

PWB Encoders GT&Cs

GT&Cs

The following terms apply to the sale of products from **PWB encoders GmbH**:

General Supply and Payment Terms

These General Supply and Payment Terms are a constituent component of the Agreement unless the Contracting Parties have expressly agreed otherwise in writing. Deviating terms set forth by the Purchaser shall not become a constituent component of the Agreement, even if the Supplier has not specifically objected to them unless these terms have been expressly accepted by the Supplier.

The concurring, reciprocal, written declarations apply with respect to the scope of supply. If an agreement has been concluded without reciprocal written declarations, the written order confirmation from the Supplier shall apply; in the event the Supplier submits a proposal with a temporal binding period and this proposal is accepted within the grace period, the Supplier's offer shall apply if an order confirmation is not received in due time from the Purchaser. Ancillary agreements and amendments require written confirmation from the Supplier. Partial deliveries are permitted.

The prices are based on the cost situation at the time the Supplier's proposal is submitted or when the Supplier's order is confirmed. If a retroactive cost increase occurs, the Supplier reserves the right to adjust the prices accordingly. The prices are ex works from the Supplier's facility, including loading at the plant, however, they do not include set-up, assembly, packaging, freight, postage, insurance and other insurable risks. The respective statutory VAT shall be added to the prices. Packaging shall be charged at cost by the Supplier and shall not be taken back.

The payments are due with deduction, in cash, to the Supplier's payment office. Checks and bills of exchange shall only be considered payment once they have been redeemed and credited.

The Purchaser shall bear all discount expenses which are payable immediately. Retention of payments or offsetting against any potential counterclaims of the Purchaser that have been disputed by the Supplier is not permitted. The Purchaser is only permitted to offset such against such claims if they are undisputed or are legally enforceable. If an agreed upon payment deadline is missed, annual interest in the amount of 2% above the respective discount rate set by the German Federal Bank, but at least 5% shall be charged without requiring separate warning and subject to the reservation of the assertion of further rights. The Supplier is entitled to demand standard bank interest as compensation of damages beyond the statutory interest rate. With regard to reciprocal commercial transactions, interest shall be demanded from the date on which the claim is due.

The Supplier shall retain title to the supplied goods until all payments from the Supply Agreement have been received. The Supplier is entitled to insure the supplied goods against theft, breakage, fire, water and other damage at the Purchaser's expense, unless the Purchaser has concluded said insurance itself and provides proof of insurance. The Purchaser is not entitled to mortgage the supplied goods or use it as collateral. In the event of confiscation or seizure or other third-party disposals, the Purchaser must notify the Supplier immediately.

If the Purchaser breaches the Agreement, in particular if it goes into default on payment, the Supplier is entitled to take back the goods after issuing a warning and the Purchaser

is required to surrender them. The assertion of the retention of title and the confiscation of the supplied goods by the Supplier are not considered a withdrawal from the Agreement unless the Verbrauchercreditgesetz [Consumer Credit Act] applies. The Purchaser is entitled to sell or modify the items owned by the Supplier within the framework of normal business activities, as long as the Purchaser is not in default on payment. The Purchaser herewith assigns all claims from the further sale of the supplied goods to which it is entitled against its customer to the Supplier. The Supplier accepts this assignment and is entitled to demand information about the customer and the amount of the claims. Until revocation, the Purchaser shall remain authorized, in addition to the Supplier, to collect the claims against the customer. If the goods are sold with other goods that do not belong to the Supplier, the Purchaser's claim against the customer shall apply in the amount of the price agreed upon by the Supplier and the Purchaser.

The Purchaser shall carry out any potential processing and machining carried out on the reserved goods on behalf of the Supplier without this resulting in liabilities for the Supplier. If the reserved goods become a constituent component of another item as a result of combination or blending, or if a new item is created as a result of machining or conversion, the Purchaser herewith transfers its ownership or co-ownership of this item to the Supplier and is obligated to maintain the item in custody for the Supplier, free of charge and with the professional due commercial diligence. In the event of further sale, the above paragraph applies mutatis mutandis. If co-ownership is established, the Supplier's share corresponds to the proportionate share that results from the ratio between the value of the supplied goods to the value of the new item. The Supplier undertakes to release the collateral to which it is entitled if its value exceeds the claims to be secured by more than 25%.

If the laws of a country to which the goods are to be delivered set forth special requirements as a prerequisite for the validity of the retention of title, in particular with respect to the Purchaser's creditors, the Purchaser is responsible for immediately making every effort to ensure retention of title is established and maintained until the full purchase price has been paid. The Purchaser shall bear the potentially associated costs. If the laws of a country to which the goods are to be delivered does not permit retention of title, but does grant the Supplier the reservation of other rights to the supplied goods, the Supplier can exercise all rights of this nature. The Purchaser is obligated to cooperate in all measures the Supplier wishes to implement to protect its right of title or other rights to the supplied goods.

The Supplier is liable for defects in the delivery, which also include the lack of expressly guaranteed characteristics, to the exclusion of further claims as follows:

- All parts shall be repaired or replaced, at the Suppliers discretion, if, within six months of being put into service, they are determined to be unusable or their use is significantly limited as a result of one of the circumstances associated with the transfer of risk, in particular due to a defective design, poor-quality materials or defective construction. The determination of such defects must be immediately reported to the Supplier. Ownership of the replaced parts shall be transferred to the Supplier. Liability expires at the latest, 12 months after the transfer of risk. The Supplier's liability for third-party products is limited to the assignment of liability claims to which it is entitled against the supplier of the third-party products.

- The Purchaser's warranty claims expire, in all cases, in six months starting from the date of the timely notification of defect, but no earlier than the date on which the warranty period expires.
- Liability for defects does not apply to natural wear and tear or damage occurring after the transfer of risk resulting from improper or negligent use, excessive strain, inappropriate operating materials, inadequate construction work, unsuitable foundation soil or if chemical, electronic or electrical influences arise that are not set forth in the Agreement.
- The Purchaser must grant the Supplier the required time and opportunity, as is deemed reasonable, to eliminate the defect. If the Purchaser refuses to do so, the Supplier shall be released from its liability for defects. Only in urgent cases in which operational safety is at risk and to prevent disproportionately major damages, whereby the Supplier must be notified immediately, or if the Supplier is in default on eliminating the defect, does the Purchaser have the right to eliminate the defect itself or have it eliminated by a third party. The Purchaser is also entitled to demand compensation of the necessary costs from the Supplier. The Supplier shall bear the costs directly incurred as a result of the repair or replacement delivery, in particular the costs of the replacement part and necessary ancillary costs. The Purchaser shall bear the remaining costs.
- The warranty period for subsequent improvement and replacement delivery is three months. It runs at least until the expiration of the original warranty period for the supplied goods. The defect liability period shall extend for parts that cannot be operated for their intended purpose by the duration of the operational interruption caused by the fact that subsequent improvements or replacement deliveries are required.
- Liability for the consequences of improper modifications or repair work carried out by the Purchaser or a third party without the Supplier's prior approval shall be suspended.
- Further claims against the Purchaser against the Supplier and its vicarious agents are excluded, in particular claims to compensation of damages not impacting the supplied goods themselves. Claims for compensation of damages on the Purchaser's part resulting from positive breach of claims and contract, a breach of duties during the contract negotiations and from unauthorized actions are excluded. This does not apply if mandatory liability applies, in the case of, e.g., damage to privately used items in accordance with the Produkthaftungsgesetz [Product Liability Act] or in cases of intent, gross negligence or a lack of guaranteed characteristics.

The Purchaser can withdraw from the Agreement if the Supplier was already unable to provide the entire service before the conclusion of the Agreement or is definitively unable to do so before the transfer of risk. The Purchaser can withdraw from the Agreement if, when ordering identical items, the execution of a portion of the delivery is impossible with respect to the quantity and the Purchaser has a legitimate interest in rejecting the partial delivery; if this is not the case, the Purchaser can reduce payment accordingly. If the Supplier goes into default, the Purchaser is entitled to withdraw from the Agreement after a reasonable grace period has elapsed without success and after submitting an express declaration that it will definitively decline to accept the service after this period has elapsed. The Purchaser remains obligated to make payment if the

impossibility of fulfillment has occurred as a result of a delay in acceptance or an action for which the Purchaser is culpable. The Purchaser is also entitled to withdraw if the Supplier allows a reasonable grace period set for it to execute the repair or provide the replacement delivery associated with a defect for which it is responsible to elapse without success due to actions for which the Supplier is culpable. The Purchaser's right of withdrawal also applies in the event the Supplier is unable or fails to execute the repair or provide replacement delivery.

All further claims from the Purchaser, in particular redhibition, termination or reduction as well as compensation of damages of any kind, including damages not impacting the supplied goods themselves, are excluded.

If the Purchaser is a registered trader, a legal entity under public law or a special fund under public law, all disputes arising from the contractual relationship shall be filed with the court with jurisdiction in the Supplier's place of incorporation. The Supplier is also entitled to file claims in the Purchaser's place of incorporation. Solely the court with jurisdiction in the Supplier's place of incorporation shall preside over dunning procedures.

The Agreement is subject to German law. The "UN Convention on Contracts for the International Sale of Goods from 11 April 1980" which took effect in the Federal Republic of Germany on 01 January 1991, shall not apply.

In the event individual provisions are legally unenforceable, the remaining parts of the Agreement shall remain binding. This shall not apply if honoring the Agreement would constitute an unreasonable hardship for one of the Contracting Parties. Other agreements and amendments to the Agreement must be in writing to be valid.

Eisenach, 16 March 2023

G. Vock