

As per March 2022

A. General Part

General Terms and Conditions Applicable to All Contracts between Gehring and the Customer

B Specific Part

Terms and Conditions Applicable in Addition to the General Part for Specific Contracts:

I Additional Terms and Conditions for Machines, Equipment, Automation Systems and Controls

II Additional Terms and Conditions for Software

III Additional Terms and Conditions for Conversion, Overhaul, Repair and Maintenance Work

A General Part

§ 1 General/Scope of Application

(1)
The General Terms and Conditions apply to all present and future contracts and business relations between Gehring and the customer (hereinafter: Customer). They apply in their respective valid version as a framework agreement without Gehring having to refer to them again. They only apply to a sole proprietor or legal entity exercising their commercial or self-employed activities (§ 14 German Civil Code).

(2)
Deviating, contrary or supplementary General Terms and Conditions of the Customer will not become part of the contract even if known by Gehring, unless Gehring expressly acknowledges them in writing.

(3)
The General Terms and Conditions used by Gehring will apply even if Gehring delivers the goods to the Customer without reservation while aware of contrary or deviating General Terms and Conditions of the Customer.

§ 2 Offer/Offer Documents

(1)
All offers by Gehring are subject to change.

(2)
To the extent that increases of raw material prices, wages, taxes and public charges and/or complications from laws and /or other type of legally binding provisions which verifiably have an essential impact on Gehring's offer calculation occur before the order is carried out, Gehring has the right to charge an adequate price surcharge. "Essential" as defined in the present clause means changes of at least 10 %.

(3)
Gehring reserves the right to technical changes such as changes in shape, color and/or weight to the extent that they are reasonable.

Compliance with technical data or other specifications / details from catalogs, publications, parts lists and/or drawings/sketches etc. will only be confirmed if Gehring's offer contains explicitly specific data, dimensions or if such details are included in technical specifications which are part of Gehring's offer. Where a general reference is made to documents or drawings only the function will be deemed to be confirmed.

(4)
If the order can be qualified as an offer as defined in § 145 BGB (German Civil Code) Gehring can accept it within 4 weeks. The acceptance will be made through a written order confirmation.

(5)
The contract will be concluded, in case Gehring has completed all required steps, subject to the contractually compliant and timely delivery to Gehring by their own suppliers. This applies only if Gehring is not liable for the non-performance of their own supplier, in case of the conclusion of a congruent hedging transaction with Gehring's supplier.

If Gehring is nevertheless unable to perform, the Customer shall be informed immediately of the non-availability of the performance. The Customer's payment will then be immediately reimbursed.

(6)
Apparently visible mistakes, errors, print-, count-, typing- and calculation mistakes are not binding for Gehring and shall not entitle the Customer to compensation for any type of damage claims.

(7)
Gehring retains the right to ownership and copyrights to illustrations, drawings, calculations and other documents; they may not be made accessible to third parties. This applies in particular to written documents marked as "confidential". Disclosure to third parties require the explicit and written consent of Gehring.

§ 3 Terms of Delivery

(1)
The agreed delivery terms commence with mailing of the order confirmation, but not before receipt of any documents to be procured or produced by the Customer such as drawings, descriptions, permits and approvals. If one of the aforementioned prerequisites has not been met or in case of existing ambiguities the Customer is accountable for, the delivery terms will set in once the impediment has been removed by the Customer.

(2)
The delivery terms are deemed complied with if the readiness for dispatch has been communicated to the Customer before lapse of the calendar week specified on the order confirmation or the delivery item has left the plant before lapse of the calendar week specified on Gehring's order confirmation.

(3)
The delivery terms may be extended adequately in case of labor disputes, in particular strike and lock-out as well as in case of unforeseeable events beyond Gehring's control such as operational disruptions, delays in the delivery of key materials, to the extent that such impediments can be proven to have significant impact on the delivery time of the item. This will also apply if these circumstances happen at Gehring's own suppliers. The delivery period shall be extended in accordance with the duration of such measures and impediments. This shall also apply in cases of force majeure, including but not exclusively, in the case of wars, natural disasters or pandemics.

Gehring shall not be liable for the circumstances even if they occur during an already ongoing delivery delay. Gehring is obligated to immediately report the start and end of such impediments to the Customer.

(4)
If deliveries are to be made for several items, partial deliveries and deliveries with the corresponding invoicing shall be allowed, provided that no disadvantages are incurred to the Customer for use of the item.

§ 4 Scope of Delivery

(1)
The scope of delivery will be determined through the written order confirmation by Gehring. If the contract is concluded through the acceptance of a time-limited offer by Gehring, the content of the offer by Gehring is controlling for the terms of the contract. Side-agreements and amendments require confirmation in writing by Gehring.

(2)
Gehring reserves the right for changes to structure or form due to technical improvements or legal requirements during the delivery period, provided that the item or agreed delivery is not significantly altered and the changes are reasonably acceptable for the Customer.

§ 5 Cancellation Costs

If the Customer rescinds the order unjustified, Gehring may charge the Customer 10% of the sales price for handling the order and loss of profit, notwithstanding the right to claim actual greater damage, provided that the Customer has been given an adequate period of grace for make-up performance.

§ 6 Default/Delay of Acceptance

(1)
If the Customer is in default of acceptance or breaches other duties of cooperation Gehring shall have the right to assert the damages incurred, including any additional expenses. Additionally, in case and at the time of the Customer's default of acceptance, the risk of accidental loss or deterioration of the items shall pass to the Customer.

(2)
If the delivery of the item is delayed at the Customer's request the costs incurred from storage, but at least 0.5% of the invoice total for each month will be charged to him, starting with the month following notification of readiness for delivery or shipping. The Customer may prove that lesser damage was incurred.

§ 7 Packaging and Shipping

Packaging will become the Customer's property and charged by Gehring if not otherwise agreed. Postage and packaging fees will be charged separately. The mode of shipping will be determined according to Gehring's best judgement.

§ 8 Passing of Risk

(1)
Unless otherwise specified in the contractual documents the delivery is agreed as "FCA free carrier" including packaging up to the loading sill.

(2)
The handover shall be assumed to have taken place if the Customer is in default of acceptance.

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(3)
The above clauses will also apply to agreed partial deliveries.

(4)
To the extent that Gehring has assumed shipping costs, delivery or assembly of the item according to the contract, the above clauses regarding passing of risk will remain unaffected.

(5)
In the case of default of acceptance by the Customer or where performance and delivery is delayed at his request, the risk will pass to the Customer from the date of readiness for shipping, but Gehring will be obligated, if so desired by the Customer, to take out any insurance policies required by the Customer at the latter's expense.

(6)
Delivered items must be accepted by the Customer even if they have minor defects notwithstanding the rights defined under § 9.

Partial deliveries shall be allowed.

§ 9 Warranty

(1)
The statute of limitations for claims based on defects shall be 12 months except in the case of fraudulent intent and subject to the provision of the term defined in § 10 Sect. 6. Any damage compensation claims, including those due to breach of a supplementary performance are subject to the term defined under § 10.

(2)
In other respects, Gehring's warranty is initially limited to supplementary performance, with Gehring having the option of either rectification or replacement delivery. In the case of defect rectification Gehring will bear the necessary expenses provided that they are not increased because the item is located at another place.

(3)
If rectification fails, the Customer will have the right to rescind the contract. In the case of only minor deviation from the contract, in particular in the case of minor defects, the Customer shall not have a right of rescission. The Customer's right to price reduction is excluded.

Rectification will be deemed to have failed upon the second failed attempt, except if due to the contractual item further rectification attempts would be appropriate and reasonable for the Customer.

(3)
If after failed rectification, the Customer opts for damage compensation the Customer will have the right to demand the return of the item (s) if the Customer can prove that the entire item is no longer usable for him.

Damage compensation shall be limited to the difference between the purchase price and the value of the defective item after the failed performance-subject to the terms defined in §10- or where the performance is rendered by a third party, to the performance price minus any saved expenses. This will not apply where Gehring caused the violation of the contract with fraudulent intent.

(4)
Descriptions of any items by Gehring are merely information on the features of the items and do not constitute guarantees. Public statements, praise or advertising do not constitute a contractual feature specification or a guarantee.

(5)
If the Customer receives defective assembly instructions Gehring shall only be obligated to provide instructions free of defects. The prerequisite for this is that the defective assembly instructions are an impediment to proper assembly.

(6)
The Customer can only demand damage compensation on grounds of non-performance or rescind the contract if Gehring fails to provide rectification or supplementary performance despite a stipulated deadline or if supplementary performance or rectification is unreasonable for the Customer.

(7)
The prerequisite for warranty claims as defined under No. (2) - (6) is that the Customer reports apparent defects to Gehring immediately in writing after receipt of the goods and hidden defects immediately after detection (§ 377 HGB) (German Commercial Code)

The Customer shall bear the burden of proof for the immediate report of a defect. Likewise, the Customer shall bear the burden of proof that he did not independently take measures for rectification of the defect.

(8)
Gehring does not assume any warranty for damages caused by natural wear and tear, incorrect or negligent treatment, chemical, electrical or other impacts over which Gehring has not control.

(9)
Warranty claims at the sale of used items are excluded unless otherwise agreed.

(10)
If Gehring only exchanges a part of the delivered item in course of the warranty obligation any new warranty periods associated with this shall only apply to the part exchanged.

(11)
The Customer does not receive any guarantees from Gehring in the legal sense. Manufacturer guarantees by third parties will remain unaffected.

(12) If the use of delivered items entail the breach of domestic industrial property rights or copyrights Gehring will procure the right of continued use of the item for the Customer or otherwise rectify the violation of intellectual property rights. If this is not possible under economically adequate terms or within an adequate period, the Customer will have the right to rescind the contract. Based on the specified prerequisites Gehring shall also have the right to rescind the contract. This obligation is exhaustive for violations of intellectual property and copyrights subject to the terms set out under §10, there shall be no right for further claims. The prerequisite for this is that the Customer immediately informs Gehring regarding any breaches being claimed and that the Customer supports Gehring with the defense against such claims respectively enables the performance of modification measures. Further prerequisite is that Gehring reserves all defense measures, the legal defect is not due to an instruction by the Customer and the legal violation was not caused due to the fact that the Customer independently altered the item or used it in a way not compliant with the contract. If Gehring is not liable according to this paragraph, the Customer shall indemnify Gehring against all third-party claims.

§ 10 Liability Restrictions

(1)
Gehring's liability in the case of negligent violations of duties shall be limited to foreseeable, typical, direct, average damage with regard to the type of goods. This shall also apply in the case of negligent violations of duties by employees, associates, representatives and vicarious agents of Gehring. In the case of minor negligence of non-cardinal contractual duties liability shall be excluded.

(2)
Unless stipulated otherwise below, further-reaching claims by the Customer, regardless of their legal ground are excluded. For this reason, Gehring shall not be liable for damage incurred not directly to the delivery item itself, in particular Gehring will not be liable for loss of profit or damage to other assets of the Customer.

(3)
The exemption from and restriction of liability defined above under above Items (1) and (2) will not apply to damage from injury to life, body or health or to the extent the damage is based on willfulness or gross negligence. Exemption from liability will also not apply if Gehring culpably violates a cardinal contractual duty; however, in this case liability shall be limited to foreseeable, typical, direct, average damage as defined under above Item (1). Cardinal duties are such which ensure the performance of the contractual purpose and without whose fulfillment a proper performance of the contract would not be possible in the first place and on whose fulfillment the Customer can rely.

(4)
To the extent Gehring negligently violates a cardinal duty, Gehring's liability for material or personal injury shall be limited to the coverage of the product liability insurance policy of Gehring. Upon request, Gehring will allow inspection of the insurance policy.

(5)
The above liability restrictions will not affect the Customer's claims from guarantees and/or product liability.

(6)
Damage compensation claims as defined under the above items (1) - (5) shall lapse within the statutory periods. Where damage compensation claims in tort law are based on a defect, the statute of limitations shall be 12 months, § 9 (1).

§ 11 Prices/Payment Terms

(1)
Unless separately agreed, the prices are "FCA free carrier ", packaged up to the loading sill plus VAT at the applicable rate.

(2)
Unless otherwise specified in the order confirmation the following payments are to be made:

- an installment of 30 % upon placement of the order,
- a further installment of 30 % after half of the agreed delivery period,
- a further installment of 30 % upon delivery
- the final payment of 10 % upon signing of the final inspection and acceptance record on the agreed purchase price, payable per bank transfer (SWIFT) to one of the bank accounts specified by Gehring. If the Customer is in arrears with payment, Gehring shall have the right to charge default interest of 9% above the basic interest rate of the European Central Bank p.a. If Gehring proves greater default damage it may assert it. The Customer has the right to prove lesser damage.

(3)
Unless explicitly included in a total price for an item being offered, assembly work will be charged on the basis of hours worked/labor. Unless there is an explicit agreement between the parties the assembly terms customary in the relevant industry and their charge rates shall apply. If there is no agreement to the contrary, invoicing will be every 14-days on the basis of the proof of performance.

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(4)
The Customer will only have the right to set-off or retention if his counterclaims are res judicata or uncontested or recognized by Gehring. The Customer is only authorized to exercise a right of retention where his counterclaim is based on the same contract. Gehring has the right to set off payments against the oldest debt even in the case of contrary amortization instructions by the Customer.

(5)
The prices apply subject to the provision that at the start of any overhaul measures to be carried out by Gehring the Customer provides a thoroughly cleaned machine and the Customer guarantees at his own costs and where applicable, through his own staff in accordance with the assembly necessity in particular:
- Provision of suitable workers for help where necessary;
- Provision of necessary tools and auxiliary materials;
- Provision of necessary plant power (power, pressurized air, water, etc.)
- Transport of assembly parts to the designated assembly place.

(6)
The prices apply exclusively to delivery and performance within the Federal Republic of Germany.

§ 12 Retention of Title

(1)
Gehring will retain the title to the contractual item until receipt of all payments from its ongoing business relations. In the case of contract violations by the Customer, in particular in the case of delayed payment, Gehring shall have the right to take back the contractual item. The repossession of the contractual item will only be regarded as a rescission of the contract where Gehring has explicitly declared so in writing. Garnishment of the contractual item by Gehring will constitute rescission of the contract in every case.

Gehring has the right to use the contractual item after repossession. The earnings from use are to be set off against the Customer's liabilities minus any costs of use.

(2)
The Customer is obligated to treat the items with care; in particular he is obligated to insure them sufficiently at replacement value against damage from fire, water and theft at his own expense. If repair and inspection work are necessary, the Customer must perform it in good time and on a regular basis at his own expense.

(3)
If the delivered items are garnished before or after installation or are included in a garnishment of the Customer must inform Gehring of this immediately in writing. The Customer is further obligated to immediately report any damage or the destruction of the item. The same shall apply if the Customer transfers the title to the delivered item to third parties as long as the retention of title by Gehring applies or the registered business address of the Customer's company is transferred.

(4)
The Customer may re-sell the delivered item within the scope of his regular business operations. However, he hereby already assigns to Gehring all claims from the resale to the amount of the invoice total including VAT accrued to him from the resale against customers or third parties. This is independent of whether the delivered item was sold without or after being processed. Gehring hereby accepts this assignment.

The Customer remains authorized to collect the debt. Gehring's authorization to collect the debt itself will remain unaffected by this. However, Gehring will be obligated not to collect the claims as long as the Customer is complying with his payment duties from the proceeds, is not in arrears with payment and no bankruptcy proceedings have been filed for or there is no suspension of payment. To the extent Gehring is accordingly authorized to collect assigned claims the Customer shall be obligated to inform Gehring and the debtors involved of the amount of the assigned claims, to provide all information on the debt collection, to provide the corresponding documents and to inform the debtors (third parties) of the assignments.

(5)
Processing or conversion of the delivered item by the Customer shall be at all times carried out in the name of and at the instruction of Gehring. If the delivered item is processed together with items not belonging to Gehring, Gehring shall receive co-ownership of the new item on the basis of the proportion of the value of the item to the other processed items at the time of processing. In other respects, the same shall apply to the item originating from processing as to the items delivered subject to retention of title.

(6)
If the delivered item is mixed with other items not belonging to Gehring, Gehring will gain co-ownership of the new item on the basis of the ratio of the value of the item to the other mixed items at the time of mixing. Where the mixing is carried out in such a way that the Customer's item can be regarded as the main item it is agreed that the Customer will assign co-ownership to Gehring proportionally. The Customer shall safeguard the sole or co-ownership originating in this way for Gehring.

(7)
The Customer shall also assign to Gehring the claims for securing of claims by Gehring against him which arise against a third party through connection of the item with a property up to the amount of the invoice total including VAT.

(8)
Gehring will be obligated to release any collateral at the Customer's request, provided that the value of the collateral provided to Gehring exceeds the claims to be secured by more than 20%. The selection of the securities to be released will be made by Gehring.

§ 13 CORE

(1)
To the extent the Customer is provided access to the CORE platform within the scope of a machine order or of conversion, overhaul, repair or maintenance work he will receive rights of use to the corresponding software. The additional Terms and Conditions for software regulated under Part BII shall be complied with.

(2)
Upon registration of the Internet platform CORE by the Customer the Terms and Conditions for CORE will apply in addition to the present General Terms and Conditions, retrievable at <https://core.gehring-group.com/Terms>, to which special reference is being made for the Customer.

§ 14 Final Provisions

(1)
The contractual parties agree that they will make every effort toward amicable resolution of any differences within the context of the mutually owed contractual performance.

(2)
The laws of the Federal Republic of Germany shall apply excluding all bi- and/or multilateral treaties regarding the purchase of chattels, in particular excluding the UN Convention on Contracts for the International Sale of Goods (CISG).

(3)
To the extent contracts concluded between Gehring and the Customer, respective Gehring's delivery obligations and/or payment obligations by the Customer violate national as well as international binding provisions (e.g. trade regulations of the Federal Republic of Germany, export and embargo regulations of the European Union; or of other states, in particular the United States including the EU Anti-Terror regulations) Gehring has the right to terminate the contract on an exceptional basis and/or to rescind the contract.

(4)
If the Customer is a merchant, legal entity under Private or Public Law or a special asset fund under Public Law the exclusive place of jurisdiction for all disputes arising from the present contract shall be the registered place of business of Gehring and depending on jurisdiction either Esslingen or Stuttgart. The same shall apply if the Customer does not have a general place of jurisdiction in Germany or residence or place of abode are unknown at the time the lawsuit is filed. Gehring also has the right to file suit in any other admissible jurisdiction.

(5)
Should individual terms of the General Terms and Conditions of Gehring be or become invalid this will not affect the general validity of the remaining terms.

The fully or partially invalid term shall be replaced by a term whose economic success comes as close as possible to that of the invalid term.

B Specific Part Business Terms Applicable in Addition to the General Part for Specific Contracts

I Additional Terms and Conditions for Machines, Equipment, Automation, Systems and Controls

§ 15 Assembly/ Commissioning

(1)
It is exclusively the task of the Customer to examine whether the item is to be assembled on a foundation or on a special ground foundation plate.

(2)
The structural planning, production and inspection of a foundation or a special ground foundation plate including acceptance is not part of the scope of Gehring's deliveries and services. Upon request by the Customer Gehring will provide the necessary information regarding foundation strain and rigidity.

§ 16 Preliminary Inspection/Final Inspection/Special Inspection

(1)
Preliminary inspection, final inspection and/or special inspection will be carried out according to separate written agreement.

(2)
If there is no deviating written agreement, the payment specified under Item 1 has to be separate. In this context the rates charged by Gehring for working hours, waiting times and other costs will apply. Upon request, we will send these to the Customer. These rates are subject to annual review and potential adjustment. The rates at the time of performance of the service will apply. It will be incumbent on the Customer to enquire about them where applicable.

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II Additional Terms and Conditions for Software

§ 17 Granting of Rights

(1)

To the extent the software and access to the Gehring platform "CORE" is included within the scope of delivery of a machine, technical equipment or system or they are subsequently acquired within the scope of conversion, overhaul, repair or maintenance services the Customer is being granted a non-exclusive right to the contractual use of the software. Gehring has the right to have the compliance of the actual use of the delivered software inspected at the Customer's premises. The inspection may only be carried out by an independent expert with a duty of confidentiality, including toward the licensor who may only disclose information and only to the extent to Gehring if there are license violations or to the extent necessary for assertion of measures against license violations. The inspection must be announced in writing with two weeks' notice. During the inspection and performance of the evaluation it must be ensured that no third-party personal data is provided to the expert or otherwise disclosed. In other respects, the Customer is obligated to provide the expert with the necessary information for the performance of the inspection.

(2)

Further-reaching rights, in particular for reproduction of the software beyond the necessary extent for contractual use are not being granted. Neither is there any right to modification of the software unless the modification is necessary for removing defects. This right of modification shall only apply if Gehring priorly rejected supplementary performance, a supplementary delivery is not made or has failed in spite of stipulation of a deadline and there are no possibilities for rectification of defects, or they are unreasonable.

(3)

Creating a back-up copy of the software and reproduction of the software is not permitted within the scope of the regular data-back up as proposed by the software manufacturer for backing-up the intended operation of the software and of the data processing system operated by the Customer

§ 18 Warranty Software

(1)

Warranty claims due to defects/software errors can only be made to the extent that the usability of the software is limited by the defect. The regulations of the defect and damage compensation liability as defined under Part A § 9, 10 with addenda will apply.

(2)

To the extent the Customer violates duties of care associated with the software, all liability by Gehring for software malfunctions shall be excluded. This includes for example:

- the cases where the minimum requirements for equipment of the Customers with hardware and software specified in the documents have not been met.
- the software is installed without the explicit consent of Gehring on different hardware than the documented hardware at the Customer's premises
- different software is or will be installed on the same hardware of the Customer on which the contractual software is installed
- the Customer made changes to the software without the prior explicit consent of Gehring

unless the Customer can prove that the software malfunctions are not due to the specific violations of duties of care.

(3)

If Gehring is incapable of defect rectification or providing new defect-free software Gehring will show the Customer ways of circumventing the errors. If reasonably acceptable to the Customer these will constitute supplementary performance.

(4)

To the extent necessary the user documentation will also be adapted in the case of rectification.

(5)

Claims due to legal defects shall expire within six months from the date at which a third party asserts the claims due to legal defects against the Customer, or the Customer otherwise becomes aware of the legal defect, but the earliest one year as from delivery of the software.

(6)

If a third party asserts claims against the Customer concerning the software provided by Gehring on the basis of patents, copyrights or other industrial property rights Gehring will assume representation of the Customer at its own costs in all litigation conducted against the latter and will indemnify the Customer with regard to any such claims. However, this shall only apply if the Customer informs Gehring immediately about relevant claim letters by third parties and details of potential litigation and allows the supplier to make any decisions regarding further use of the software attacked by the third party, to take care of legal defense as well as conclusion of a settlement and only if Gehring is informed of such claims before the claims based on legal defects have lapsed.

§ 19 Documentation and Contractual Documents

(1)

The Customer will receive online access to the relevant licenses containing the relevant information on the software.

(2)

The Customer has the right to use the software for purposes of his business operations in accordance with the terms specified in the respective license and accordance to the present General Terms and Conditions. The Customer does not have the right to make the subject matter of the license accessible to third parties. Third parties do not include employees of the Customer or other persons directed by the Customer to use the software in compliance with the contract.

(3)

The Customer does not have the right to alter the subject matter of the license or to make it accessible to third parties or to grant third parties rights of use to the subject matter of the license. The Customer does not have the right to grant third parties rights of use to the subject matter of the license.

(4)

If further use of the subject matter of the license has been prohibited by Gehring the Customer must return to Gehring the license material belonging to Gehring, including any data carriers. All data stored with the Customer regarding the subject matter of the license and any back-up copies are to be deleted.

§ 20 Granting of Rights

Further-reaching rights, in particular for reproduction of the software going beyond the extent necessary for contractual use are not being granted. Neither is there any right to modification of the software, unless the change is necessary for removing defects. This right of modification will only apply where Gehring priorly refused supplemental performance, the supplemental delivery is not carried out or fails in spite of stipulation of a deadline. In addition, production of a back-up copies of the software and reproduction of the software within the scope of the customary data back-up proposed by the software manufacturer for backing-up the intended operation of the software and the DP system operated by the Customer are permitted.

III Additional Terms and Conditions for Spare Parts

IV Additional Terms and Conditions for Conversion, Overhaul, Repair and Maintenance Work

§ 21 Special Notice on "Workplace Safety Ordinance"

Reference is being made to the applicable German Ordinance on Industrial Safety and Health (BetrSichV)

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It is therefore recommended to inspect the situation concerning safety in the workplace and to improve it within the process of maintenance work/renovation measures as defined by the legal provisions. Whether and which improvements are necessary in the individual case can only be determined within the scope of risk assessment taking into account the statutory provisions of the Workplace Safety Ordinance and supplementary application pursuant to

DIN EN 12100. **Gehring Technologies GmbH** is pleased to offer this risk assessment as well as implementation of the necessary measures.

§ 22 Offer

In addition to Part A, § 2 the offer is based on the condition of the machine as reported by Gehring, which is documented in writing. Gehring assumes that there are no defects or damage going beyond natural wear and tear. Further-reaching damage or defects detected during disassembly and/or when performing the order will be reported by Gehring to the Customer immediately. To the extent Gehring deems it necessary the Customer will receive a supplementary offer. The scope and prices of the additional services need to be agreed separately between Gehring and the Customer within the scope of the supplementary offer. The materials costs specified in the offer shall only apply if the machine is overhauled by Gehring.

§ 23 Assembly and Commissioning

(1)

Unless otherwise agreed, the installation of spare parts is not part of Gehring's scope of performance.

(2)

If installation difficulties arise with spare parts being sold without assembly service it will be exclusively incumbent on the Customer to avoid damage due to the installation.

(3)

If assembly work is part of the agreed scope of services, the assembly terms customary in the machine tool manufacturer industry as specified in VDW 502A/ ECI - Terms LMW 188A in the respective valid version shall apply to this work; the Customer is in particular obligated to provide any necessary, technical help at his own expense.

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(4)

If the start and/or course of work for disassembly and re-assembly and commissioning is delayed on grounds not attributable to Gehring, any additional extra costs will be charged on the basis of separate documentation. Agreed delivery dates are to be adjusted where applicable.

(5)

Services necessary pursuant to Items 1-4 above will be calculated by Gehring on the basis of charge rates for daily working hours, waiting times and other costs. The Customer may obtain information on these charge rates from Gehring at any time.

§ 24 Installation/ Commissioning

(1)

It is exclusively the task of the Customer to examine whether the item is to be assembled on a foundation or on a special ground foundation plate.

(2)

The structural planning, production and inspection of a foundation or a special ground foundation plate including acceptance is not part of the scope of Gehring's deliveries and services. Upon request by the Customer Gehring will provide the necessary information regarding foundation strain and rigidity.

§ 25 Handover Ready for Operation/Preliminary Acceptance /Final Acceptance /Special Acceptance

(1)

Acceptance of the delivered item will take place according to the protocol of the operational handover by Gehring unless a different arrangement has been made in writing in the individual case.

(2)

Preliminary acceptance, final acceptance and/or special acceptance will be carried out in accordance with a separate written agreement and are to be paid separately if they are not explicitly part of the agreed range of services.

(3)

Any potential payment as specified under Item 2 shall be based on the applicable charge rates for daily working hours, waiting periods and other costs. The Customer may request the applicable charge rates from Gehring at any time.

§ 26 Passing of Risk

If assembly work is performed at the Customer's premises by Gehring the passing of the risk occurs with a signed protocol confirming the readiness for operation at the Customer's premises. In the case of spare parts deliveries without assembly work at the Customer's premises or separate spare parts deliveries the delivery is "FCA free carrier"

including packaging up to the loading sill.

Ostfildern, March 2022