

GENERAL TERMS AND CONDITIONS OF BUSINESS

for Services Rendered under the Work and Services Contract (reference only)
K.A. Schmersal GmbH & Co. KG

I. Applicability of these Terms and Conditions

1. We always conclude contracts in accordance with the following Terms and Conditions unless otherwise agreed for individual cases. The Principal consents to our Terms and Conditions when the Contract is awarded. If the Principal has other conflicting or differing Terms and Conditions, we shall only be bound by them if we have approved them expressly. This approval must be made in writing. Our Terms and Conditions also apply if we perform our services without reservation even though we are aware that the Principal has conflicting or differing Terms and Conditions.

2. These General Terms and Conditions of Business apply to all the services rendered under our Work and Services Contract as well as for all existing obligations to the Principal and future commercial relationships which arise from the contractual relationship.

II. Order placements

1. A Contract with us shall only come into effect if the Principal accepts our proposal without reservation, or the Principal has an entitlement due to our written confirmation or if we begin to perform the services. If we issue a written confirmation, this confirmation shall define the subject and the scope of the Contract, unless expressly agreed upon otherwise.

2. Changes, ancillary agreements, additions as well as quality agreements and the acceptance of guarantees require our explicit confirmation in order to become effective. This confirmation must be made in writing. This also applies to the removal of this clause.

III. Performance of Contract

1. We shall only owe those services that have been explicitly stipulated in the Contract and which we shall perform in line with the generally accepted technical guidelines which apply at the time that the Contract was concluded. The Principal shall, of his own accord, draw our attention to all procedures and circumstances that could be of significance in the performance of the Contract. The Principal shall inform us of any facts significant to the performance of our services.

2. Unless this is part of the Contract, we are strictly not obliged to check the completeness and correctness of information and data etc. provided by the Principal.

3. We do not guarantee the correctness of safety guidelines, regulations and security programmes that govern our job execution, unless these originate from us or are the subject-matter of our Contract.

We shall bear no responsibility for the correctness and the working order of the items tested for technical safety unless this has been expressly included in the Contract.

4. If we require cooperative action from the Principal in order to perform our services, the Principal is to provide this in good time. If this does not occur, or is not correct we have the right to charge the Principal for the resulting additional costs that have arisen, and shall retain the right to assert further legal claims in the future.

5. We have the right to have our services performed by a sub-contractor who we have carefully selected and who we deem to be suitable.

6. If the Party to the Contract has gained knowledge of business and company secrets during the performance of this contract, this may not be communicated to third parties or used.

IV. Contract-related Time Limits/Dates

1. Contract-related time limits or dates are only binding if they have been expressly provided in writing and agreed as binding. Stipulated time limits/dates which are binding shall only apply if all the obligations in clause III. 4 have been fulfilled. The time required to provide the services will be correspondingly extended if there are subsequent change requests or if the Principal is slow to take cooperative action.

2. If the service we owe is delayed due to events which are unforeseeable and for which we are not culpable (e.g. industrial disputes or operational disruptions etc.), we have the right to cancel the Contract, either fully or in part, or to delay the delivery of the service and the duration of the disruption at our discretion.

We shall immediately inform the Principal if the service is not available or is only partly available and refund any services already rendered in return if we withdraw from the contract for this reason. Compensation for damages shall be excluded.

3. If the client delays acceptance or violates his obligations to take cooperative action, we can demand compensation for any damages and any additional expenditures we incur as a result.

4. We shall be liable for damages due to the delay in performance or non-performance of services in accordance with clause VIII.

V. Acceptance

1. If our service requires acceptance, the Principal is obliged to act here. The Principal may not refuse to provide acceptance as a result of small defects which do not significantly detract from the suitability of the service with respect to the purpose of the contract, regardless of his right to assert his claims for defects. We can require partial acceptance for self-contained portions of work which have been completed.

2. If the Principal refuses to provide acceptance in breach of clause 1., this acceptance is deemed as declared nevertheless.

3. Intellectual services shall be considered accepted unless the Principal explicitly expresses his objection in writing and provides specific details of the alleged defects within 30 days of their receipt. If the Principal's objections prove to be unfounded, he shall bear the additional costs.

VI. Payment Terms

1. Payment shall be stipulated in the quotation and in the confirmation. If this has not been stipulated, an appropriate payment applies as agreed. The payment does not include the applicable amount of statutory value-added tax in each case. This shall be indicated separately when the invoice is issued.

2. If a fixed price has not been agreed and it emerges that, when a service is performed, the costs will be more than 10% above the amount proposed to the Principal, we shall notify the Principal of this. In accordance with Section 649 of the German Civil Code (BGB), the Principal may terminate the Contract in this situation. We shall then only charge for the services we have provided so far. The same applies if we withdraw from the Contract for compelling reasons or this Contract is terminated by mutual consent.

3. The Principal may not withhold payment or offset payment with a counterclaim unless the counterclaim is undisputed or has been established in law.

4. We may require advance payment for costs or issue partial invoices corresponding to the services which have been provided, unless this is contrary to the prevailing interests of the Principal. If the Principal is in default with the settlement of at least one partial invoice in spite of having received an extended deadline, we shall have the right to refuse to continue to perform the services required within the Contract, to withdraw from the Contract and/or to require compensation instead of the goods and services.

5. If payment is delayed, the Principal shall owe a default interest rate of 8 % unless we can prove to the Principal that the loss we have incurred was higher than this.

VII. Warranty

We may rectify or replace a faulty performance (supplementary performance). The Principal must provide a reasonable deadline. If the subsequent fulfilment has been irrevocably and seriously refused, if we have not carried it out by the due date, or if it fails, the Principal may require a reduction or rescission, in accordance with the law. Claims for damages shall only arise in accordance with clause VIII. The Principal shall inform us of any complaints in writing as soon as they have been identified. The warranty period ends one year after the start of the legal statute of limitations.

VIII. Liability

1. We assume liability for all claims for damages which arise from injury to the life, limb or health of people, as well as for other damages caused by the intentional or gross negligence of one of our legal representatives or vicarious agents.

2. If there is a breach of an essential contractual obligation, our obligation to compensate for this shall be limited to damages which are foreseeable when the Contract is concluded and are typical for the Contract. The conclusion of this Contract means that the contracting Parties shall claim a maximum of EUR 500,000 for each event causing damage which is foreseeable and typical for this Contract. Any further liability on our part shall be excluded.

3. We shall not be liable for damage to property or financial losses in the event of slight negligence.

4. The Principal shall immediately provide written notification of any damages which we must make good.

5. In as far as the above rules exclude or restrict our liability for damages, this shall extend to the personal liability of our institutions, employees, representatives and vicarious agents and shall also apply to all claims arising from tort (section 823 ff. German Civil Code (BGB)), but not, however, to claims which fall under sections 1 and 4 of the German Product Liability Act.

6. We shall only be liable for the restoration of data if the Principal has ensured that this can be reconstructed from other data material at reasonable expense.

7. Claims for compensation according to clause 1. expire in accordance with the statutory regulations. Claims for compensation according to clause 2 expire one year after the start of the statutory limitation period.

IX. Copyrights/Rights of Use

1. If the performance of this contract results in outcomes which are subject to copyright law, we shall grant the Principal the simple, non-exclusive, non-transferable and non-sublicensable right of use, if this is necessary for the purpose of the Contract. The Principal may only use the outcome in its entirety, not in parts and only for the purpose which has been agreed in the Contract.

2. Our prior written consent is always required for the transfer and use of our service for purposes which extend beyond those stipulated in the contract, including publication.

X. Place of Performance/Place of Jurisdiction

1. The registered office of our company shall be the place of performance for all services.

2. There shall be no transfer or pledging of claims to which the Principal is entitled as a result of the contractual relationship with us.

3. The registered office of our company shall be the place of jurisdiction for all claims arising from the business relationship. However, we may take action against the Principal at his general place of jurisdiction.

4. If cross-border services have been provided, our company's registered office shall be the sole place of jurisdiction for all disputes arising from the contractual relationship (Article 17 of the EU Convention on Jurisdiction and Enforcement and Article 23 of the Brussels Regulation). We shall retain the right to bring proceedings against the Principal at his general place of jurisdiction or in any other competent court in accordance with the Brussels Regulation.

5. This contractual relationship is exclusively governed by the material laws of the Federal Republic of Germany. Application of the UN Sales Convention shall be excluded.

6. If these Terms and Conditions of Business contain a provision which is or becomes invalid or if there is a loophole, this shall not affect the validity of the remaining provisions. The invalid provision shall be replaced by a provision which as closely suited to the commercial purpose of the Contract and the appropriate protection of the interests of both parties as possible.