# **General Terms and Conditions of Business**

of the company Gramm Technik GmbH for "Contract coating and other work on the customer's property".



#### 1. General and scope of application

- 1.1 The following general terms and conditions apply to all locations of Gramm Technik GmbH for contract coating and other work carried out by Gramm Technik GmbH on the customer's property.
- 1.2 We do not recognize any general terms and conditions or other conditions of the customer unless we have expressly agreed to them in writing
- 1.3 The following General Terms and Conditions shall also apply to all future transactions with the same customer.
- 1.4 This contract has been prepared in German. An English translation is provided for comprehension purposes only. Should the English version have a different content, the German version shall prevail.

#### 2. Contract offers and conclusion of the contract

- 2.1 Until written confirmation of the order, all offers from Gramm Technik GmbH are subject to change.
- 2.2 The documents belonging to an offer, such as illustrations, drawings, weights and dimensions, are only authoritative if they have been expressly agreed as binding.
- 2.3 The documents supplied by the customer (details, drawings, samples, models or similar) are authoritative for Gramm Technik GmbH; the customer is liable for their correctness in terms of content, technical feasibility and completeness; Gramm Technik GmbH is not obliged to carry out a review of the same.
- 2.4 Gramm Technik GmbH reserves the property rights and copyrights to cost estimates, drawings and other documents; these may not be made accessible to third parties.
- 2.5 The contract is only concluded when Gramm Technik GmbH accepts the order by written order confirmation. If the customer does not object to an order confirmation deviating from the order within a reasonable period of time, usually 1 week, this shall be deemed to be acceptance.
- 2.6 If a written order confirmation cannot be issued due to the urgency of the order, the contract shall also be concluded without a written order confirmation if Gramm Technik GmbH commences processing.
- 2.7 If the customer does not expressly point out to Gramm Technik GmbH when the order is placed that he wishes exclusively a particular design or that he does not wish to deviate from his requirements and specifications under any circumstances, Gramm Technik GmbH assumes that it is entitled to supply technically modified designs in the course of continuous technical development, provided that this is reasonable for the customer taking into account the interests of both parties. Gramm Technik GmbH shall inform the customer as early as possible of any planned technical changes to the design.

# 3. Remuneration, tooling and tooling costs, default of the purchaser, offsetting

- 3.1 Unless otherwise stated in the order confirmation, our prices shall be EXW (according to Incoterms 2020 or the current version) excluding packaging, which shall be invoiced separately.
- 3.2 The prices shall be exclusive of statutory value added tax, which shall be shown separately in the invoice on the day of invoicing.3.3 At the request of one party to the contract, negotiations on a price
- 3.3 At the request of one party to the contract, negotiations on a price adjustment shall be held in the case of continuing obligations and long-term framework agreements as well as in the case of agreements containing delivery or performance periods of more than four months after conclusion of the contract if:
  - the prices for the total material required from the conclusion of the contract
  - and/or in the case of wage and ancillary wage costs, rise or fall by more than 5% in total as a result of statutory or collectively agreed changes
  - the value added tax undergoes a change.
  - If the negotiations fail, Gramm Technik GmbH is entitled to withdraw from the contract.
- 3.4 Tooling cost contributions are to be paid additionally as cost shares. They are due after the conclusion of the contract and will be invoiced separately to the purchaser before the contract coating is carried out. The tools themselves remain the exclusive property of Gramm Technik GmbH. The purchaser has no claim to delivery of the design services or the moulds, even after completion of the order, as they are covered by the trade secret.
- 3.5 In order to protect the coated surface, the packaging shall be made of paper or wrapping paper. Special transport packaging will be invoiced separately if not supplied by the customer.
- 3.6 Loading for transport, freight and other ancillary services are provided by third-party companies and not by Gramm Technik GmbH. These third party companies are to be commissioned directly by the customer. In the case of a separate order, these services described above can be provided by Gramm Technik GmbH and invoiced separately. If the services are requested by Gramm Technik GmbH on behalf of the customer, Gramm Technik GmbH is not liable to the third party company for payment of the service by the customer.
- 3.7 Payment is due and payable immediately. Payment is to be made without any deduction free of charge to the paying agent of Gramm Technik GmbH.

- 3.8 Gramm Technik GmbH can demand part payments from the customer for self-contained parts of the work and partial deliveries made for the contractual services rendered. This also applies to necessary materials or component,s which have been specially manufactured or supplied.
- 3.9 Gramm Technik GmbH can put the customer in default after the due date by sending a reminder. Irrespective of a reminder, the customer shall be in default at the latest if he does not make payment within 3 weeks of the due date and receipt of the invoice. In the event of default on the part of the Purchaser, interest on arrears shall be charged at a rate of eight percentage points above the prime rate in accordance with § 247 of the German Civil Code (BGB). If the Purchaser is a person who enters into a contract for a purpose which can be attributed neither to his commercial nor to his independent professional activity, interest at a rate of five percentage points above the prime rate shall be payable.
- 3.10 Offsetting is only permitted against any counterclaims of the customer which are not disputed by Gramm Technik GmbH or which have been established by a court of law.

#### Condition of delivery, base materials suitable for coating obligations of the purchaser

- 4.1 The purchaser undertakes to deliver the parts to be coated in a condition suitable for coating. This means, among other things, that the workpieces are demagnetized and have no material, processing or surface defects. In particular, the surfaces must be free of coatings, silicone, preservatives, lubricants and cutting agents as well as permanent marker inscriptions.
- 4.2 The customer undertakes to inform Gramm Technik GmbH in particular about the following criteria:
  - Material composition (type of lattice, microstructure, strength, hardness, toughness, activability)
  - degree of purity (homogeneity of the microstructure, especially important in the surface zone)
  - heat treatment and surface finish condition and residual stresses.
- 4.3 The Purchaser shall ensure that all parts are provided with the necessary transport protection, fastening and transport devices. Furthermore, the Purchaser shall comply with the regulations on loading and transport safety.
- 4.4 The Purchaser shall ensure that components which are only to be coated are delivered without built-in parts made of materials other than the part to be coated. Damage or even destruction of the built-in parts is possible in the coating process both with and without cover. Gramm Technik GmbH therefore accepts no liability for any resulting damage.

# 5. Delivery, Shipment, Risk, Acceptance

5.1 Subject matter of delivery

The agreed performance within the scope of contract coating results exclusively from the order confirmation issued by Gramm Technik GmbH, otherwise only from the written agreements made by the parties in the respective contractual relationship.

- 5.2 Notice of Completion and Acceptance
  - As soon as the object of performance has been made available for dispatch/delivery in the works of Gramm Technik GmbH, the customer shall receive notification of this and the opportunity to inspect and actually take possession.
  - The customer is obliged to transport the object of performance immediately after the notification of completion has been issued. Acceptance of the subject matter of the contract shall be deemed to have been granted no later than 14 days after receipt of the notice of completion, unless the Purchaser has expressly objected to acceptance in writing.
- 5.3 Unless otherwise stated in the order confirmation, the object of performance shall be kept ready for collection at the factory of the producing Gramm Technik GmbH branch. The risk shall pass to the customer upon notification that the goods are ready for collection at the supplying plant or storage location. The customer must arrange for export and import permits and all customs formalities unless otherwise agreed in writing.
- 5.4 Gramm Technik GmbH is entitled to take out appropriate transport insurance, at least to the value of the invoice, on behalf of and at the expense of the customer.
- 5.5 Partial deliveries are permissible.
  - Deviations from the shipping note or the invoice must be reported to the seller in writing immediately after receipt of the goods.

# Delivery periods

6.1 Subject

Gramm Technik GmbH is only bound by delivery times confirmed in writing. Communicated times are non-binding, unless Gramm Technik GmbH has been provided with all the necessary details and statements concerning the scope and processing of the order. Taking into account the above, the delivery period, unless otherwise agreed in writing, means the time until the object of performance is made available for dispatch/delivery at the responsible Gramm Technik GmbH plant (point 5.).

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#### 6.2 Postponement of the delivery date

Circumstances which may lead to a possible delay in the time of delivery, in particular the late provision of necessary information, the release of sample copies, etc., must be notified to the other party without delay. In such cases, the parties shall make cooperative efforts to promptly reschedule a delivery date, taking into account the interests of both parties. If the customer is in default of payment, Gramm Technik GmbH is also entitled to a right of retention in other order relationships. This also applies if fixed delivery periods have been agreed in other contractual relationships.

6.3 Default of Gramm Technik GmbH

The customer may request Gramm Technik GmbH in writing to deliver within a reasonable period 14 working days after a binding delivery date or a delivery date mutually agreed in accordance with clause 2 has been exceeded. Only on expiry of this period shall Gramm Technik GmbH be in default.

6.4 Force majeure

Interruptions caused by unforeseeable events for which Gramm Technik GmbH is not responsible or which are unavoidable for Gramm Technik GmbH (e.g. by force majeure, such as riots, strikes, catastrophic events, legal or official factory stops) shall lead to an extension of the completion date by a period corresponding to the aforementioned interruption.

#### 7. Default of acceptance of the purchaser

- 7.1 If the goods are not collected within 14 days after the request for collection, the Purchaser may be charged a reasonable storage fee upon expiry of this period.
- 7.2 If the goods are not collected at the latest three months after the request for collection, any liability for slightly negligent damage or loss shall lapse.
- 7.3 One month before the expiry of the aforementioned three-month period, a threat of sale must be sent to the customer. Gramm Technik GmbH is entitled to sell the goods at market value after the expiry of the period to cover its claims. Any excess proceeds shall be refunded to the customer.

#### 8. Claims for defects

#### 8.1 Defect-free quality

The object of performance shall be determined exclusively in accordance with the order confirmation of Gramm Technik GmbH, which shall be manufactured in accordance with the specifications communicated by the customer. The service will be rendered with the greatest possible precision of craftsmanship. However, due to the nature of the work, certain shortfalls are unavoidable. Unless otherwise agreed in writing, Gramm Technik GmbH shall not be liable for work-related rejects and work-related shortfalls up to an amount of 3%.

In all other respects the work is free from material defects if it has the agreed quality. Insofar as the quality is not agreed, the work shall be free of material defects,

- if it is suitable for the use presumed under the contract, or otherwise for the
- otherwise suitable for normal use and has a quality which is customary for works of the same type and which the Buyer can expect in view of the type of work.

# 8.2 Notification of Defects

The Ordering Party shall immediately inspect the received object of performance for quantity, condition and damage. Defects must be reported immediately and in writing to Gramm Technik GmbH. Defects which are not obvious must be reported within one year at the latest, in the case of buildings within five years at the latest after acceptance. If further processing is carried out by the customer in the case of obvious defects, the goods shall be deemed to have been accepted.

8.3 Subsequent improvement

If the work is defective, the customer may demand subsequent performance. If the customer demands subsequent performance, Gramm Technik GmbH may, at its option, remedy the defect or produce a new work. If Gramm Technik GmbH chooses to make a new work, the customer shall be obliged to make the items available to Gramm Technik GmbH at cost price of the items to be remedied for the subsequent performance. It may refuse subsequent performance if this is only possible at disproportionate cost. If it produces a new work, it may demand return of the defective work from the customer. The return of items is only permissible after prior written information to Gramm Technik GmbH. Until the items are taken back, the customer must store them free of charge and with the necessary care.

4 Self-remedy, withdrawal and price reduction A remedy of defects by the customer himself (= self-execution) or a withdrawal from the contract or a reduction in price on account of defects presupposes that the customer has set Gramm Technik GmbH a reasonable period in writing for rectification and that Gramm Technik GmbH has not complied with this period without giving sufficient reasons for excuse and promising to rectify within a further reasonable period. Moreover, withdrawal from the contract or self-execution at the expense of Gramm Technik GmbH are only possible if a mere reduction of the price is unreasonable for the customer. Self-remedy is also excluded if it causes disproportionate costs.

8.5 Limitation

The limitation period for defect rights shall begin with the acceptance of the object of performance.

It is one year, in the case of buildings five years.

- It is one year, if the case of buildings the years, specifications, samples, requirements and / or other documents of the customer, the latter shall bear the risk of suitability for the intended use. With regard to the surface finishing to be carried out, the purchaser also bears the responsibility for the correctness and completeness of the required information in accordance with Clause 4 and all information in accordance with Clause 2.3 of these General Terms and Conditions and for a treatment specification adapted to the subsequent intended use.
- 8.7 If the surface finishing does not lead to success for reasons for which Gramm Technik GmbH is not responsible, e.g. because the customer has provided incorrect information as required in Clause 4 of these General Terms and Conditions, Gramm Technik GmbH did not know and / or could not have known of hidden defects in the workpiece before the surface finishing was carried out, or because the shape, the surface condition or the condition of the workpieces supplied made successful surface finishing impossible, but Gramm Technik GmbH did not know and / or could not have known of this, the treatment fee must nevertheless be paid. Necessary subsequent treatments will be invoiced separately under the above-mentioned conditions.
- 8.8 If an acceptance test or an initial sample test has been agreed with the customer, the complaint about defects which the customer could have detected during a careful acceptance test or initial sample test is excluded.

## 9. General limitation of liability

Gramm Technik GmbH shall in principle only be liable within the scope of these terms and conditions and to the extent that this is mandatory by law. All claims by the customer going beyond this, including any claims for compensation for consequential damage and damage arising from the performance of the repair or delivery of replacement parts, are therefore excluded, unless Gramm Technik GmbH is guilty of gross negligence or wilful misconduct or it is a question of injury to life, limb or health. If Gramm Technik GmbH has issued specific care instructions, these must be observed. In the event of non-observance, Gramm Technik GmbH shall not be liable for any resulting consequences.

#### 10. Withdrawal, claims for damages

- 10.1 Gramm Technik GmbH may withdraw from the contract without incurring any liability for compensation:
  - if it cannot carry out the delivery due to force majeure, strike, lockout or any other circumstance for which it is not responsible and which is of considerable importance for the completion of the goods
  - if it is not possible to fulfill the contract due to inadequate information provided by the purchaser
  - if the purchaser exceeds a payment deadline agreed in writing by more than 10 days and allows a grace period of at least 14 days set for him to elapse
  - if the Purchaser has provided untruthful information about his person and/or his financial situation
  - if an application is made for the opening of out-of-court or court settlement or bankruptcy proceedings.
- 10.2 If the Customer refuses to accept the agreed performance without justification or if the contract is not performed due to another reason within the Customer's sphere of influence, a lump sum of 10% of the total gross order amount shall be due as compensation in addition to the claim for remuneration for the purpose of simplified determination and simplified implementation of the existing claim for damages.
  10.3 We expressly reserve the right to claim further damages in excess of
- 10.3 We expressly reserve the right to claim further damages in excess of the lump-sum compensation amount. This shall not affect the Purchaser's obligation to perform the contract. However, the agreement of the above lump-sum compensation does not affect the right of the customer to prove that no damage was incurred at all or that the damage was less than the lump sum.

# 11. Security rights of Gramm Technik GmbH

- 11.1 Gramm Technik GmbH acquires a right of lien for its claims arising from the contract on the customer's movable goods processed by it, if these have come into its possession.
- 11.2 Insofar as Gramm Technik GmbH has worked on a building, it may demand the granting of a security mortgage on the customer's building plot for its claims under the contract. If its work has not yet been completed, it may demand the granting of the security mortgage for a part of the remuneration corresponding to the work performed and for the expenses not included in the remuneration.
- 11.3 In the event of access by third parties, in particular in the event of seizure or the exercise of another entrepreneur's lien, the customer must immediately notify Gramm Technik GmbH in writing and

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- immediately inform the third party of Gramm Technik GmbH's security rights.
- 11.4 If delivery items are firmly connected with another item, the buyer shall, if claims or co-ownership arise as a result, transfer his claim or co-ownership right to the new item to the amount of Gramm Technik GmbH's claims plus 10% to Gramm Technik GmbH.

#### 12. Industrial property rights for developments, copyright

- 12.1 Insofar as the service consists of the preparation of technical advice, in particular the preparation of technical, in particular process engineering and plant engineering solution proposals, the preparation of drawings, recipes, development and improvement of products, etc., this is subject to the obligation of secrecy; furthermore, Gramm Technik GmbH reserves all rights thereto. This applies in particular to its intellectual property rights to the products, but also to the physical property rights to all drawings, samples, models, etc.
- 12.2 Any passing on, even only for inspection, and any kind of forwarding of the replica (in whole or in part) is prohibited and obligates the customer, without prejudice to all other claims, to surrender what has been produced or obtained in this way. On request, the customer is obliged to provide without delay all information necessary for the assertion of the rights of Gramm Technik GmbH or to submit the relevant documents. Drawings, samples, moulds etc. developed by Gramm Technik GmbH are to be returned to it on request, and in any case without being asked if the order is not placed with it. In the event of breach of contract, it reserves the right to take legal action.
- 12.3 If Gramm Technik GmbH supplies items according to the customer's specifications or documents, the customer shall guarantee that the industrial property rights of third parties are not infringed and shall indemnify Gramm Technik GmbH against the claims of third parties.

## 13. Processing of personal data

- 13.1 The processing of personal data shall be carried out exclusively in compliance with the provisions of data protection law. Gramm Technik GmbH processes personal data, which the customer transmits to Gramm Technik GmbH for the processing of the respective order as well as for future orders and stores them in our group-internal EDP system. This means that all companies of Gramm Technik GmbH have access to the data. This is necessary and in our legitimate interest, because the companies of Gramm Technik GmbH work together in a division of labor and only in this way can we fulfill the requests of our customers in the best possible way. Any other use of the personal data will only take place if the person concerned has consented to such other use or if a legal permission exists.
- consented to such other use or if a legal permission exists.

  13.2 In the event that personal data is transferred to Gramm Technik
  GmbH, the customer shall be obliged to inform the persons concerned
  in good time in accordance with the provisions of Article 14 of the EU
  Basic Data Protection Regulation No. 2016/679 about the data
  processing by Gramm Technik GmbH; Gramm Technik GmbH shall
  refrain from informing the data subject. Gramm Technik GmbH shall
  provide the customer with the information necessary to fulfill the
  obligation to inform according to the previous sentence upon request.

# 14. Export and Sanction Control

- 14.1 The ordering party shall observe all applicable regulations of national and international customs and foreign trade law.
- 14.2 When passing on the goods supplied by Gramm Technik GmbH (irrespective of the manner in which they are made available or the work and services provided by Gramm Technik GmbH to third parties), the customer must comply with the applicable provisions of national and international (re-) export control law. In any case, when passing on such goods, work and services to third parties, he must observe the (re-)export control regulations of the Federal Republic of Germany, the European Union and the United States of America.
- 14.3 Before passing on the goods delivered by Gramm Technik GmbH or the work and services performed by Gramm Technik GmbH to third parties, the customer shall in particular check and ensure by suitable measures that
  - it does not violate any embargo of the European Union, the
    United States of America and/or the United Nations also taking
    into account any restrictions on domestic transactions and any
    prohibitions on circumvention by such transfer to third parties
    by brokering contracts for such goods, works and services or by
    providing other economic resources in connection with such
    goods, works and services:
  - such goods, works and services are not intended for a prohibited or licensable armaments-related, nuclear or weapons-related use, unless any required licenses have been obtained;
  - the regulations of all relevant sanctions lists of the European Union and the United States of America concerning business transactions with companies, persons or organizations named therein are complied with.
- 14.4 Insofar as is necessary for the performance of export control inspections by the authorities or by Gramm Technik GmbH, the customer shall make available to Gramm Technik GmbH without delay all information and subsequent changes thereto concerning the final recipient, the final destination and the intended use of the goods

- delivered by Gramm Technik GmbH or the work and services performed by Gramm Technik GmbH as well as any export control restrictions applicable in this respect.
- 14.5 The customer shall indemnify Gramm Technik GmbH in full against all claims asserted against Gramm Technik GmbH by authorities or other third parties on account of the customer's failure to comply with the above export control obligations and undertakes to reimburse Gramm Technik GmbH for all damages and expenses incurred in this connection, unless the customer is not responsible for the failure to comply with these obligations.

#### Place of performance, place of jurisdiction and validity of the contract

- 15.1 The place of performance for deliveries is the respective registered office or place of business of Gramm Technik GmbH, for payments the place of payment indicated on the invoices.
- 15.2 The place of jurisdiction for all disputes arising between the parties directly or indirectly from the contractual relationship shall in all cases be Stuttgart, insofar as the customer is a merchant within the meaning of the German Commercial Code or a legal entity under public law.
- 15.3 The legal relationship between the customer and Gramm Technik GmbH is subject exclusively to the law of the Federal Republic of Germany.
- 15.4 Should any part of a provision of these General Terms and Conditions be invalid, this shall not affect the validity of the other part of the provision. Should individual provisions of these Terms and Conditions be invalid, this shall not affect the validity of the remaining provisions.

Dated: 26.04.2021

Gramm Technik GmbH Einsteinstraße 4 D-71254 Ditzingen-Heimerdingen