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## General Conditions of Business for Consumers

### 1. General Provisions

- 1.1 For the duration of the business relations all deliveries and services by Röder Präzision GmbH ("**Röder**"), even future contracts without an express agreement to that effect, shall be subject exclusively to the following conditions, unless the parties agree otherwise. Differing, conflicting, or supplemental general terms and conditions of buyers respectively customers ("**Customer**") only become part of a contract if and to the extent Röder expressly consents thereto. Performing a contract without any reservations despite knowledge of differing, conflicting, or supplemental general terms and conditions of Customer does not constitute consent.
- 1.2 Röder's individual performances shall be stipulated in separate performance certificates or performance specifications that Customer and Röder are to agree upon separately.

### 2. Offers, Orders

- 2.1 All offers by Röder are subject to change. A legally binding contract shall not come into existence until Röder issues a confirmation in writing, by telegraph, fax, or e-mail. This also applies to orders accepted by an agent of Röder as well as orders given by telephone or fax. Order changes by Customer only become effective upon such confirmation.
- 2.2 Any special services rendered and deliveries made for the purpose of providing a cost estimate, e.g., travel, disassembly etc., shall be charged to Customer even if the planned services are not performed at all or are performed in a different way.
- 2.3 If Röder is given orders to maintain, repair or work on parts delivered by Customer, a list with exact descriptions and, if necessary, the measurements of the delivered parts, shall be included. If such a list is missing the information contained in Röder's order confirmation shall be deemed proof, that no further parts were delivered.
- 2.4 If Röder is obliged by law or ordered by a governmental authority to disable, scrap, destroy or hand over to a public entity or a third party replaced parts and/or materials, Customer shall tolerate Röder's complying with its legal duty respectively the order and reimburse Röder for any costs incurred. Customer shall not have a claim against Röder for complying with its legal duty respectively the order.

### 3. Conditions of Delivery

- 3.1 Unless otherwise agreed, delivery or acceptance shall take place at Röder's plant. If Customer itself does not accept or take over the delivery but an agent does so, such agent must furnish proof of his legitimation. Unless such proof is furnished, Röder may refuse acceptance or take over by the agent. Customer is responsible for the delay in acceptance or take over caused by a justified refusal of Röder. Röder is entitled but not obligated to check the legitimation of the agent.
- 3.2 If Customer requests shipment, this shall be done at Customer's expense. A transport insurance policy shall only be taken out upon request of the Customer and for Customer's account.
- 3.3 Delivery dates given by Röder are binding only if they were expressly agreed upon in writing.
- 3.4 Provided that Röder can permanently not observe binding delivery deadlines due to causes not foreseeable by Röder and not of its responsibility ("**non-availability of the goods**"), Röder shall be entitled to fully or partly withdraw from the contract. In this case Röder shall inform the Customer without delay about the non-availability of the goods and immediately reimburse the Customer for any considerations already received from the Customer. In particular, the goods shall be considered not available if Röder itself is not supplied by its suppliers, even though Röder has made congruent orders with its suppliers, neither Röder nor its suppliers are responsible or Röder in the particular case is not obliged to procure the goods.

**3.5** Goods are also considered not available pursuant to Number 3.4 if the delivery or performance is permanently rendered impossible because of force majeure. Apart from that, hindrances of delivery or performance due to force majeure or other events not foreseeable by Röder, such as in particular labor disputes, shortages of labor force, energy or raw materials, which temporarily prevent Röder without its responsibility to deliver the product, respectively to provide the service in time or in the agreed time limit, lead to a deferment of these time limits for the respective delivery or performance for the duration of the default caused by these circumstances.

#### **4. Prices, Conditions of Payment**

**4.1** All prices are ex works Röder and include the statutory value added tax in the respective amount applicable by law but exclude postage, freight costs and packaging unless some other arrangement is expressly made, e.g. ex works of the manufacturer. If Röder manufactures the packaging Customer shall be charged with the costs.

**4.2** All invoices are due for payment net (without deduction) immediately upon receipt of the invoice. The Customer will be in default of payment without a reminder by Röder no later than 30 days after the due date and receipt of the invoice. Röder will include this information again in the invoice.

**4.3** Set-off is permissible only in the event of an undisputed or res judicata counterclaim of Customer.

**4.4** In the event of arrears on payments Röder shall also be entitled to demand default interest in the amount of 5 percentage points above the respective base interest rate insofar as this relates to fee requests. The assertion of further damages caused by delay remains reserved by Röder.

**4.5** Customer shall reimburse Röder for any costs incurred due to reasonable measures of asserting and enforcing claims. Customer shall reimburse debt collection agency fees up to what an attorney would be entitled to by law if he performed the tasks (statutory attorney's fees).

**4.6** If, after conclusion of the contract, it becomes clear that the purchase-price claims or the remuneration claims of Röder are at risk due to a lack of the Customer's ability to pay/perform (e. g. because an application to commence insolvency proceedings has been submitted), Röder shall, according to statutory law, be entitled to refuse payment/performance and – if necessary after setting a deadline – shall be entitled to withdraw from the contract (Sec. 321 German Civil Code). As regards contracts on the manufacture of specific items (individual construction) Röder can withdraw from the contract immediately; the statutory provisions concerning the lack of the necessity to set a deadline remain unaffected.

#### **5. Passing of Risk**

The risk of accidental destruction or accidental deterioration of the goods will pass to the Customer upon the handing over of the goods to Customer. As far as acceptance is agreed, the acceptance shall be decisive for the passing of these risks.

#### **6. Default in Acceptance**

**6.1** Customer shall be considered to have defaulted on the acceptance if it does not pick up the goods or cause their shipment within two weeks after it has been notified of the completion or the readiness of the goods. Once a default in acceptance occurs the risk of accidental deterioration or accidental loss shall pass to Customer.

**6.2** If Customer defaults on acceptance Röder shall also be entitled to demand compensation of the damages it suffers, including but not limited to warehouse costs incurred by Röder. Four weeks after the notice of readiness for pick-up Röder also reserves the right to store the goods elsewhere at Customer's expense.

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**SPECIAL PROVISIONS FOR CONTRACTS FOR WORK AND SERVICES, IN PARTICULAR THE MANUFACTURE OF PARTS, MAINTENANCE AND REPAIR, VARNISHING AND GALVANIZING**

**7. Materials/Objects of Customer**

- 7.1 If Röder is given additional objects with the subject matter of the order, Röder shall be liable for damage to such objects only in accordance with Number 10 of these Conditions of Business.
- 7.2 Customer shall grant Röder a right of lien on all objects brought in by it for any claims relating to the underlying contract.

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**SPECIAL PROVISIONS FOR SALE CONTRACTS AND CONTRACTS DEALING WITH THE SUPPLY OF MOVABLE THINGS TO BE PRODUCED OR MANUFACTURED (SEC. 651 PARA. 1 CL. 1 GERMAN CIVIL CODE (BGB))**

**8. Retention of Title**

- 8.1 The goods shall remain the property of Röder until full payment of the purchase price/ the remuneration of the goods ("**Goods subject to Retention of Title**").
- 8.2 Customer shall not be entitled to resell/dispose of Goods subject to Retention of Title without written consent of Röder.
- 8.3 If the Goods subject to Retention of Title are seized or other interventions occur by third parties, Customer shall give immediate written notice to Röder, so Röder can enforce its property rights.
- 8.4 If the realizable value of the above securities that exist for Röder exceed Röder's claims by more than 10 %, Röder, upon Customer's demand, shall be obligated to release securities at its choice in the amount that exceeds the limit of 10 %.
- 8.5 In the event of a conduct of the Customer that is not in conformity with the contract, in particular in case of non-payment of the due purchase price/remuneration, Röder shall be entitled to withdraw from the contract in accordance with the statutory provisions and to demand the Goods subject to the Retention of Title to be returned according to the retention of title and the withdrawal. In the event that the Customer does not pay the due purchase price/remuneration, Röder shall be entitled to assert these rights only if Röder beforehand has set the Customer an appropriate payment deadline or if setting such deadline is not necessary according to statutory provisions.

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**FURTHER GENERAL PROVISIONS**

**9. Customer's Rights in the Event of Defects**

- 9.1 Statutory law applies to the Customer's rights regarding material and legal defects of the goods, unless otherwise specified below.
- 9.2 In case of justified and timely notices of a defect, the correction of the defect may be done by remediation of the defect or replacement delivery ("**alternative performance**").
- 9.3 The Customer has to give Röder the necessary time and opportunity to fulfill the alternative performance, in particular, the Customer has to turn over the rejected goods for inspection purposes. In case of a replacement delivery, the Customer must return the defective goods to Röder according to statutory provisions.
- 9.4 The expenses necessary for the inspection and the alternative performance, in particular transport costs, workmen's travel costs, work and material costs (including costs for disassembly and installation) shall be borne by Röder in case of a de facto defect. Should the Customer's request for remedy of defect be unjustified, Röder may demand compensation from the Customer for the costs incurred, if the Customer was or should have been aware that the defect was non-existent.

- 9.5** Should the alternative performance fail or should a time limit set by the Customer in this regard expire without success or be dispensable according to statutory provisions, the Customer may withdraw from the contract or reduce the purchase price/remuneration. In case of a trivial defect, however, the right to withdraw does not apply.
- 9.6** Customer claims for damages or compensation for futile expenses consist only in accordance with Number 10 and are otherwise excluded.
- 9.7** The general limitation period for claims arising from material and legal defects shall be two years from delivery. As regards claims arising from the purchase of used goods, the limitation period shall be one year from delivery. If the acceptance has been agreed, the limitation period begin with the acceptance of the goods.
- 9.8** However, should the goods be a building, a work whose result consists in the rendering of planning or monitoring services for this purpose or an object, used in its usual purpose for a building and causing its defectiveness (building material), the period of limitation according to the statutory rules is five years from delivery or acceptance, in case acceptance is agreed. However, in case of Röder fraudulently concealing the defect, the special statutory provisions regarding in rem claim to return of third parties remain unaffected. The same applies to claims in the supplier recourse for final delivery to a Customer.
- 9.9** The limitation periods mentioned above also apply to contractual claims for damages of the Customer, based on a defect of the goods ("*Mangelfolgeschaden*") unless the application of the regular statutory limitation period pursuant to Sec. 195, 199 BGB would result in a shorter limitation period on an individual basis. The period of limitation of the German Product Liability Act shall remain unaffected in any case. Apart from that only the statutory limitation periods apply to claims for damages by the Customer according to Number 10.

## **10. Further Liability**

- 10.1** Unless otherwise specified in these general terms and conditions, including the following provisions, Röder is liable for any breach of contractual and non-contractual obligations under the relevant statutory provisions.
- 10.2** Röder is responsible for damages – for whatever legal reason – if the company or its legal representatives or vicarious agents have acted with intent or gross negligence. In case of simple negligence by Röder or their legal representatives or vicarious agents, Röder is only liable
- a)** for damages resulting from injury to life, body or health,
  - b)** for damages resulting from the breach of a material contractual obligation. Material contractual obligations are such obligations, whose fulfillment is essential to the due performance of the contract and upon which adherence the Customer relies and may rely. In this case, however, the liability of Röder is limited to the compensation of the foreseeable, typically occurring damages.
- 10.3** The limitations of liability resulting from Number 10.2 do not apply if Röder fraudulently concealed a defect or gave a guaranty of the quality of the goods. The same applies to claims under the German Product Liability Act.
- 10.4** For the avoidance of doubt the "Release to service certificates" issued by Röder for the goods only indicates that the certified goods may be used for air transportation; however, Röder expressly does not provide any quality guarantee in this regard.
- 10.5** Due to a breach of obligation which does not qualify as a defect, the Customer may only withdraw or terminate the contract if Röder is responsible for the breach of obligation. Apart from that, the statutory provisions and legal consequences apply.
- 10.6** The above exclusions and limitations of liability apply to the same extent for the benefit of the legal representatives, employees and other vicarious agents of Röder.

## **11. Application of national, European and US export restrictions**

- 11.1** The parties are in agreement that the statutory or decreed national, European and US export restrictions (Export Control Regulations) are applicable. Therefore, export of the goods to certain states with dictatorial governments or regimes is not permitted.
- 11.2** Customer shall be obliged to inform Röder of any export of goods to such states in writing and shall be obliged to obtain Röder's prior written consent. In case of the Customer's failure to comply with such requirements Röder shall be entitled to rescind the respective contract ("*Rücktritt*"). Customer shall be obliged to bear any costs incurred in relation to such rescission.

## **12. Miscellaneous**

- 12.1** Unless other agreements are made in writing, these General Conditions of Business reflect the entirety of the agreements between Röder and Customer. There are no collateral oral agreements. Changes, amendments and cancellations of these General Conditions of Business must be in writing. This also applies to a waiver of the written form requirement. To comply with the written form requirement, transmission by fax or by e-mail is sufficient.
- 12.2** German law, excluding the rules on conflict of laws and the UN Sales Convention, shall apply in relation to the conclusion and execution of the contract as concerns the legal relations between Röder and Customer.
- 12.3** If a provision of these General Conditions of Business is invalid, the validity of the remaining provisions shall not be affected thereby.