

General Terms and Conditions of HORA eTec GmbH, Lange Str. 65, D-32257 Bünde

1. Validity

These Business Terms and Conditions shall be valid only for entrepreneurs exercising their commercial or independent professional work duties and for corporate bodies under public law. They shall be valid for all our offers, agreements, deliveries and other services (hereafter, "Delivery"), as well as for all future business relationships even if they have not been expressly agreed again. On awarding the contract, or by no later than on acceptance of the goods, the Terms and Conditions shall be deemed as acknowledged. We hereby expressly reject any terms and conditions of our Customer; they shall be valid only in the event that we have expressly acknowledged them in writing. The invalidity of individual provisions shall not affect the validity of these Terms and Conditions as a whole.

2. Conclusion of the Agreement, Documents, Industrial Property Rights

2.1 Our offers shall be considered to be non-binding and without any obligation. An agreement shall only then be considered to have been concluded when we have confirmed the order in writing. The type and the scope of our Delivery shall solely be based on our written order confirmation. If we do not confirm the order in writing, the agreement shall only then be considered to have been concluded at the latest with the implementation of the contract. Any statements made by telephone or orally from our representatives must be confirmed in writing in order to be legally valid.

2.2 We reserve the ownership rights and copyrights to cost estimates, drafts, sketches and other documents; they may be made available to third parties only with our consent. Upon our request at any time, any sketches and other documents which we have provided in conjunction with offers must be promptly returned and in any case if the order is not awarded to us. Insofar as we have supplied objects in accordance with sketches, models, samples or other documents which have been provided by the Customer, the Customer shall be responsible for ensuring that no third-party proprietary rights are being violated. In the event that third parties forbid us in particular from manufacturing and delivering such objects, while asserting their proprietary rights to such objects, we shall be entitled—without being obliged to examine the respective legal situation—to discontinue any further work activities in this regard and to demand damage compensation insofar as the Customer is responsible for the violation. Moreover, the Customer undertakes to promptly indemnify us from all third-party claims associated with the documents which it has provided insofar as the supplier is responsible for the violation.

2.3 We reserve the right to charge for samples and test parts and the tools required for their production. We shall invoice the manufacturing costs for the tools required for the serial production insofar as nothing to the contrary has been agreed.

2.4 In the event that call-off orders are made, we shall be entitled to procure the materials for the entire order and to immediately manufacture the entire quantity that has been ordered. Any change requests from the Customer may accordingly no longer be taken into consideration after the issuance of the order unless this has been expressly agreed.

2.5 Our company checks your creditworthiness regularly or in certain cases of legitimate interest. We cooperate with and obtain data from Creditreform Herford & Minden Dorff GmbH & Co. KG, Krellstr. 68, 32584 Löhne. For this purpose we transmit your company name and address. Further information conc. data processing at Creditreform are set out in an instruction leaflet "Creditreform-Informationen gem. Art. 14 EU-DSGVO" or available at www.creditreform-herford.de/EU-DSGVO.

3. Performance Specifications

3.1 The quality features of the delivery and service object shall be described definitively by means of expressly-agreed performance features (e.g. specifications, markings, releases, and other data). A warranty for a specific usage purpose or a specific suitability shall only be provided in this regard insofar as this has been expressly agreed; otherwise, exclusively the Customer shall be obliged to assume the suitability and usage risk. Other performance features than those which have been expressly agreed or other quality features of the deliveries and services shall not be owed. We reserve the right to make deviations, which are customary for the industry or technically unavoidable, with regards to physical and chemical parameters, processes and the usage of raw materials as well as ordered quantities insofar as this is reasonable for the Customer.

3.2 Data with regards to the delivery and service object (e.g. in catalogues, product information and electronic media) shall be based on our general experience and know-how and constitute merely approximate values or designations. Both these product data as well as also expressly-agreed performance features/usage purposes shall not release the Customer from the obligation to test the suitability for the intended usage purpose of the product.

3.3 Data with regards to the quality features and usage possibilities of our products contain no guarantees—particularly not in accordance with §§ 444, 639 BGB [**German Civil Code**] unless they have been expressly agreed in writing as such

4. Delivery and Delivery Timeframe

4.1 The agreement of delivery timeframes (delivery timeframes and delivery deadlines) shall be concluded in writing. Delivery timeframes and delivery deadlines shall be considered to be non-binding insofar as they have not previously been designated in writing as being binding by the seller. The delivery timeframe shall be considered to have been met, if the delivery object has left our factory or we have notified the Customer of the readiness for shipment before the delivery timeframe lapses. The delivery timeframe shall not begin to run as long as the Customer has not properly fulfilled its obligations, e.g. the submission of technical data and documents, approvals/permits, as well as a down payment or the provision of a payment guarantee.

4.2 We shall be entitled to make partial deliveries insofar as they are reasonable for the Customer and generate no detriment during usage.

4.3 Force majeure events, measures related to labour struggles—particularly strikes and/or lock-outs—as well as other sets of circumstances which are out of our control and for which we are not responsible and which make a timely implementation of the assumed orders impossible shall release us from the delivery obligation owed for the duration of their existence.

4.4 The return of sold flawless goods shall absolutely be excluded.

4.5 If the Customer's financial circumstances deteriorate substantially or the justified petition for the opening of bankruptcy or comparable proceedings regarding the Customer's assets is rejected owing to a lack of assets, we shall be entitled, in whole or in part, to withdraw from the agreement.

5. Shipping and Transfer of Risk

5.1 The risk of accidental destruction and accidental deterioration shall be transferred to the Customer as soon as the products are surrendered to the carrier or leave our warehouse for the purpose of shipping. In the event that the Customer picks up the goods, the risk shall be transferred to the Customer when the notification of the readiness for pick-up is made. Clauses 1 and 2 shall also be valid if the Delivery is made in partial deliveries or we have assumed responsibility for rendering additional services, e.g. the transport costs or the assembly of products on-site on the Customer's premises.

5.2 If the Customer enters into delivery acceptance default, then we may demand compensation for the damages which we have suffered – unless the Customer is not responsible for the non-acceptance of the products – as well as the reimbursement of any additional expenditures. In particular, we shall be entitled to warehouse the products during the delivery acceptance default timeframe at the Customer's expense.

6. Packaging

6.1 Disposable packaging shall generally not be taken back.

7. Security

7.1 We reserve the ownership rights to all goods which we have supplied until all payment claims – including the conditional and subsidiary payment claims – which we have against the Customer from our business relationship have been fulfilled; in this regard, all Deliveries shall be considered to be a related delivery transaction. In the case of current account transactions, the reserved ownership shall be considered to be the security for our balance claim. The aforementioned provisions shall also be valid for any payment claims created in the future.

7.2 The Customer shall be entitled to resell, process or mix the purchased goods during ordinary business dealings; however, it shall already now assign to us all payment claims from the resale, the processing, the mixing or for any other legal reasons in conjunction with the purchased goods (particularly arising from insurance agreements or tortious acts) in the amount of the invoiced final amount agreed with us (including VAT). We shall hereby accept the assignment. The sale shall equate to the usage for the fulfilment of service agreements or agreements for labour and materials by the Customer.

7.3 The reservation of ownership shall also extend to the products in their full value which are created through the processing, mixing or combining of our goods whereby these processes shall be done for us so that we are considered to be the manufacturer. However, in the event that our goods are processed, mixed or combined with goods of third parties, whereby their ownership rights are valid, then we shall acquire co-ownership based upon the proportional value of the objective values of these goods. If our ownership rights are extinguished owing to the combining or mixing, then the Customer shall already now assign to us its ownership and/or expectant

rights to the new goods or the goods in the scope of the invoiced value of the goods which we have supplied and it shall store them for us upon a free-of-charge basis.

7.4 Despite the assignment, the Customer shall be authorised to collect the payment claims arising from the resale as long as we have not revoked this authorisation. We shall not collect the payment claims ourselves as long as the Customer properly fulfils its payment obligations to us. However, upon our initial written demand, the Customer shall be obliged to disclose to us the debtors of the assigned payment claims as well as notify the debtors of the assignment. We may revoke the Customer's authorisation to collect the payment claim as well as the Customer's authorisation to resell the goods owing to an important reason—particularly if the Customer does not properly fulfil its payment obligations to us, enters into payment default, discontinues his payments or if the Customer files a petition for the opening of bankruptcy proceedings or comparable proceedings for the purpose of the settlement of the debts for the Customer's assets or the justified petition of a third party for the opening of bankruptcy proceedings or comparable proceedings for the purpose of the settlement of the debts for the Customer's assets is rejected owing to a lack of assets. In the event of a general assignment by the Customer, the claims assigned to the seller must be expressly excluded.

7.5 We shall be entitled to revoke the Customer's authorisation to resell the goods in accordance with Clause 7.2 and to collect the payment claims assigned to us with immediate validity if the Customer enters into payment default in its dealings with us, it finds itself in payment difficulties owing to an essential deterioration in its financial circumstances or it does not properly fulfil its contractual obligations owed to us. If a petition is filed to open bankruptcy proceedings regarding the Customer's assets, it discontinues its payments, has rendered an affirmation in lieu of an oath in accordance with § 807 ZPO [**German Code of Civil Procedure**] or the Customer's company undergoes a change in ownership in conjunction with payment difficulties, its authorisation to resell and to collect the payment claims assigned to us shall automatically be extinguished.

7.6 The Customer shall store the goods subject to our (co-)ownership with the due diligence of a prudent businessman on a free-of-charge basis for us and insure them against fire, theft and other customary risks.

7.7 The Customer is forbidden from pledging the goods that are subject to reservation of ownership or assigning them by way of security. The Customer shall promptly notify us of any seizures of the reserved goods or any other restrictions of our ownership rights by third parties and he must confirm the ownership rights in writing both to the third party as well as to us. If we incur costs in any resulting legal dispute despite winning the legal dispute, the Customer must assume these costs.

7.8 The security to which we are entitled shall not be recorded insofar as the value of our security exceeds the nominal value of the payment claims to be secured by more than 10 %. The Customer may demand the express discharge of the supplied goods from the reservation of ownership until the overcollateralisation no longer exceeds 10 %.

8. Prices and Payment

8.1 Our prices shall be understood to be in EURO from the supplier's factory without VAT.

8.2 Unforeseen raw material, wage, material as well as energy costs for which we are not responsible shall entitle us to make corresponding price adjustments of up to 5 % if at least four (4) weeks lie between the conclusion of the agreement and the anticipated delivery date. In the event that partial deliveries are made, each Delivery may be invoiced separately. If no prices have been agreed during the conclusion of the agreement, then our prices that are valid on the delivery date shall be effective.

8.3 If no deviating Payment Agreement has been concluded in writing, then our invoices shall be immediately payable and must be settled without any discounts.

8.4 We shall not be obliged to accept bills of exchange, checks and other payment promises. Their acceptance shall always be made only for payment satisfaction purposes.

8.5 The date that the payment is received shall be considered to be the date on which the amount is at our disposal or it is credited to our bank account. In the event of the Customer's payment default, we shall be entitled to charge interest to the amount of 9 % per year above the base lending rate for the duration of the payment default. The right to assert more extensive damage compensation claims shall not be restricted by this.

8.6 In the event of the Customer's insolvency, all existing payment claims against the Customer from this agreement and from other agreements shall become immediately payable. Any additional Deliveries from this agreement or from other agreements may be made contingent on an advance provision of security or payment being made concurrently with the Delivery.

8.7 We shall not pay interest on advance payments and/or instalment payments.

8.8 The Customer shall be entitled to offset or withhold payments only if its counterclaim is undisputed by us or has been legally upheld.

9. Claims owing to Defects

9.1 We shall be liable for defects in the goods which we have supplied only in accordance with the following provisions:

9.2 The Customer must properly fulfil its obligations to inspect and make notification of defects in accordance with § 377 HGB [German Commercial Code].

9.3 We shall only then recognise claims for defects as such if they have been reported to us in writing. Notifications of defects, which are asserted to field staff employees, carriers or other third parties, shall constitute no notifications of defects which have properly fulfilled the form and timeframe requirements.

9.4 In the event that a Delivery of defective goods is made, before beginning production (processing or installation), we must initially be granted the opportunity to sort out the defective goods as well as to eliminate the defect or make a subsequent Delivery unless this is unreasonable for the Customer. If we cannot implement this or cannot promptly fulfil this requirement, then the Customer may send the goods back to us at our risk. In urgent cases, subject to our approval, it may eliminate the defect itself or have it eliminated by a third party at our expense.

9.5 If, despite the fulfilment of the obligation specified in Clause 9.2, the defect is only then discovered after production begins, the Customer may demand subsequent performance (as we so choose: either through a rectification or a replacement delivery).

9.6 In the event that a replacement delivery is made, upon our request, the Customer shall be obliged to return the defective goods.

9.7 A claim for the rescission of the agreement or a reduction of the purchase price shall only then be valid if the defect cannot be eliminated within an appropriate timeframe, the subsequent performance is associated with disproportionate costs, or must be regarded as being unreasonable or unsuccessful owing to other reasons. However, in the event of only minor defects, the Customer shall not be entitled to a right of rescission.

9.8 In the event that a notification of defects is made, the Customer must promptly grant us the opportunity to inspect the goods regarding which a notification of defects has been made; in particular, upon our request and at our expense, the goods regarding which a notification of defects has been lodged must be made available to us. In the event that an unjustified notification of defects has been made, we reserve the right to bill the Customer for the transport costs as well as the inspection expenditures.

9.9 Claims owing to defects shall not be valid if the defect is attributable to the failure to follow operational, maintenance and installation guidelines, unsuitable or improper usage or warehousing, flawed or negligent handling or assembly, natural wear-and-tear or interventions into the delivery goods that are undertaken by the Customer or third parties.

9.10 For products which we have not supplied as new goods in accordance with the agreement, the Customer shall not be entitled to the aforementioned claims.

10. Product Liability

10.1 The Customer shall not alter the products. In particular, it shall not alter or remove existing warning labels regarding the risks of improper usage of the products. In the event that this obligation is violated, the Customer shall indemnify us in the internal relationship in conjunction with third-party product liability claims unless the Customer is not responsible for the alteration of the products.

10.2 If we are compelled to issue a product recall or a product warning notification owing to a product defect in the products, then the Customer shall do its best to cooperate during the fulfilment of the measures which we consider to be necessary and purposeful and it shall support us in this regard – particularly during the compilation of the required Customer data. The Customer shall be obliged to assume the costs of the product recall or the product warning notification unless it is not responsible for the product defect in accordance with the principles of product liability law. Any more extensive claims upon our part shall remain unaffected.

10.3 The Customer shall promptly notify us in writing of the risks and of any potential product flaws of which it becomes aware during the use of the products.

11. Liability

11.1 We shall be liable for damage compensation claims of all kinds—particularly also arising from negligence during the conclusion of the agreement, contractual violations and tortious acts (sections 823 and following German Civil Code) – insofar as we, our employees or our vicarious agents have committed intentional wrongdoing or gross negligence.

11.2 In the event of damages resulting from the loss of life, physical injury or damage to health, warranties or the violation of essential contractual obligations, we shall also be liable for simple negligence. In the event of the violation of essential contractual obligations, our liability shall be restricted to the average damages which, based upon the type of product, are foreseeable, contractually-typical and direct. The aforementioned provision shall also be valid for contractual violations upon the part of our employees and our vicarious agents.

11.3 For violations of proprietary rights, we shall be liable in accordance with the aforementioned provisions insofar as and to the extent that, during the contractual usage of our goods, such proprietary rights are violated which have validity in the Federal Republic of Germany and have been published at the point in time when our Delivery is made. This shall not be valid insofar as we have manufactured the delivery goods in accordance with the sketches, models or similar other specifications or data provided by the Customer and we do not know, or would not have had to have known in conjunction with the products which we have developed, that proprietary rights would be violated by so doing.

11.4 Our liability in accordance with the provisions of the German Product Liability Act shall remain unaffected by the aforementioned provisions.

11.5 The statute of limitations period for claims owing to defects in the supplied products shall amount to one year after the products are accepted, but nonetheless at most 14 months after risk is transferred unless the acceptance is delayed owing to reasons for which the Customer is not responsible. This shall not be valid for a product which has been used, based upon its customary usage, for a building structure and which has caused its defectiveness; in this case, the respective claim shall only then become statute-barred after five years.

11.6 The claims for reduction of the purchase price and the exercising of a right of rescission shall be excluded insofar as the claim for subsequent performance has become statute-barred.

11.7 Claims arising from recourse against the manufacturer shall remain unaffected by this section.

12. Place of Performance, Legal Venue, Miscellaneous Provisions

12.1 The Customer shall be entitled to assign its claims from the contractual relationship only subject to our prior approval.

12.2 The place of performance for all claims arising from the business relationships—particularly from our Deliveries—shall be our headquarters insofar as nothing to the contrary has been agreed.

12.3 The legal venue for all claims arising from the business relationships – particularly from our Deliveries – shall be our place of business. This legal venue shall likewise be valid for disputes regarding the creation and effectiveness of the contractual relationship. However, we shall nonetheless also be entitled to take legal action against the Customer in the courts which are competent for its headquarters as well. We shall oppose any arbitration clauses.

12.4 Exclusively the law of the Federal Republic of Germany shall be valid subject to the exclusion of international private law insofar as reference is made to the validity of another legal system. The applicability of the Uniform United Nations Sales Law (Convention on Contracts for the International Sale of Goods) shall be excluded.

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