Runawerk

- (1) The time bar for claims and rights ensuing from defects in goods and/or services—irrespective of the legal grounds—is one year. However, this does not apply in the cases of § 438, para. 1 No. 1 of the BGB (defects of title in immovable objects), § 438, para. 1 No. 2 of the BGB (buildings, objects used in buildings), § 479 para. 1 of the BGB (contractor's right to recourse) or § 634 a, para. 1 No. 2 of the BGB (building or plant, the success of which lies in the provisioning of planning or supervisory services). The time bar for the exceptional cases in Clause 2 above is three years.
- (2) The time bars in accordance with para. 1 also apply for all damage claims asserted against Runawerk—which are connected with the defect—irrespective of the legal grounds for the claim. Insofar as any kind of damage claims—which are not connected with the defect—are asserted against Runawerk, they shall be governed by the time bar stated in para. 1, Clause 1.
- (3) The time bars in accordance with para. 1 and para. 2, however, apply with the following provisions:
  - a) The time bars do not generally apply in the case of intent or fraudulent concealment of a defect, or if Runawerk has guaranteed the quality of the delivery item.
  - b) Additionally, the time bars for damage claims do not apply for gross negligence, for cases—not relating to the provision of a defective item and/or the provision of a defective service—of culpable breach of significant contractual obligations, for cases of culpable injury to life, body or health or for claims made under the German Product Liability Act. The time bars for damage claims also apply for the reimbursement of alleged expenditure.
- (4) For all claims, the time bar starts on delivery and, in the case of services, on acceptance.
- (5) Unless otherwise expressly stated, the legal provisions regarding the start of the time bar, the suspension of statute of limitations, suspension and the recommencement of the time bars remains unaffected.
- (6) Any change to the burden of proof to the detriment of the customer is not connected with the aforementioned provisions.

#### § 13 Procurement risk

The Runawerk contractor is unconditionally responsible for the procurement of goods and/or services and the associated essential supplies and provisions, irrespective of blame (full assumption of the procurement risk).

#### § 14 Obligation on the part of Runawerk to inspect/report defects

Runawerk will check, immediately on receipt of products, whether they conform to the ordered quantity and the ordered type and whether there is any outwardly apparent transport damage or defects. Runawerk has no further inspection obligations.

#### § 15 Claims for defects in goods and services provided to Runawerk

- (1) Even minor departures from the agreed quality or slight impairment of usability shall entitle Runawerk to withdraw from the contract and to damages in lieu of the (entire) service.
- (2) In all cases, Runawerk is at liberty to decide between fault rectification and replacement. If the goods are to be repaired, a repair will be deemed to have failed after the first fruitless attempt.
- (3) The contractor, which is not only an intermediary, shall be responsible—irrespective of blame—for defects in the goods and/or services it provides.

#### § 16 Lump sum storage fee

If the acceptance delay by the contractor results in a later delivery, Runawerk can charge a lump sum storage fee for each month (or part thereof) amounting to EUR 1,000, the maximum being EUR 10,000. Runawerk reserves the right to demonstrate that a higher loss has been incurred.

#### § 17 Remuneration for goods and services provided to Runawerk

The remuneration for Runawerk's contractor is due 30 days after delivery and/or acceptance of the overall service.

#### § 18 Ancillary agreements

Any verbal ancillary agreements are ineffective.

## § 19 Amendments/additions to the contract

Amendments and additions to the contract are made by the management or by third parties specially assigned by Runawerk. Verbal agreements or declarations made by other persons are effective only if confirmed in writing by the management of Runawerk.

## § 20 Confidentiality

All operational and business secrets, especially manufacturing processes and other Runawerk business facilities, as well as all internal confidential Runawerk matters shall be treated as confidential. The Runawerk offer documents, drawings, descriptions, samples and cost estimates must not be passed on, published, reproduced or otherwise disclosed to third parties without consent. The documents must be returned on request without copies being retained.

## § 21 Place of jurisdiction

The sole place of jurisdiction for all disputes ensuing from the contractual relationship is the headquarters of Runawerk.

## § 22 Applicable law

The legal relationships between the parties are governed by German law.

## § 23 Exclusive validity of these General Terms &amp; Conditions

Only these General Terms & Conditions shall apply. General terms and conditions of the customer and/or supplier shall apply only insofar as Runawerk has expressly approved them in writing.

## § 24 Scope for future business

These Terms & Conditions also apply to all future business conducted between the contractual partners.

## § 25 Severability clause

Should any provision of this contract be ineffective, the contract as a whole shall remain valid.