

## General Terms & Conditions of Performance, Sale and Delivery

### I. Terms of a Contract, Scope of Application, Offer

1. All supplies and services of KOSME Germany GmbH shall exclusively be effected on the basis of the General Terms and Conditions of Performance, Sale and Delivery of KOSME Germany GmbH described here. Different terms and conditions of Customer will not be accepted by KOSME Germany GmbH unless KOSME Germany GmbH has explicitly consented to their application in writing. These General Terms and Conditions of Performance, Sale and Delivery of KOSME Germany GmbH shall also apply if KOSME Germany GmbH – knowing opposed conditions or conditions of Customer deviating from these present Terms and Conditions – completes the delivery to Customer without reservations.
2. These present Terms and Conditions shall apply to all contractual performances of KOSME Germany GmbH, regardless of the legal type of contract that such performance is based on. Therefore, they shall apply both to sales contracts and to contracts for work, to contracts for delivery of a work and to any combined contract types.
3. Any individual agreements concluded between the parties hereto concerning the rights and duties of these parties shall take precedence over the present Terms and Conditions.
4. All agreements entered into between KOSME Germany GmbH and Customer with regard to performance of the contract shall be made in writing.
5. These present Terms and Conditions shall only apply in relation to entrepreneurs, legal persons and/or special funds under public law (as defined in section 310 BGB [German Civil Code]).
6. These present Terms and Conditions shall also apply to all future business transactions between KOSME Germany GmbH and the Customer.
7. If an order can be legally qualified as an offer (as defined by section 145 BGB), KOSME Germany GmbH may accept such offer within four weeks of its receipt.

### II. Documents, Preparatory Work, Business Secrets

1. KOSME Germany GmbH shall retain all rights, in particular property rights and copyrights, in all cost estimates, calculations, plans, illustrations, drafts, preparatory work, drawings and other documents. They shall not be made accessible to third parties without the written consent of KOSME Germany GmbH. Any documents designated as confidential by Customer shall not be made accessible to third parties by KOSME Germany GmbH without the written consent of Customer. Documents supplied by KOSME Germany GmbH shall be used solely to prepare the conclusion of the contract, and, thereafter, to execute such contract. Any other use is prohibited.
2. Customer shall not disclose to third parties any business secrets of KOSME Germany GmbH or of its associated companies (as defined by section 15 of the Aktiengesetz [German Stock Corporation Act]), which Customer has received knowledge of. KOSME Germany GmbH shall not disclose to third parties any business secrets of Customer or its associated companies (as defined by section 15 of the Aktiengesetz [German Stock Corporation Act]), which KOSME Germany GmbH has received knowledge of.
3. Both KOSME Germany GmbH and Customer shall use adequate means to ensure that their directors, officers and employees will also comply with the above obligations.

### III. Time for Delivery, Force Majeure, Default, Acceptance

1. The time for delivery shall commence upon dispatch of the order confirmation and clarification of all technical questions, provided that Customer has supplied all plans, documents, approvals, releases and permits to be made available by him, and any agreed advance payment has been received.
2. The performance owed by KOSME Germany GmbH shall be deemed to have been effected in due time where the object of contract was duly shipped prior to expiry of the time for delivery, or where Customer was informed of KOSME Germany GmbH's readiness to make shipment within this term.
3. A default in performance due to force majeure shall not entitle Customer to a claim (in particular, a claim for a contractual penalty or damages) against KOSME Germany GmbH. Any unforeseeable event or an event, which – though foreseeable – is beyond the influence and control of KOSME Germany GmbH and the effects of which cannot be avoided by the exercise of reasonable care shall be considered an event of force majeure. Such events include, but are not limited to, delayed performance by subcontractors/suppliers, acts of war (whether declared or not), war-like conditions, riot, revolution, rebellion, military or civilian coups d'état, insurrection, turmoil, outrages, blockade, embargo, government order, sabotage, strikes, go-slow strikes, lockout, epidemic diseases, fire, floods, storm tides, typhoons or other severe weather conditions, general lack of raw materials and supplies, shipwreck, insufficient port facilities and unloading capacity, delays resulting from transportation, non-availability of freight capacity, justifiable change/exchange of freight forwarder and/or carrier and/or ship owner and/or other commercial shipping company, accidents in transit, earthquakes, radioactive accidents, physical or man-made obstructions of any kind at the building site/production facility.
4. In all cases, where obstacles to performance – regardless of their nature – are not its responsibility, KOSME Germany GmbH shall be entitled to demand a reasonable extension of time for delivery as well as additional payments to compensate for the additional performance and/or costs from Customer.
5. Where shipment is postponed at the request of Customer, Customer shall reimburse the costs actually incurred by the storage of the object of contract. In case of storage on-site in a plant of KOSME Germany GmbH, the latter shall be entitled to a lump-sum minimum amount of 0.5 % of the agreed price for each month as compensation for its additional costs. This stipulation shall not preclude KOSME Germany GmbH or Customer from furnishing proof of higher or lower costs, respectively.

6. Number 5 also applies to any other case in which the Customer's acceptance is delayed. Where Customer is in default with regard to acceptance or is in violation of any other contractual obligation to cooperate, the risk of accidental loss, destruction or accidental deterioration of the object of contract shall pass to Customer at the time such default arises.
7. This agreement shall not preclude any further rights that KOSME Germany GmbH may have.
8. Compliance with the time for delivery shall be subject to Customer duly fulfilling its contractual duties in a timely manner.
9. Partial deliveries by KOSME Germany GmbH may only be rejected where they impose on Customer in an unreasonable manner.
10. If there must be an acceptance, the object of contract shall be regarded as having been accepted as soon as
  - 10.1. the delivery and – if KOSME Germany GmbH also owes the installation – the installation are completed,
  - 10.2. KOSME Germany GmbH has informed Customer about this fact referring to the assumed acceptance according to this number 10 and has asked for Customer's acceptance,
  - 10.3. two weeks have passed since the delivery or installation or the Customer has started to use the purchased object (for example commissioned the line delivered) and in this case, one week has passed since the delivery or installation, and
- 10.4. Customer has failed to accept the object of contract during this period for any other reason than a defect making the use of the item impossible or materially impairing it, of which KOSME Germany GmbH has already been informed.

### IV. Price, Transport Packaging, Payment, Price Adaptation

1. The agreed prices are stated on an ex-works basis. Any shipping costs, including the costs of packaging, loading, stowage and unloading shall be borne by Customer. The sales tax applicable at the time of delivery shall be added to the above prices.
2. To the extent that KOSME Germany GmbH is obliged by the Verpackungsverordnung [German Packing Ordinance] to take back packaging used for transportation, Customer shall bear the costs of returning the used packaging and the reasonable costs for its recycling. To the extent that the packaging taken back cannot be reused, Customer shall bear the costs of the material processing incurred by KOSME Germany GmbH. In addition, the Customer shall pay any duties, clearance charges, taxes and other charges incurred as a result of taking back transport packaging.
3. Containers used for transportation are not included in the scope of this contract and are not considered packaging. They shall remain property of KOSME Germany GmbH. They shall be imported, re-exported and sent back to KOSME Germany GmbH by Customer at Customer's expense (shipping costs, duties, clearance charges, taxes and other charges) and risk.
4. Tools, excess material, welding supplies and other auxiliary equipment are not within the scope of this contract. They shall remain property of KOSME Germany GmbH. They shall be imported, re-exported and sent back to KOSME Germany GmbH by Customer at Customer's expense (shipping costs, duties, clearance charges, taxes and other charges) and risk.
5. Customer shall credit the agreed price to one of the bank accounts specified by KOSME Germany GmbH strictly net at its own risk and expense.
6. KOSME Germany GmbH shall be entitled to interest on payments due and in arrears to the extent provided by law. A potential assertion of further rights and losses by KOSME Germany GmbH shall not be affected hereby.
7. Customer shall not be entitled to any rights of set-off and retention, unless its counter-claims have become legally effective (res judicata), are uncontested or have been acknowledged by KOSME Germany GmbH, and KOSME Germany GmbH was given at least one month's advance notice of such counter-claim.
8. If, after conclusion of the contract, KOSME Germany GmbH learns about circumstances giving rise to doubt regarding Customer's creditworthiness, KOSME Germany GmbH may – at its discretion – request advance payment or suitable securities.
9. KOSME Germany GmbH shall be entitled to increase the agreed price appropriately if cost increases occur after conclusion of the contract, in particular due to collective wage agreements, material price increases or the increase of transport and packaging costs. Upon request, KOSME Germany GmbH shall furnish proof for such increases to Customer.
10. KOSME Germany GmbH shall be entitled to increase the agreed price reasonably if – after the conclusion of contract – Customer requests that the object of contract be modified, and additional expenses and efforts are required for such modifications. Upon request, KOSME Germany GmbH shall furnish proof of such additional expenses and efforts to Customer.

### V. Transfer of Risk, Transport Damage, Insurance

1. The risk of accidental loss, destruction and accidental deterioration of the object of contract shall pass to Customer upon handing over of the object of contract to the first carrier. This shall also apply to any partial shipments or in case where KOSME Germany GmbH itself has assumed additional costs, such as the cost of shipment or of other services, e.g. transportation, erection or assembly of the object of contract.
2. Where the object of contract or part thereof is ready for shipment, and shipment or delivery is delayed for reasons in the responsibility of Customer, the risk of accidental loss, destruction and accidental deterioration shall pass to Customer on the day the goods are ready for shipment.
3. Where KOSME Germany GmbH arranges for transportation of the object of contract, and damage in transit or a defect due to transportation is caused to the above object after delivery to the carrier, KOSME Germany GmbH shall assign its

- claims resulting therefrom, if any, against transport insurance(s) and carriers to Customer at the latter's request (any liability for the existence of such claims to be excluded); such assignment shall be concurrent with payment of the overall agreed price for the object of contract and of all costs owed. Any further claims against KOSME Germany GmbH resulting from any damage in transit or a defect due to transportation shall be excluded. This shall also apply where the scope of contract includes assemblies to be performed or the erection of a turn-key plant.
4. Any limitation periods, bar periods, exclusions of liability and limitations of liability under transport or maritime law which apply in favour of (natural or legal) persons entrusted with the transportation/loading/unloading/storage of the object of contract in their relationship to KOSME Germany GmbH shall apply equally in favour of KOSME Germany GmbH in the contractual relationship between Customer and KOSME Germany GmbH.
  5. Customer shall examine the object of contract for defects immediately upon unloading thereof in the port of destination and – if a defect is noted or suspected to exist – shall acknowledge receipt subject to reservation only and shall notify KOSME Germany GmbH immediately of any such existing or suspected defect. If the above obligations are not observed, the transport insurance(s) coverage is voided. Where coverage is voided for such reasons, liability of KOSME Germany GmbH for damage encompassed by the transport insurance(s) exclusion clause shall also be excluded.
- VI. Retention of Ownership and Securities**
1. KOSME Germany GmbH shall retain ownership of the object of contract until payment of all amounts owed by Customer has been received irrevocably and without reservation. Until such date, Customer shall neither be entitled to charge the object of contract with a security interest (e.g. ownership by way of security, right of lien, mortgage, land charge, etc.) nor to resell the same. Where the law applicable at the place of installation (*lex rei sitae*) does not recognise a provision of security by means of retaining ownership, such other means of providing security shall be deemed to have been agreed upon, which – according to the law applicable at the place of installation – comes as close as possible to a “retention of ownership” or which according to that law constitutes the typical security (e.g. “charge” or “security interest, attached and perfected”). Customer shall fully cooperate in all acts (in particular, the provision of formal declarations) required by the law applicable at the place of installation for the creation of a fully enforceable retention of ownership or any other fully enforceable means of providing security.
  2. In case of pledging, seizure or other third-party measures in the subject matter of the contract, Customer shall refer to the property of KOSME Germany GmbH and immediately inform KOSME Germany GmbH in writing, handing over the documents necessary for an intervention, so that KOSME Germany GmbH is able to assert its property rights.
  3. As long as rights are retained in the object of contract in favour of KOSME Germany GmbH pursuant to the above number 1, KOSME Germany GmbH shall be entitled – after having set a reasonable period – to take back the object of contract delivered in case there has been a breach of duty by Customer, in particular where the ownership of KOSME Germany GmbH of the object of contract is endangered, where the object of contract delivered is improperly used by Customer, or where Customer defaults on payment. The transport costs incurring for the take-back shall be borne by Customer. If KOSME Germany GmbH takes back the subject matter of the contract, this shall constitute a contract rescission. Where Customer does not act on the claim to return the object of contract, the required number of KOSME Germany GmbH's staff shall be irrevocably entitled to enter the place of installation (and/or the construction site/manufacturing plant) of Customer, to disassemble and remove the object of contract delivered; all costs incurring in this connection shall be borne by Customer. Any attachment of the object of contract by KOSME Germany GmbH shall constitute a rescission of contract.
  4. Where the object of contract is taken back, KOSME Germany GmbH shall be entitled to resell it; the proceeds of such realisation shall be set off against any liabilities of Customer, while allowing for reasonable costs of realisation.
  5. During the retention of title, Customer shall treat the subject matter of the contract carefully and sufficiently insure it at its own expense against damage caused by fire, water and theft at its new value. If maintenance and inspection works become necessary, Customer shall complete them at its own expense in due time.
  6. Any processing or transformation of the object of contract by Customer shall always be carried out for and on behalf of KOSME Germany GmbH. Where the object of contract is processed together with other objects not owned by KOSME Germany GmbH, KOSME Germany GmbH shall acquire co-ownership of the new corporeal object in the proportion of the value of the object of contract (invoice amount) to the other processed objects at the time of processing. The provisions regarding reserved rights applicable to the object of contract shall apply accordingly to the corporeal object resulting from processing.
  7. Where the object of contract is inseparably connected or commingled with other objects not owned by KOSME Germany GmbH, KOSME Germany GmbH shall acquire ownership of the new corporeal object in the proportion of the value of the object of contract (invoice amount) to that of the other connected or commingled objects at the time of connection or commingling. If connection or commingling takes place in such a way that Customer's corporeal object is to be considered the principal object, a transfer of co-ownership by Customer to KOSME Germany GmbH on a pro-rata basis shall be deemed to have been agreed upon. The sole ownership or co-ownership thus created shall be kept safe by Customer for KOSME Germany GmbH.
  8. As security for the claim of KOSME Germany GmbH against Customer, Customer shall assign to KOSME Germany GmbH any claims accruing to Customer against any third party as a result of connecting the object of contract with real estate.
  9. KOSME Germany GmbH undertakes to release the securities it is entitled to at the request of Customer, to the extent that the value of realisable securities of KOSME Germany GmbH exceeds the secured claims by more than 20 %; the selection of the securities to be released shall be at the discretion of KOSME Germany GmbH.
- VII. Rights of Customer in Case of Defects**
1. KOSME Germany GmbH shall be liable to Customer for the object of contract being free of physical and legal defects at the time risk passes to Customer. Irrelevant deviations from qualities agreed upon shall not constitute defects. Standard deviations or deviations which are based on legal provisions or constitute technical improvements as well as the replacement of components by equivalent parts shall also be admissible unless they impair the usability for the contractually intended purpose.
  2. KOSME Germany GmbH shall not be held liable for defects or damage arising from:
    - Defects resulting from constructions prescribed or specified by Customer, defects resulting from materials (including sample materials) prescribed, specified or supplied by Customer, or defects resulting from other provisions by Customer.
    - Defects or damage arising after the passing of risk due to faulty or negligent treatment, operating by untrained staff, excessive use, unsuitable operating materials, faulty construction work, unsuitable foundation or such defects arising due to special external influences not stipulated in the contract, as well as non-reproducible software errors.
    - Where Customer or third parties undertake inappropriate modifications or maintenance work, any liability of KOSME Germany GmbH for these modifications, work or their consequences shall be excluded.
  3. KOSME Germany GmbH shall not be liable for wear parts (definition to follow) of the object of contract. Wear is the progressive loss of material from the surface of a solid object induced by mechanical causes such as contact and relative motion of another solid, fluid or gaseous object. A wear part is a part that is used in places which unavoidably experience wear for operational reasons in order to protect other elements under consideration from wear, and which, by design, is intended for replacement.
  4. Where a defect in the object of contract gives rise – while taking in account numbers 1 to 3, above – to the respective remedial rights of Customer, Customer shall, at first, only be entitled to demand remedial performance with regard to the defects within a reasonable time, whereby KOSME Germany GmbH is entitled to choose, according to its reasonably exercised discretion, between correction of defects or replacement delivery. Where the claim arises due to KOSME Germany GmbH withholding a defect in order to deceive or granting a guarantee regarding a quality of the object of contract, Customer shall have the right to choose between correction of defects and replacement delivery. The expenses required for cure shall be borne by KOSME Germany GmbH. Replaced parts shall become property of KOSME Germany GmbH.
  5. When requested to do so by KOSME Germany GmbH and at the latter's expense, Customer shall send the defective parts in question to KOSME Germany GmbH for repair or replacement delivery, unless the defect requires repair at the place of installation.
    - In such case, KOSME Germany GmbH's obligation to provide cure with regard to the defective part shall be deemed to have been completely fulfilled once KOSME Germany GmbH returns the duly repaired part or sends a suitable replacement part to Customer.
    - Where costs have increased due to the object of delivery having been brought to a site other than Customer's place of business, contrary to the usage originally specified, claims of Customer for such additional costs, that are made necessary by the remedial performance, including, but not limited to, costs due to transportation and infrastructure, labour and material, shall be excluded.
  6. Where the defective part is a product delivered by a third party, liability of KOSME Germany GmbH shall initially be limited to an assignment of the liability claims which KOSME Germany GmbH is entitled to against such third party. Only once legal action has been taken against such third party by Customer, shall KOSME Germany GmbH's own liability be revived. This limitation of liability shall not apply, where the liability of KOSME Germany GmbH arises due to KOSME Germany GmbH withholding a defect in order to deceive or assuming a guarantee regarding a quality of a product manufactured by a third party.
  7. Customer shall examine the object of contract directly upon receipt thereof and notify KOSME Germany GmbH of any recognisable defects without delay. This duty of immediate notification shall also apply in case a defect becomes apparent at a later date. Where the Customer fails to give such notice, the object of contract shall be deemed accepted even in view of the defect.
  8. Where Customer does not accept the cure offered by KOSME Germany GmbH under the contract, KOSME Germany GmbH shall be released from liability for the claimed defect after additional time has been set and expired without result.
  9. Where cure has failed, Customer shall be entitled – subject to the conditions contractually agreed upon, including those resulting from the present General Terms and Conditions of Performance, Sale and Delivery of KOSME Germany GmbH - to assert its other claims for defects. In particular, cure shall be deemed to have failed, where KOSME Germany GmbH has allowed reasonable additional time set by Customer to expire without result, or has unduly delayed or refused cure, or where a reasonable number of attempts at cure have been unsuccessful.
  10. KOSME Germany GmbH may refuse to remedy a defect, if Customer does not make payment as agreed upon. Customer shall only be entitled to retain payments for cause where a notice of defect is asserted which is justified beyond

all doubt. This right of retention shall be limited in its amount to four times the costs necessary to remedy the defect. Where Customer makes a claim based on a defect, and it is subsequently shown, in particular by means of an appropriate inspection by KOSME Germany GmbH, that the claim based on defect made by Customer is unwarranted for factual or legal reasons, KOSME Germany GmbH shall be entitled to reasonable payment and reimbursement of all expenses for services, particularly those rendered in relation to the inspection.

11. All claims for damages shall be subject to the limitations, modifications and exclusions provided by the following article VIII, as set out below.

#### VIII. Limitation or Exclusion of Liability of KOSME Germany GmbH

1. Customer shall carefully observe both the instructions for use and the operating instructions, as well as the safety information provided by KOSME Germany GmbH. In particular, Customer shall comply with the instructions of KOSME Germany GmbH on how the object of contract is to be used without risk, which precautions are to be taken regularly and individually, and which types of misuse are to be avoided. If Customer breaches this duty, KOSME Germany GmbH shall not be liable for any damage resulting therefrom.
2. Limitation of liability of KOSME Germany GmbH for damage, both direct and consequential, resulting from defects:  
KOSME Germany GmbH shall neither be liable for any direct damage resulting from defects (including damage consisting of lost profit) nor for consequential damage resulting from defects, regardless of the legal ground. This exclusion of liability shall not apply to claims by Customer for damage based on gross fault (intent/gross negligence).
3. Limitation of liability of KOSME Germany GmbH for ordinary (as opposed to gross) negligence:  
Any claims of Customer, regardless of the legal ground, for damages not arising from gross fault (intent/gross negligence) on the part of KOSME Germany GmbH shall be excluded, unless the damage is due to the presence of a defect or the breach of material contractual duties the fulfilment of which is a prerequisite to the proper execution of the contract and on the compliance with which Customer has regularly relied and may rely (so-called "cardinal duties").
4. Limitation of liability of KOSME Germany GmbH for not typically foreseeable damage:  
Unless any claims for damages by Customer are already excluded due to the limitations of liability of KOSME Germany GmbH for direct and consequential damage (number 2) and for ordinary negligence (number 3), where such claims – regardless of legal reason – are not based on gross fault (intent/gross negligence) on the part of KOSME Germany GmbH, such claims shall be limited in their amount to compensation for such damage which KOSME Germany GmbH, taking into consideration the circumstances that KOSME Germany GmbH knew or should have known at the time of conclusion of the contract, should have been able to foresee as a possible consequence of a breach of duty or a breach of contract (typically foreseeable damage).
5. Limitation of liability of KOSME Germany GmbH for improper performance:  
Unless a claim by Customer has already been excluded due to the limitations of liability in favour of KOSME Germany GmbH with regard to direct or consequential damages (number 2) and for ordinary negligence (number 3), where – as a result of improper performance – Customer asserts a claim for either damages due to breach of duty or damages in lieu of performance against KOSME Germany GmbH, and where such claim is not based on gross fault (intent/gross negligence), this claim for damages shall be limited – beyond the limitation of liability of KOSME Germany GmbH for the typically foreseeable damage (number 4) – to a maximum amount of 10 % of the agreed price. Improper performance shall be deemed to exist where obstacles arise during the contractual relationship that impede or prevent proper fulfilment of contractual duties or where one party to the contract causes injury to the other party.
6. Limitation of liability of KOSME Germany GmbH for damage caused by delay:  
The above limitations of liability in favour of KOSME Germany GmbH with regard to direct and consequential damages (number 2), ordinary negligence (number 3), not typically foreseeable damage (number 4) and improper performance (number 5) shall also apply to claims for damages of Customer against KOSME Germany GmbH with regard to damage caused by delay, unless such damage is based on gross fault (intent/gross negligence). In excess of the foregoing, in all cases of delayed delivery, including claims both for damages by Customer due to delay of delivery as well as damages in lieu of delivery, and even in cases where time for delivery may have been extended for KOSME Germany GmbH and has expired, damages shall be limited in their amount to 0.5 % per fully completed week of delay – to a maximum of 5 % – based on the price of that portion of the deliveries, which could not commence operations expediently due to such delay.
7. Limitation of liability of KOSME Germany GmbH for persons used to perform obligations:  
Except where – due to gross fault (intent/gross negligence) of the person used to perform an obligation – such contractual duties were breached, the fulfilment of which was prerequisite to the proper execution of the contract, any liability for persons used to perform obligations (section 278 BGB [German Civil Code]) shall be excluded regardless of the legal ground. In no event shall the liability of KOSME Germany GmbH for a person used to perform an obligation exceed the liability of KOSME Germany GmbH for its own fault as provided for in the above limitations of liability. According to section 278 BGB [German Civil Code], a person used to perform an obligation is a natural person or legal entity whose services the obligor uses in order to fulfil its obligations.
8. Customer's right to rescind the contract due to non-performance or performance not in conformity with the contract shall be excluded. This shall not apply, where

KOSME Germany GmbH has intentionally or grossly negligently failed to perform in conformity with the contract.

9. The preceding limitations of liability (number 1 to number 8) shall not apply to claims of Customer due to intentional or grossly negligent behaviour, to guaranteed characteristics, due to injuries to life, body or health or according to the Product Liability Act.
10. In cases where the freight forwarder is arranged for by the Customer, KOSME Germany GmbH will not be held liable for any costs incurred as a result of additional security checks or time delays occasioned by the requirements of the German Aviation Security Act and the EU Regulations (EC) No. 300/2008; (EC) No. 272/2009; (EC) 2015/1998 as amended or any other current national or international statutory provisions. Customer shall indemnify KOSME Germany GmbH on first demand from all costs and losses resulting from additional security inspections and related time delays in this respect.

#### IX. Limitation Period

1. Where claims arising due to defects would – by default – be subject to a statutory limitation period of two years (e.g. section 438 s.1 no. 3 BGB; section 634 a s.1 no. 1 BGB), such limitation period shall be shortened to one year. Where the Customer has claims due to defects which arise from the grant of a guarantee regarding a quality, these claims shall be excluded from such shortening of the limitation period. The limitation period shall commence upon delivery of the object of contract and in case of an assembly obligation by KOSME Germany GmbH upon completion of the assembly. Where the Customer's acceptance is in delay, the limitation period shall commence upon the occurrence of delay in acceptance.
2. Recourse claims in the supply chain according to section 445b s.1 BGB will become time-barred within one year after KOSME Germany GmbH delivered the object to the Customer. The suspension of the limitation as defined in section 445b s. 2 BGB shall remain in full force and effect; it will end not later than five years after delivery.
3. For all other claims, the statutory limitation periods shall apply.

#### X. Software

To the extent that KOSME Germany GmbH provides Customer with software, the following shall apply:

1. KOSME Germany GmbH shall grant Customer a simple right of use pursuant to section 31 s. 2 of the Copyright Law (UrhRG) regarding the software provided. Section 31, s. 2 of the German Copyright Act reads: "The simple right of use entitles the holder thereof to make use of the work besides the author/originator or other persons entitled in the manner allowed to him." With regard to the software, KOSME Germany GmbH shall remain the sole owner/holder of the intellectual property rights at any time.
2. Customer shall only be entitled to use the software provided in connection with the object of contract.
3. Customer shall not be entitled to hand-over of the source program/source code.
4. Customer shall be entitled to make use of the software provided for an unlimited period of time for the entire operational life span of the object of contract.
5. Customer shall not be entitled to assign its right of use to third parties; in particular, the Customer shall not be entitled to sell, rent, sub-license or make available the software and the associated documentation to third parties by any other means. Where the Customer assigns its complete business enterprise to a third party, the Customer shall be entitled to assign its own right of use to such a third party. Where Customer sells the complete works to a third party in the normal course of business and such third party is not a competitor of KOSME Germany GmbH, upon request KOSME Germany GmbH shall consent to an assignment of the right of use granted to Customer, unless KOSME Germany GmbH presents reasons for the fact that such action will create the risk of providing competitors of KOSME Germany GmbH with secret knowledge (trade/business secrets) of KOSME Germany GmbH.
6. The right of use of the Customer shall be non-exclusive. KOSME Germany GmbH shall be entitled to grant any form of right of use regarding the software provided to any number of other Customers.
7. With the exception of staff members, the Customer shall not make the software supplied available or accessible to any third party, neither temporarily nor free of charge.
8. The Customer shall not change in any manner whatsoever any markings, copyright or ownership notices applied to the software provided.
9. The Customer shall not create copies of the software supplied, with the exception that one backup copy may be created by a person entitled to use the program, where this is necessary to secure the future use thereof. The backup copy shall not be used concurrently with the original software.
10. The Customer shall not be entitled to photocopy, place on microfilm, electronically duplicate or otherwise copy, whether wholly or partially, the documentation associated with the software.
11. Any disassembly, reverse engineering or decompilation of the software shall be prohibited, and the Customer shall neither arrange for nor permit the above to be done, except in accordance with the conditions of section 69e of the German Copyright Act (UrhRG).
12. KOSME Germany GmbH shall be entitled to all proprietary rights, copyrights and other industrial property rights to the software, updates and documentation. The same shall apply to any modifications and translations/compilations of the programs.
13. KOSME Germany GmbH is entitled to carry out, at its own expense, any alterations to the software installed at the Customer's premises which may be necessary due to the assertion of proprietary rights by third parties. Customer cannot derive any rights from this.

#### **XI. Export and Import Control, Embargo Provisions**

1. The scope of contract can be subject to export and import restrictions, in particular, it might be subject to permit requirements or the use of the scope of contract in foreign countries might be subject to restrictions. The Customer undertakes insofar to comply with the applicable legal provisions in relation to export control and sanction lists of the Federal Republic of Germany, the EU and the US, as well as all other applicable provisions. This includes, in particular, also the applicable embargo regulations in relation to goods, persons and use. These provisions will apply only insofar as they do not conflict with the applicable German Foreign Trade Act (AWG), the European Blocking Regulation (e.g. Section 7 of the AWW and Art. 5.1 (EG) 2271/96) or with the national legal bases applicable to the Customer.
2. The performance of the contract by KOSME Germany GmbH is subject to the proviso that there are no obstacles due to national and/or international regulations of export and import law as well as no other statutory provisions.
3. Any resale and/or transfer of the scope of contract, directly or indirectly, to Russia or Belarus is generally prohibited and may only be permitted after a case-by-case review by KOSME Germany GmbH, if applicable.
4. The Customer further confirms that it is not aware at the current time (a) of any future uses of the scope of contract by military Customers or Customers with military end uses; (b) of any future uses of the scope of contract in connection with NBC weapons and launchers; (c) of any future uses of the scope of contract in connection with the construction or operation of nuclear facilities; (d) of any future uses of the scope of contract in connection with the violation of human rights or in connection with acts supporting terrorism.
5. KOSME Germany GmbH reserve the right as part of our own compliance checks to impose on the Customer an obligation to sign end-use certificates where this is necessary on the basis of business policy decisions of KOSME Germany GmbH or legal requirements.

#### **XII. Data Protection and Data Usage**

1. KOSME Germany GmbH processes personal data according to the provisions of the European General Data Protection Regulation (GDPR) and the German Federal Data Protection Act (BDSG). For more information regarding the handling of Customer data at KOSME Germany GmbH, please refer to [www.krones.com](http://www.krones.com). Customer is obliged to comply with all applicable data protection regulations.
2. KOSME Germany GmbH is entitled to collect, store, process and evaluate machine data and duly anonymized personal data. Such data can also be disclosed to KOSME Germany GmbH associated companies ("Subsidiaries") for the purpose of using such data for product improvement, performance enhancement applications and other services of KOSME Germany GmbH and/or Subsidiaries.
3. KOSME Germany GmbH is entitled to transmit Customer data to third parties (including Subsidiaries) if and to the extent that this is required for the implementation of pre-contractual measures and for the contractual agreed supplies and services (e.g. for dispatch, invoicing or Customer support), or to fulfil statutory obligations.

#### **XIII. Place of Jurisdiction, Applicable Law, Place of Performance, Severability Clause**

1. Where Customer is a fully qualified merchant registered in a German Commercial Register, a legal entity subject to domestic public law or a trustee of public funds, the registered place of business of KOSME Germany GmbH shall be place of jurisdiction for any disputes arising from or in connection with the contractual relationship. In legal proceedings brought against KOSME Germany GmbH by Customers with no general place of jurisdiction in the Federal Republic of Germany, the exclusive place of jurisdiction shall also be the registered place of business of KOSME Germany GmbH. In legal proceedings brought by KOSME Germany GmbH against Customers with no general place of jurisdiction in the Federal Republic of Germany, the registered place of business of KOSME Germany GmbH shall be a further place of jurisdiction, in addition to the places of jurisdiction provided by law. Any arbitration agreements made between the parties take precedence.
2. The laws of the Federal Republic of Germany shall apply exclusively both with regard to the applicability of these General Terms and Conditions of Performance, Sale and Delivery of KOSME Germany GmbH and to all legal relationships of the contractual parties and their legal successors/assigns, that result from the contract and/or any possible ancillary or subsequent transactions. This choice of law and the agreement on jurisdiction above shall likewise be governed by the law of the Federal Republic of Germany. The above choice of law shall not exclude application of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980.
3. The registered office of KOSME Germany GmbH shall be the place of performance.
4. Should the contract or any one of the above provisions of these General Terms and Conditions of Performance, Sale and Delivery of KOSME Germany GmbH be or become invalid or unenforceable, this shall not affect the validity of the remaining provisions. The contracting parties shall rather cooperate to replace the ineffective provision by a legally admissible and effective provision suited to achieve the success at which the invalid provision was aimed. The same applies to the closure of any contractual loopholes or omissions.

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Origin of goods (USP): 0 = Third-country products 1 = EU origin 2 = EFTA origin