

General Terms of Trade

September 2017

1. Validity

- 1.1 For all current and future contracts and agreements between GK Concept GmbH („GKC“) and Partner the following General Terms of Trade shall apply.
- 1.2 Any diverging, contradicting or complementing general terms of Partner shall not be applicable unless expressly approved by GKC in writing.

2. Closing of Contract

- 2.1 Offers by GKC are always non-binding and constitute an invitation for Partner to submit a binding offer for deliveries and / or services by GKC. Such offers are binding for Partner. Upon delivery of an acceptance notice („Auftragsbestätigung“) to Partner the contract is closed.
- 2.2 Oral side agreements as well as any confirmation of qualities and/or characteristics of deliveries and/or services shall not be valid unless expressly confirmed by GKC in writing.

3. Intellectual Property

- 3.1 Upon payment in full, GKC grants to Partner an exclusive and unlimited license to use all contractual deliveries and/or services by GKC such as plans, drawings, models, tools or appliances and other work results for purposes agreed for and required under the contract.
- 3.2 Partner, however, is not entitled to transfer any intellectual property under clause 3.1 to any third party, including group companies, without prior approval by GKC in writing.

4. Delivery, Time, Obligations of Partner

- 4.1 Partner is obligated to submit in due time all technical, economical and other parameters required for GKC to deliver its services and deliveries. GKC reserves the right to product and/or technical changes reasonably acceptable to Partner's interests.
- 4.2 GKC reserves the right to engage duly qualified third parties in its own name and for own accounts to fulfill its contractual obligations. GKC, however, shall inform Partner in writing on its intention to allow his objection within a period of five working days. In case of objection, GKC shall have to perform the contractual services and deliveries.
- 4.3 Unless confirmed in writing, all terms for delivery are agreed in light of performance possibilities by GKC projected at the time of closing, are non-binding and under the conditions precedent that GKC is supplied in due time by its suppliers and no force majeure event has occurred. Such events shall extend any terms for delivery accordingly. In case of an extension of more than two months Partner shall be entitled to terminate the contract.
- 4.4 In case an extension on aforementioned grounds is unacceptable to GKC it reserves the right to terminate the contract partially or entirely upon respective notice to Partner. In this case all mutual claims for damages are excluded.
- 4.5 Partner has to ensure that all information, data, documentation and other measures of support afforded under the contract are made available to GKC in due time. Partner is responsible for the correctness of all submitted information and that they do not interfere with third parties' rights. Partner has to reimburse GKC for all additional costs for additional or prolonged work incurred by Partner's failure to deliver required information in due time or sufficiently. GKC is entitled to charge such additional costs even in case of a fixed price contract.

5. Price, Terms of Payment

- 5.1 All prices shall be charged as fixed prices or on hourly rates. VAT shall be added as applicable at the time the invoice is issued.
- 5.2 For deliveries and services to be performed four months after closing or later, GKC reserves

the right to charge Partner with any increase in costs incurred after closing. GKC shall substantiate such additional costs upon request by Partner.

5.3 All payments shall be due and owing without deduction 10 days after the date of invoice. If deliveries and/or services afford more than six weeks GKC shall be entitled to submit partial invoices based upon work progress.

5.4 Any setting-off by Partner may only be based on claims that are either accepted by GKC or confirmed by final court order.

6. Acceptance

6.1 Partner has to immediately examine any deliveries for completeness and accordance with the contract documents.

6.2 GKC may require formal acceptance of delivered works and services and may request partial acceptance of partial deliveries in accordance with mile stones agreed under the contract. Partner has to perform acceptance within two weeks upon formal acceptance request and sign an acceptance protocol. If Partner is obligated to accept but denies acceptance within the prescribed term or if acceptance is delayed for reasons beyond the scope of GKC, the works or partial works shall be deemed to be accepted after the prescribed term has elapsed.

7. Retention of Title

7.1 The delivered products, especially tools and constructions, shall remain the property of GKC until all of GKC's claims for payment resulting from this and from all future contractual relations have been met. If Partner passes on the conditional commodity in the course of orderly business, his claims arising from the transfer are hereby assigned to GKC, which accepts such assignment.

7.2 Any disposal beyond the course of orderly business, such as pledging or transfer by way of security, is only valid upon prior approval by GKC. In case of seizure by a third party, Partner has to inform the executory officer about GKC's ownership and inform GKC on the proceeding by handing over of the execution protocol.

8. Warranty

8.1 Partner is obligated to survey all deliveries and /or services provided by GKC immediately upon receipt for any deviations or defects. Perceptible defects existing at the time of passing of title or acceptance have to be reported in writing immediately upon receipt providing adequate and sufficient information or, in case of hidden defects, have to be documented and reported in writing immediately upon discovery.

In case of defects Partner shall be entitled to statutory remedies in accordance with the limitations hereunder.

8.2 Any claims resulting from defects shall be limited to a period of 12 months beginning with the date of delivery or with acceptance of the works.

8.3 In case defects or deviations are reported in due time and manner GKC shall remedy such defects in its own discretion by way of replacement or rectification. GKC reserves the right for a second remedy of the same defect if the first remedy fails. If the second remedy fails within due time Partner may chose to reduce the agreed price or terminate the agreement („Rücktritt vom Vertrag“).

8.4 Excluded from GKC's warranty are defects caused by incorrect use and acts of negligence by Partner or his personnel except Partner can demonstrate that the defects were not caused by such events.

8.5 If an inspection of any warranty claim shows that the defect does not fall under GKC's warranty, GKC may reclaim from Partner any costs involved in the inspection, unless such costs are insignificant.

9. Liability

- 9.1 GKC's liability for contractual damages and tort is limited to intent and gross negligence. This limitation does not apply for damages of Partner's life, body and health, of essential obligations and damages for delay (§ 286 German Civil Code). Insofar GKC is liable for all grades of liability.
- 9.2 The limitation under 9.1 also applies to damages caused by vicarious agents in slight negligence.
- 9.3 Any liability is limited to adequate and foreseeable damages.
- 9.4 As far as liability for slight negligence is not excluded for damages of Partner's life, body and health, all according claims are barred by a limitation period of 1 year starting from the date such claim has emerged or in case of a claim for damage resulting from a defect starting from the date of delivery.
- 9.5 As far as liability of GKC is excluded or limited this also applies to liability of GKC's officers, employees and assistants.
- 9.6 Any contingent liability according to product liability laws is not affected.

10. Non-Disclosure

- 10.1 The parties agree not to disclose to third parties any documents and/or information received from the other party without prior approval in writing, unless such third party is licitly involved as a sub-contractor. This non-disclosure clause does not apply to documents and/or information that has obviously been in the receiving party's possession prior to disclosure or the receiving party can demonstrate that it has been disclosed by a third party without violating this non-disclosure clause. In the latter case, the other party has to be informed immediately. Partner agrees to keep his personnel and sub-contractors bound by this non-disclosure clause. This non-disclosure clause shall survive any termination of the contract.
- 10.2 Upon completion of the works GKC is entitled to publish the project for advertising unless prohibited under the contract.

11. Miscellaneous

- 11.1 Place of performance for the mutual obligations is Dresden, Germany. The courts of Dresden, Germany shall have exclusive jurisdiction, as far as permitted by law.
- 11.2 The laws of Germany are applicable with the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG).
- 11.3 All changes tot he contract or these General Terms of Trade must be in writing. This also applies to changes to this written-form-clause.
- 11.4 Should any individual provision be or become unenforceable, the validity of the remaining provisions hereof shall in no way be affected. In such case the unenforceable provision or provisions shall be replaced by relative provisions coming as close as possible to the sense and spirit and purpose of the Agreement.