

General Terms of Sales, Delivery and Payment of MDI Advanced Processing GmbH („MDI“)

1. Applicability of these Terms

- (1) These sales and supply terms (the “General Terms”) shall be applicable exclusively to business operators (within the meaning of Sec. 14 of the German Civil Code or “BGB”), incorporated entities and estates. They shall apply to all subsequent transactions and business relationships at present or in the future.
- (2) All deliveries, performances, services and sales transactions shall be carried out in accordance with these terms of conditions. Contradictory or conflicting general terms of purchaser, especially purchase terms, shall not be binding upon MDI, unless MDI has expressly declared its approval. In case two letters of confirmation are crossing, which contain conflicting terms, the letter of MDI is binding.
- (3) All agreements and orders shall be executed in writing to be valid. Oral side agreements do not exist. Proof to the contrary is not excluded.

2. Intellectual Property

- (1) MDI reserves all its proprietary rights and all rights under any applicable copyright law in and to all documents created or modified by MDI. Such documents shall not be made available to third parties and not be used for own purposes. If demanded, they have to be destroyed or given back to MDI immediately. Purchaser is bound to absolute secrecy, even if no order is placed.

3. Payment Terms

- (1) Prices are binding and quoted EXW Mainz (Incoterms 2010). Currency shall be Euro (EUR). All prices are exclusive VAT, packaging, shipping, delivery, transport insurance, dispatch and customs clearance. When shipping abroad, MDI is not liable for taxes or duties payable abroad. Unless a fix price is agreed, MDI’s price list which is valid on the respective date shall be applicable.
- (2) In case of an order volume of less than 100.00 € MDI is entitled to a surcharge of up to 25.00 € in addition to the prices according to the current price list of MDI.
- (3) Set-off of claims resulting from the same contract or resulting from other business transactions between the parties shall not be admissible, unless counter-claims of purchaser are undisputed by MDI or awarded finally by a competent court.
- (4) Payments have to be made solely by bank wire transfer directly to MDI. Cash payments are not accepted, unless otherwise expressly concerted by the parties. Bills of exchange will only be accepted if agreed to and then solely as means of payment, provided they can be discounted.
- (5) Payments have to be executed within 30 days from date of invoice. All bank charges shall be borne by purchaser. MDI reserves the right to deliver only

against prepayment/payment in advance, cash payment or payment on delivery, especially in cases of first order and default of payment. Spare parts and other replacement deliveries, including service and maintenance, have to be paid completely and immediately after delivery.

- (6) If MDI, after the contract is concluded, becomes aware of circumstances, which arose within the responsibility of purchaser and which affect its financial standing or credit-worthiness (especially but not limited to delay of payment) MDI shall be entitled to unilaterally revoke all previously granted payment terms, to declare all payment obligations of purchaser immediately due and payable and withhold all advance payments of purchaser, provided they bear interest to the same conditions as MDI is refinanced.
- (7) In the above mentioned case MDI is entitled to demand for so far not agreed reasonable prepayment or reasonable increase of an agreed prepayment or a deposition as security, limited to the value of the outstanding debts. This provision shall also apply when other circumstances become known that put the fulfilment of the contractual obligations of the purchaser, whether these circumstances did already occur in the moment of conclusion of the contract or later.

4. Delivery Terms

- (1) EXW Mainz (Incoterms 2010) does apply even if goods are shipped to purchaser on demand of purchaser, risk passes in the moment of making the goods available. Provided that goods are ready for dispatch and the dispatch or acceptance of the goods is delayed due to reasons beyond the responsibility of MDI, the risk of damage and loss passes to purchaser when purchaser receives notice of readiness of dispatch.
- (2) MDI will provide transportation insurance only upon express demand of purchaser. Any cost arising therefore shall be borne by the purchaser. By requiring transport insurance, purchaser authorizes MDI to execute the necessary declarations.
- (3) MDI’s obligation is conditional on being supplied correctly and completely.
- (4) Delivery dates shall be agreed upon separately and individually. Partial delivery is admissible. In any event MDI’s performance is substantially impaired or even becomes impossible due to reasons beyond the just and reason-able responsibility and control of MDI, such as Acts of God, mobilization, war, strike, lockouts, ban on imports or exports, the delivery period is extended adequately. The delivery period is also extended adequately when purchaser fails to submit essential documents, approvals, work pieces, appliances or other legworks. This term does also apply in the event that any of the aforesaid incidences does occur at any supplier or other manufacturer.
- (5) If the purchaser is in default of acceptance or culpably violates other cooperation obligations, MDI is entitled

to claim the damage incurred thereby, including any additional expenses. All other rights reserved. Where the above conditions are met, the risk of accidental loss or accidental deterioration of the goods is devolved to the purchaser in the time in which the purchaser is in default of acceptance or debtor's delay.

- (6) MDI is liable in the event of MDI not intentionally or negligently induced delay in delivery for each completed week of delay in the context of a lump sum compensation in the amount of 1% of the delivery fee, but not more than 5% of the value.
- (7) Further statutory claims and rights of the customer due to a delay in delivery shall not be affected.

5. Retention of Title

- (1) MDI shall retain right and title to all goods delivered to purchaser until the respective purchase price as well as all and any claims resulting from the overall business relationship with purchaser including all ancillary claims (to the extent as accepted by purchaser), and charges have been fully paid. In case of breach of duty, in particular, in case of default in payment, and after fruitless expiration of a reasonable period fixed for purchaser to perform, MDI shall be entitled to demand return of such goods.
- (2) Purchaser is entitled to resale delivered goods within its normal business operations, regardless if goods are resold before or after transformation or mixed or combined with items delivered by third parties, or if goods are resold to a single or to many customers. The assignment of the claims is limited to the amount of the value originating from MDI. Purchaser shall not pledge goods or transfer right or title to goods as a security, which are subject to retention of title.
- (3) Aforementioned permission is conditional on the assignment by purchaser to MDI all claims resulting from the resale including all sales taxes. Purchaser shall be entitled to collect the assigned claims to the extent and as long as purchaser is not in default with any obligation originating in its business relationship with MDI and as long as it does not cease payment or apply for insolvency proceedings or until an extrajudicial composition proceeding is conducted. Upon MDI's request, purchaser shall notify concerned third parties of the fact of the assignment of the claims and shall further provide MDI with all documents that MDI may require collecting such claims.
- (4) In the event that delivered goods are processed or treated otherwise, purchaser shall act on behalf of MDI. If supplied goods are processed, assembled, mixed or blended with other items that do not belong to MDI, MDI shall be granted joint title to the new product in the ratio of the value the goods supplied to the value of the processed items at the time of processing, assembling, mixing or blending.
- (5) In the event that goods are connected with land and therefore purchaser acquires claims against third parties, purchaser assigns to MDI those claims in order to secure MDI's claims against purchaser. This provision also applies if goods have been processed, assembled, mixed or blended with other items before being connected with estate.

- (6) The purchaser shall immediately notify MDI of any third party pledge, confiscation or other disposition of goods which are subject to the retention of title or associated claims. He shall also hand over any documentation being necessary for intervention.

6. Liability

- (1) In the event that goods and / or performance are defective, which includes the lack of the contractually agreed specifications, MDI is entitled to amend the defect or to replacement. MDI is entitled to at least two attempts to amend the defect or to replace an item with an item which complies with the contractual obligations of MDI.
- (2) Obvious defects of goods and / or performance have to be reported immediately in written form upon delivery or discovery of the defect.
- (3) MDI shall not be liable for damages caused by faulty use or treatment, wrong assembling and commissioning by the purchaser or third parties, natural wear and tear, in appropriate equipment, and chemical, electrical or electro-chemical influences, which are beyond the control and responsibility of MDI. In the event that the purchaser is provided with an inappropriate manual and provided that an appropriate manual is required for correct assembling, MDI shall just deliver an appropriate manual.
- (4) MDI is not liable for compliance with foreign packing regulations and customs regulations. MDI reserves the right of technical improvements without consulting or informing the purchaser before.
- (5) Purchaser's warranty claims shall expire 12 months from the date of delivery or, according to services or performances, from the date of acceptance by the purchaser. This does not apply for services and performances rendered to land and chattels being firmly connected with land.
- (6) Warranty („Gewährleistung“) shall be granted for all services and deliveries of MDI according to the following rules. MDI shall be liable without limitations in accordance with statutory provisions if a contractual obligation is breached voluntarily or under gross negligence by MDI or its representatives, or in case of personal injury to health, body or life, or MDI has undertaken to provide a guarantee („Garantie“). MDI shall not be liable for slight negligence, except in the event of a material breach of a contractual obligation. In that event the liability shall be limited to product-specific foreseeable, typical, direct and immediate losses or damages. This limitation shall also apply if MDI should be liable in regress, according to Sec. 478 German civil law code (BGB). The limitation of liability shall not apply to claims according to Sections 1 and 4 German Product Liability Code (Produkthaftungsgesetz).

7. Compensation in Case of Cancelling the Contract

Is an order cancelled by reasons purchaser is responsible for, he may either pay compensation amounting to 15 % of the contract value or fulfil the contract. Further claim for compensation remain reserved. Purchaser is entitled to

prove that MDI did sustain no damage or a lower damage.

8. Duty of Redemption according to the Electrical and Electronic Equipment Act (“Elektrogesetz”)

Provided that the Electrical and Electronic Equipment Act stipulates duty of redemption and recycling for delivered goods, the following provisions shall apply:

- (1) Purchaser shall assume the duty of redemption, recycling and waste disposal of MDI on his own account in accordance with all legal requirements.
- (2) If the goods are transferred to third parties, which are business operations, purchaser shall obligate them to recycle and dispose the goods at their own cost in accordance with all legal requirements after the use of the goods is terminated. In case of a further transfer of the goods to further business operations, third parties shall obligate the next purchaser again in the same way.
- (3) In the event that purchaser fails to pass on the contractual obligation of correct recycling and disposal down the supply chain and to require its customers to extend these obligations on to further third parties down the supply chain, the purchaser undertakes to take the goods back after their use is terminated and to recycle and dispose them in compliance with all applicable legal regulations.
- (4) MDI's right to be held free and harmless shall be time barred after not less than two years since the use of the goods is terminated. This limitation period of two years does not begin before MDI receives a written notice by the purchaser about termination of use.

9. Safeguarding Provision

If any provisions of these conditions should be invalid or unenforceable in whole or in part, the validity of the contract and of the further terms and conditions shall remain unaffected. The parties undertake to replace any provision which is void or unfeasible by a provision which is most similar to the purpose of the void provision, but valid.

10. Miscellaneous

- (1) For both parties the exclusive place of jurisdiction for all legal disputes arising directly or indirectly from the contract is Frankfurt am Main, provided purchaser is a business operator (within the meaning of Sec. 14 of the German Civil Code or “BGB”), incorporated entity or estate. MDI is also entitled to file claims at the court competent for the registered address of purchaser. This is also applicable in the event that purchaser has no registered address in Germany or if the address or place of business operation is unknown. Place of performance shall be the registered office of MDI Advanced Processing GmbH.
- (2) The contractual relationship is governed exclusively by German law (especially BGB und HGB) under the explicit exclusion of its collision rules and the UN Convention on the Sale of Goods (CISG).

11. Orgalime

For supply and installation, maintenance and repair of MDI machinery and equipment, the following Orgalime terms and conditions shall apply:

- (1) General Conditions for the Supply and Installation of Mechanical, Electrical and Electronic Products – S114
- (2) General Conditions for Maintenance – M2000
- (3) General Conditions for the Repair of Machinery and Equipment – R02

MDI Advanced Processing GmbH

As of June 2017