

# General Terms and Conditions of Delivery, Assembly and Payment of AuE Kassel GmbH

## I. General Provisions

### 1. Scope of Application

1.1 The following General Terms and Conditions (Terms and Conditions) of AuE Kassel GmbH (hereinafter referred to as "**AuE Kassel**") shall apply exclusively. They shall also apply to all future business transactions with the customer. This shall also apply even if these Terms and Conditions are not expressly agreed upon again.

1.2 Terms and conditions of the customer that are contrary to or deviate from the Terms and Conditions of AuE Kassel shall not be deemed accepted, unless AuE Kassel expressly consents to their validity in writing. AuE Kassel's Terms and Conditions shall also apply if AuE Kassel performs the delivery or the services vis-à-vis the customer without reservation in full awareness of contradictory or deviating terms and conditions of the customer.

1.3 The contracts concluded between AuE Kassel and the customer contain any and all written agreements on the deliveries as well as other work and/or services (hereinafter referred to as the "**Services**"). Any and all future agreements concluded between AuE Kassel and the customer shall be stipulated in writing in the relevant contract and any supplementary contracts.

1.4 These Terms and Conditions only apply vis-à-vis entrepreneurs pursuant to Sec. 14 para. 1 of the German Civil Code (*Bürgerliches Gesetzbuch, BGB*) and legal entities under public law and special funds within the meaning of Sec. 310 para. 1 BGB. An entrepreneur within this meaning means a natural or legal person or a partnership with legal personality who or which, when entering into a legal transaction, acts in exercise of his or its trade, business or profession.

### 2. Conclusion of Contract

2.1 In the event an order of a customer qualifies as an offer pursuant to Sec. 145 BGB, AuE Kassel can accept this offer within two weeks of receiving such offer by sending an order confirmation.

2.2 Cost estimates of AuE Kassel are - unless agreed otherwise - subject to change and not binding. A specific offer provided by AuE Kassel is only binding for two weeks or for the period indicated in the offer.

2.3 A contract between AuE Kassel and the customer only becomes effective - subject to a deviating agreement - with AuE Kassel's written order confirmation. The submission of an invoice shall equal an order confirmation.

2.4 The documents submitted and information provided by AuE Kassel, such as drawings, plans, weights and measurements, shall only be binding insofar as AuE Kassel expressly lists them in the order confirmation as an integral part of the contract and/or refers to them in the order confirmation.

### 3. Specification of the Subject-matter of the Contract by the Customer

3.1 If AuE Kassel produces the subject-matter of the contract itself or if it is processed or treated by AuE Kassel and if the customer has provided a specification therefor, the customer shall release AuE Kassel from any damage, costs or other expenses (including reasonable legal costs) which AuE Kassel has to pay due to the fact that the contractual processing or treatment of the goods based on the customer's specification turned out to be an infringement of a patent, trade mark, copyright or other property right of a third party.

3.2 AuE Kassel reserves the right to amend the specification insofar as statutory requirements must be considered provided that such amendment does not deteriorate the order with regard to its quality and its usability.

### 4. Remuneration, Due Date, Default in Payment, Set-off, Right of Retention, Assignment

4.1 The prices are based on AuE Kassel's price lists, as amended from time to time, and are exclusive of packaging and shipment (ex works), unless otherwise indicated in the offer.

4.2 Assemblies, repairs and other services shall be invoiced at the current billing rates, as amended from time to time, which can be requested from AuE Kassel.

4.3 Costs of packaging and loading as well as the costs of taking back the packaging will be charged separately. The same shall apply to shipment costs if the customer requests a shipment. Unless otherwise agreed, it shall be at AuE Kassel's discretion to choose the mode of shipping and the routing.

4.4 Work performed outside of normal working hours (work at night, on Sundays or public holidays) is subject to an extra charge. The same shall

apply to work carried out under difficult conditions. Travelling and waiting times shall be considered working time.

4.5 In case of partial deliveries or services pursuant to clause I. 5.2, AuE Kassel is entitled to receive respective partial payments.

4.6 AuE Kassel reserves the right to amend the prices accordingly if cost increases occur between the conclusion of the contract and the delivery for which AuE Kassel is not responsible, in particular, newly charged fees, additional charges, significant increases in material or production costs, including increases in freight costs including customs, import and export fees as well as cost increases as a result of exchange rate fluctuations.

4.7 Statutory VAT is not included in the prices of AuE Kassel. The respectively applicable statutory VAT amount shall be stated separately in the invoice. In case of deliveries and services within the European Union, the customer shall provide its VAT identification number in due time prior to the agreed delivery date as proof of tax exemption. In the event of failure to provide AuE Kassel with complete information in due time, AuE Kassel reserves the right to charge the applicable VAT. In case of deliveries and services outside the European Union, AuE Kassel is entitled to charge the statutory VAT retrospectively if the customer does not send to AuE Kassel an export proof within one month after the respective dispatch.

4.8 Cheques and bills of exchange are accepted by AuE Kassel only on account of performance, subject to the usual reserve of their payment and taking over of any and all costs connected to the payment by the customer; in particular, bill of exchange taxes shall be borne by the customer.

4.9 Unless stipulated otherwise in the respective contract or by law, payment shall be due immediately upon delivery or performance. The customer shall automatically be in default after 30 days from the due date and receipt of the invoice without a reminder being required.

4.10 In the event the customer is in default with its payment obligation, AuE Kassel is entitled to charge default interest in the amount of 9 percentage points p.a. above the basic interest rate. The right to assert further damage shall remain unaffected. In all other respects, the statutory provisions shall apply.

4.11 If AuE Kassel becomes aware of circumstances which threaten to reduce the creditworthiness of the customer, any and all claims arising out of the business relationship with the customer will become due immediately.

4.12 The customer is only entitled to a set-off or retention if its counterclaim has been established with final legal effect, is uncontested or acknowledged by AuE Kassel. The assignment of existing claims against AuE Kassel to any third parties is subject to the prior written consent of AuE Kassel.

### 5. Terms of Delivery, Transport Insurance, Passing of Risk

5.1 Unless otherwise stipulated in the order confirmation, the parties agree upon a delivery or performance ex works.

5.2 AuE Kassel is entitled to partial deliveries and services, as long as these are reasonable for the customer.

5.3 The risk shall pass to the customer when the subject-matter of the contract is handed over to the person carrying out the transport. This shall also apply to a transport conducted by AuE Kassel.

5.4 If the transport or collection of the subject-matter of the contract by the customer is delayed at its request or due to its own fault, AuE Kassel will store the goods at the expense and risk of the customer. In such case, the risk shall pass to the customer as of the day of notification of readiness for dispatch or acceptance.

5.5 AuE Kassel and the company performing the transport must be notified in writing of any transport damage immediately, but no later than five days from delivery.

5.6 Transport packaging and other packaging in accordance with the German Regulation on Packaging (*Verpackungsverordnung, VerpackV*) will not be taken back; this shall not apply to pallets. The customer shall be responsible for the disposal of packaging material at its own expense.

### 6. Period of Delivery and Performance, Default, Passing of Risk in Case of Default in Acceptance

6.1 Delivery and performance periods indicated by AuE Kassel shall be non-binding, unless AuE Kassel expressly confirms the exact date of delivery or performance in writing.

6.2 Periods of delivery and performance shall be deemed complied with if, before their expiry, the subject-matter of the contract has left the premises or there was a notification that the subject-matter of the contract is ready for collection. If the performance is rendered on the customer's premises, performance periods are complied with upon rendering of the performance.

6.3 The periods of delivery or performance shall not commence before all commercial and technical queries existing between the parties have been clarified and presupposes the timely and proper fulfilment of the customer's

obligations. Compliance with the periods of delivery and performance shall be subject to correct and timely delivery from suppliers. AuE Kassel shall immediately notify any foreseeable delays.

**6.4** The fulfilment of the contract by AuE Kassel with respect to such delivery parts which are governed by national export regulations shall be subject to the granting of the required approvals.

**6.5** In the event of force majeure, AuE Kassel is entitled - also within the period of delay - to extend the period of delivery or performance by the duration of the hindrance. Force majeure shall mean all circumstances for which AuE Kassel cannot be held responsible and as a result of which it becomes temporarily impossible or unreasonably difficult for AuE Kassel to effect the delivery or performance, such as lawful strike action or lockout, war, import and export bans, shortages of raw materials and energy, measures taken by the authorities or late delivery to AuE Kassel for which AuE Kassel is not responsible. In the event such hindrance exceeds two months, the customer is entitled to withdraw from the contract after setting a reasonable grace period if the customer proves that the complete or partial fulfilment of the contract that is still due is no longer of interest to the customer due to the delay. If the above-mentioned circumstances last longer than four months, AuE Kassel is also entitled to withdraw from the contract.

**6.6** If a delivery or performance cannot be fulfilled due to reasons for which AuE Kassel is not responsible, AuE Kassel is entitled to request a partial payment which corresponds to the work performed. The same shall apply to impossibility for which neither party is responsible.

**6.7** If AuE Kassel is in default and if this results in damage incurred by the customer, liability is governed by clause 9. Liability for the foreseeable damage which might typically occur under the contract shall for each full week of the delay be limited to 0.5% of the value of the part of the total performance which cannot be used in time or as contractually agreed as a consequence of the default. The maximum amount for which AuE Kassel is liable shall be limited to 5% of the order value.

**6.8** In the event that AuE Kassel is already in default and the customer has set an appropriate deadline for the performance in writing and has simultaneously declared that it will refuse performance after the deadline has expired, the customer is entitled to withdraw from the contract if AuE Kassel fails to meet the grace period. The grace period must be at least four weeks. Claims for damages against AuE Kassel as a result of the default shall be subject to clause 9.

**6.9** If the customer is in default of acceptance or violates other duties to cooperate, AuE Kassel is entitled to exercise the existing statutory rights, in particular to claim reimbursement of the additional expenses incurred as a result thereof and to withdraw from the contract after setting and expiry of an appropriate deadline. Moreover, AuE Kassel reserves the right to otherwise dispose of the subject-matter of the contract after setting and expiry of an appropriate deadline for the acceptance of the delivery or performance and to make deliveries or performances to the customer within a reasonably prolonged deadline.

**6.10** If the customer is in default of acceptance, the risk of accidental loss or deterioration of the subject-matter of the contract passes to the customer at the point in time the latter begins to be in default of acceptance.

## **7. Warranty for Defects in Title**

**7.1** If the use of the subject-matter of the contract leads to the infringement of industrial property rights or copyrights in Germany, AuE Kassel shall, at its own expense, ensure that the customer is given the right to further use the subject-matter of the contract or shall modify it in a way that is reasonable for the customer so that the infringement of property rights no longer exists. If this is not possible at economically reasonable conditions or within an appropriate deadline, the customer is entitled to withdraw from the contract. Under the above-mentioned preconditions, AuE Kassel is also entitled to withdraw from the contract. AuE Kassel shall indemnify the customer within such deadline from undisputed claims or claims that have been established with final legal effect of the respective owners of the property rights. The provisions in clause I. 3 shall remain unaffected hereby.

**7.2** The obligations stipulated under clause I. 7.1 shall be conclusive for cases of infringement of property rights or copyrights, without prejudice to clause I. 9.

**7.3** The claims shall only exist if (i) the customer immediately informs AuE Kassel about any asserted infringements of property rights or copyrights, (ii) the customer reasonably supports AuE Kassel with respect to the defence against the asserted claims or enables AuE Kassel to carry out the modification measures pursuant to clause I. 7.1, (iii) any and all defence measures including out-of-court settlements remain reserved to AuE Kassel, (iv) the defect in title is not based on an instruction by the customer and (v) the infringement of rights was not caused by the customer changing the object of delivery without authority or using it in a way that was not contractually agreed.

## **8. Warranty for Material Defects**

**8.1** In case of defects, the warranty shall be restricted to the right of subsequent performance, unless stipulated otherwise in clause I. 8.5. In such case, AuE Kassel shall, at its choice, be entitled to the removal of

defects or a replacement delivery or substitute performance. The customer's right to remedy the defect itself shall be excluded.

**8.2** The customer shall stipulate in writing a deadline for the subsequent performance of at least four weeks. Subsequent performance shall only be deemed failed after three attempts remained unsuccessful. AuE Kassel may refuse subsequent performance if the same is only possible at disproportionate costs.

**8.3** Return deliveries of defective goods to AuE Kassel for the purpose of subsequent performance may only be effected upon AuE Kassel's written consent. The risk of accidental loss and accidental deterioration shall not pass to AuE Kassel until the goods are handed over to AuE Kassel at its place of business. The expenses required for the purpose of inspection and subsequent performance, in particular costs of transport and material (not: costs of assembly and disassembly) shall be borne by AuE Kassel if a defect actually exists. If, however, a request by the customer to remedy a defect proves unwarranted, AuE Kassel may claim from the customer compensation for the costs incurred in this context.

**8.4** In case of replacement deliveries or substitute performance for the purpose of subsequent performance, the customer shall return the delivered item.

**8.5** In the event that AuE Kassel is not willing or able to fulfil subsequent performance, particularly if the same is delayed beyond reasonable periods for reasons for which AuE Kassel is responsible or if the subsequent performance fails for other reasons, the customer is entitled to withdraw from the contract in accordance with the statutory provisions. This shall not apply to insignificant defects. Such an insignificant defect is given if the effort to remove the defect does not exceed an amount of 5 (five) percent of the order value. In such case, the customer shall only be entitled to reduce the contractual price. In all other cases, the right to reduction shall be excluded. Claims for damages shall be subject to clause I. 9.

**8.6** In the event of changes to the subject-matter of the contract which the customer carries out or has carried out by third parties without AuE Kassel's prior consent, the warranty shall lapse, unless the customer proves that there is no causal relationship between the change and the defect. The same shall apply to defects resulting from a specification of the customer.

**8.7** There shall be no additional warranty claims for defects which occurred due to inappropriate or incorrect use, faulty commissioning, usual wear and tear, faulty or negligent treatment, excessive use and improper maintenance of the subject-matter of the contract as well as due to changes to the subject-matter of the contract by the customer or on its behalf by third parties without AuE Kassel's express consent.

## **9. Liability**

**9.1** AuE Kassel shall be liable without limitation for intent and gross negligence. With regard to slight negligence, AuE Kassel's liability shall be limited and restricted to the foreseeable damage that might typically occur under the contract if an obligation is violated the fulfilment of which is essential for the proper performance of the contract and on the compliance with which the customer may regularly rely (cardinal duty).

**9.2** AuE Kassel shall be liable for cases of initial impossibility only if it had knowledge of the hindrance to performance or if its lack of knowledge is due to gross negligence.

**9.3** The foregoing liability limitations or exclusions shall not apply to claims resulting from fraudulent concealment of a defect, acceptance of a guarantee and claims pursuant to the German Product Liability Act (*Produkthaftungsgesetz, ProdHaftG*) and to damage arising from injuries to life, body or health.

**9.4** Liability for the destruction of data shall be restricted to the costs that would be required for its reconstruction if the data had been properly secured by the customer.

**9.5** Insofar as AuE Kassel's liability is excluded or limited, such exclusion or limitation shall also apply to the personal liability of its employees, representatives and vicarious agents.

## **10. Limitation of Claims**

**10.1** Claims for defects and liabilities of the customer become statute-barred after twelve months.

**10.2** Claims for defects of the customer due to defects in constructions of buildings and work the success of which is based on planning and supervision services shall become statute-barred after five years.

**10.3** The statutory limitation periods shall apply to claims due to injuries to life, body or health, grossly negligent or intentional behaviour, the culpable violation of cardinal duties within the meaning of clause I 9.1, the breach of guarantees and in case of claims under the ProdHaftG.

**10.4** The beginning of the statutory limitation shall be subject to the statutory provisions.

## **11. Use of Software and Documents**

**11.1** If the contractually agreed delivery includes software, the customer shall be granted a non-exclusive right to use the delivered software including its documentation. The software shall be provided to be used for

the specific delivery object. It is prohibited to use the software on more than one system.

**11.2** The customer is entitled to reproduce, revise or translate the software or convert it from the object code into the source code only to the extent permitted by law (Secs. 69 a et seqq. of the German Copyright Act (*Urhebergesetz, UrhG*)). The customer undertakes not to remove the manufacturer's data, in particular copyright notes, or to change the same without AuE Kassel's prior express consent.

**11.3** Any other rights in the software and the documentation, including copies, shall remain with AuE Kassel and the software supplier, respectively.

**11.4** AuE Kassel reserves ownership rights and copyrights with respect to samples, cost estimates, illustrations, drawings, calculations, films, templates, slides, repros, blueprints and other materials (hereinafter jointly referred to as "**Documents**"); such documents may not be made available to third parties or be exploited by the customer for its own purpose or those of a third party without the written consent of AuE Kassel. This shall apply irrespective of whether they are marked as confidential information. Otherwise AuE Kassel is entitled to claim damages without prejudice to other rights.

**11.5** If Documents form part of the contractually owed delivery of AuE Kassel, the customer will be granted a simple non-exclusive right to use them in connection with the respective goods. A use for other purposes, in particular for purposes of reproduction etc., shall be explicitly excluded.

## **12. Place of Performance, Jurisdiction, Applicable Law**

**12.1** Place of performance shall be the seat of AuE Kassel in Straubing, Germany.

**12.2** Straubing shall be the place of jurisdiction for all disputes arising from the business relationship.

**12.3** The laws of the Federal Republic of Germany shall apply. The provisions of German international private law and of the UN Convention on Contracts for the International Sale of Goods (CISG) shall be excluded.

## **13. Data Storage**

AuE Kassel is entitled to process and store the data of the customer received as part of the business relationships as defined in the Federal Data Protection Act (*Bundesdatenschutzgesetz, BDSG*) to the extent this seems reasonable within the framework of the contract.

## **II. Special Provisions for Product Deliveries**

### **1. Remuneration, Due Date**

**1.1** In the event that the subject-matter of the contract is imported, the price in EUR stated in the order confirmation shall be based on the exchange rate of the foreign currency applicable on the date the order confirmation is issued.

**1.2** If the overall remuneration exceeds the amount of EUR 200,000.00, AuE Kassel is entitled to request advance payments. In this case, 30% of the agreed remuneration shall be paid to AuE Kassel immediately after receipt of the order confirmation, another 60% immediately with the passing of risk and another 10% of the agreed remuneration upon expiry of two weeks after the risk has passed. If the advance payments are not made in due time, AuE Kassel is entitled to suspend deliveries and/or to defer them until payment has been made.

### **2. Warranty for Defects**

**2.1** The customer's warranty rights are subject to the condition that the same has duly complied with its duty of examination and its duty to give notice of defects pursuant to Sec. 377 of the German Commercial Code (*Handelsgesetzbuch, HGB*). During the examination, the goods must be inspected according to the specifications agreed with AuE Kassel in writing. If no such specifications were agreed, the manufacturer's specifications of the delivered goods shall be used as a standard. AuE Kassel shall be notified of obvious defects in writing without undue delay, but in any case no later than five days from receipt of the goods.

**2.2** Advertising statements or other public statements and declarations by third parties do not substantiate a material defect. AuE Kassel's warranty shall be excluded in this respect.

### **3. Sale on Approval**

**3.1** Where the supply of sample devices or devices for testing purposes is agreed, the customer may withdraw from the contract within the agreed period by declaring disapproval in writing.

**3.2** These Terms and Conditions shall apply to the sale on approval.

**3.3** The customer shall bear the costs of returning the subject-matter of the contract. AuE Kassel shall be given prior written notice of all return deliveries. The risk of accidental loss and accidental deterioration of the

returned goods shall not pass to AuE Kassel until the goods are handed over to AuE Kassel at its place of business. The customer is obliged to return the goods completely and in a flawless condition.

## **4. Securing of Retention of Title**

**4.1** AuE Kassel reserves title to the delivered goods until all claims which exist against the customer based on the business relationships at the time the contract is concluded have been fulfilled. This shall also apply to any future claims that AuE Kassel acquires from the ongoing business relationship with the customer.

**4.2** The customer shall treat the goods delivered under retention of title with due care and appropriately insure the same at its own costs against damage caused by fire, water and theft at their original value. Maintenance and inspection work that may become necessary shall be carried out by the customer at its own expense in due time.

**4.3** In case the customer culpably insures the contract, in particular in the event of default in payment, AuE Kassel is entitled to take back the subject-matter of the contract. Taking back the subject-matter of the contract does not constitute a withdrawal from the contract, unless AuE Kassel explicitly declared a withdrawal in writing.

**4.4** The customer is not entitled to pledge the subject-matter of the contract prior to the transfer of title or assign it as a security.

**4.5** The customer is entitled to resell the subject-matter of the contract in the course of ordinary business transactions unless it is in default with payment. The customer hereby assigns to AuE Kassel all claims in the amount of the total sum of the respective invoice regarding AuE Kassel's claim (including value added tax), which it acquires against its buyers or third parties from reselling the goods, and this shall apply regardless of whether the subject-matter of the contract was sold without or after further processing. AuE Kassel accepts this assignment. The customer shall remain authorised to collect these claims even after the assignment. AuE Kassel's authority to collect the claim itself shall remain unaffected hereby. AuE Kassel undertakes not to collect the claim as long as the customer meets its payment obligations arising from the respective contractual relationship, is not in default with payment and, in particular, has not applied for the opening of insolvency proceedings or has not discontinued payment. However, if this is the case, AuE Kassel is entitled to request that the customer informs AuE Kassel of the assigned claims and the respective debtors, provides any information required for the collection, hands over the corresponding documents and informs the debtors (third parties) of the assignment.

**4.6** Any processing or alteration of the goods by the customer shall always be effected on behalf of AuE Kassel. If the goods are processed with other objects that do not belong to AuE Kassel, AuE Kassel shall acquire joint ownership of the new object in the value of the goods in proportion to the other processed objects at the time of the processing. The new object resulting from the processing shall be subject to the same provisions that are applicable to the goods delivered subject to reservation. If the goods are inseparably mixed with other objects that do not belong to AuE Kassel, AuE Kassel shall acquire joint ownership of the new object in the value of the goods in proportion to the value of the other mixed objects at the time of the mixing. If the mixing is carried out in such a way that the customer's part is deemed the main part of the object, the parties agree that the customer shall grant AuE Kassel joint ownership on a proportionate basis. The customer shall keep the resulting sole ownership or joint ownership on behalf of AuE Kassel.

**4.7** In the event of attachments or other recourse claims by third parties to the sold goods, the customer shall indicate that these are the property of AuE Kassel and inform AuE Kassel thereof immediately to enable AuE Kassel to instigate third party claim proceedings pursuant to Sec. 771 of the German Code of Civil Procedure (*Zivilprozessordnung, ZPO*). The customer shall be liable to the extent that the third party is not able to reimburse AuE Kassel for the court fees and out-of-court fees incurred while enforcing its rights of ownership.

**4.8** AuE Kassel undertakes to release the securities it is entitled to upon the customer's request if the realisable value of the securities exceeds the claims to be secured by more than 20%. The selection of the securities to be released shall be at AuE Kassel's discretion.

## **5. Claims under Insurance Contract**

If AuE Kassel has direct claims vis-à-vis the customer's insurer regarding the subject-matter of the contract, the customer hereby grants AuE Kassel its consent to assert such claims.

## **6. Export**

**6.1** The customer undertakes to export the goods and technical information supplied by AuE Kassel exclusively in compliance with the pertinent export regulations and to impose the same obligations on its buyers.

**6.2** Any and all taxes, fees and charges in connection with the performance of the services outside of the Federal Republic of Germany shall be borne by the customer or, if these have already been paid in advance by AuE Kassel, these shall be reimbursed to AuE Kassel.

## 7. Indication of the Place of Origin

Any change to the object of delivery or performance of AuE Kassel, in particular every marking by the customer or a third party indicating the origin or implies that the subject of delivery or performance is of the origin of the customer or a third party, is strictly forbidden unless AuE Kassel has given its prior written consent.

## 8. Termination Right

If AuE Kassel manufactures the subject-matter of the contract to be delivered itself, the customer may terminate the contract prior to its completion only for good cause (*aus wichtigem Grund*).

## III. Special Provisions for Assembly Services

### Customer's Duties to Cooperate for Services Rendered on the Customer's Premises

1.1 The customer shall inform AuE Kassel's personnel at its own costs about existing safety regulations and risks and take any measures required to protect people and property at work.

1.2 The customer shall render at its own costs the necessary support and assistance within the required scope, such as the provision of water and electricity etc.

1.3 The customer's assistance must guarantee that the work of AuE Kassel can begin immediately after AuE Kassel's personnel has arrived and can be carried out without delay until acceptance.

1.4 If the customer does not fulfil its obligations, AuE Kassel is entitled, but not obliged, to carry out the actions to which the customer is obliged in its place and at its costs.

1.5 For the avoidance of doubt, the customer is not entitled to issue instructions to the employees of AuE Kassel, except in case of imminent danger. In this context, the customer undertakes to clarify any questions regarding the planning and performance directly with the contact person appointed by AuE Kassel for this purpose.

## IV. Special Provisions for the Performance of Work

In addition to and/or by derogation from the provisions above, the following provisions shall apply to repair work, to assembly services carried out on the basis of separate agreements and independently from the delivery of a work as well as to other work performances:

### 1. Remuneration, Due Date

AuE Kassel is entitled to request partial payments and/or advance payments.

### 2. Acceptance

The acceptance shall be carried out in writing within two weeks from the notification of the readiness for acceptance. If the customer does not accept the work within this period although it is obliged to do so, this shall be deemed a failure of acceptance. The taking into operation shall replace the acceptance. Acceptance may not be refused or delayed for minor defects.

### 3. Passing of Risks

If the work is performed on the premises of the customer, the risk shall pass to the customer on the day on which the work is completed. Apart from that, the risk passes at the point in time at which the customer collects the subject-matter of the contract or the subject-matter of the contract is handed over to the person in charge of the transport. The provisions of clause I. 5.4 and clause I. 6.10 shall remain unaffected.

### 4. Retention of Title

4.1 If the work is performed on the customer's premises and if AuE Kassel provides parts on the customer's premises, AuE Kassel retains the title therein.

4.2 Any processing or alteration by the customer shall be effected on behalf of AuE Kassel.

4.3 If the goods under retention of title are processed with other objects which do not belong to AuE Kassel, AuE Kassel shall acquire joint ownership of the new object in the value of the item provided by AuE Kassel (purchase price plus value added tax) in proportion to the other processed objects at the time of the processing.

4.4 If the goods provided by AuE Kassel are inseparably mixed with other objects that do not belong to AuE Kassel, AuE Kassel shall acquire joint ownership of the new object in the value of the goods under retention of title (purchase price plus value added tax) in proportion to the value of the other mixed objects at the time of the mixing. If the mixing is carried out in such a way that the customer's part is deemed the main part of the object, the parties agree that the customer shall grant AuE Kassel joint ownership on a proportionate basis. The customer shall keep the resulting sole ownership or joint ownership on behalf of AuE Kassel.

## 5. Warranty for Defects

Warranty rights are subject to the condition that the customer immediately notifies AuE Kassel in writing of obvious defects, however, no later than eight days from acceptance of the goods.

## 6. Termination Right

The customer is entitled to terminate the contract for work and services prior to the completion of the work only for good cause (*aus wichtigem Grund*).

(Last updated: July 2016)