

## Digital Building Solutions GmbH

Dieselstr. 8

D-48324 Sendenhorst, Germany

#### **General Terms and Conditions of Business**

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## Section 1 Scope of application

The present General Terms and Conditions ("GTCs") apply to all agreements in which Digital Building Solutions GmbH ("DBS") acts as the seller. The GTCs apply only to legal entities under public law, special funds under public law, and merchants if the agreement is part of the operation of their trade. They will be deemed to have been accepted by the ordering party ("Customer"), exclusively and with legally binding effect, upon granting of the order. Deviating conditions of the Customer require written confirmation by DBS in order to be valid. Deviations from the GTCs of previous agreements are invalid for this transaction. Within the framework of a continuing business relationship, these conditions will also apply to all future agreements between DBS and the buyer, unless other conditions are expressly included upon the conclusion of the agreement.

## Section 2 Offers

- (1) Offers of DBS are subject to change and non-binding unless they are expressly identified as binding or contain an acceptance period.
- (2) If documents containing figures, measurements, samples, descriptions, etc. are provided along with an offer, these will only be deemed to be an agreed quality if this has been expressly agreed in writing.

# Section 3 Prices & payment

- (1) Unless otherwise agreed in writing, the net DBS prices ex works, plus statutory VAT, will apply.
- (2) Costs of packaging will be invoiced separately. Insurance for transport will only be taken out upon special request of the Customer and will be billed to the Customer.
- (3) Unless otherwise agreed in writing, invoices of DBS are due without deduction immediately upon invoicing.

# Section 4 Delivery

- (1) The start of the delivery time specified by DBS requires the timely and proper fulfilment of the Customer's obligations. The plea of an unfulfilled agreement remains reserved.
- (2) If the Customer enters into default of acceptance or intentionally or negligently breaches other duties to cooperate, DBS may request compensation for the damages incurred thereby, including the reimbursement of any additional expenses. Further claims remain reserved.
- (3) DBS will be entitled to partial deliveries and partial services, unless the Customer proves that partial deliveries and partial services are not in its interest.



# Section 5 Shipping / transfer of risk

- (1) If goods are shipped to the Customer at its request, then the risk of accidental loss, destruction, or deterioration will be transferred to the Customer upon shipment to the Customer, and at the latest upon leaving the plant/warehouse. This applies irrespective of whether the shipment of the goods occurs from the place of performance and irrespective of who bears the shipping costs.
- (2) In the event of a delay in shipping caused by the Customer, the risk of accidental loss or destruction will be transferred to the Customer upon notification of the readiness to ship.

## Section 6 Retention of title

- (1) The delivered goods (reserved goods) will remain the property of DBS until all claims of DBS against the Customer, now or in the future, are met.
- (2) If the Customer acts in breach of contract particularly if the Customer defaults in a payment DBS may recover the reserved goods after an appropriate grace period for the performance has lapsed without success. The Customer shall bear the transport costs incurred for the return.
- (3) The Customer shall treat the reserved goods with care for as long as title has not yet been transferred to the Customer. If maintenance, inspection, and/or repair work must be carried out, the Customer must carry it out it in a timely manner at the Customer's own expense.
- (4) The Customer may use the reserved goods and resell them in the ordinary course of business, as long as there is no default in payment. The Customer may not pledge the reserved goods or transfer them as a security. The Customer's remuneration claims against a third party arising from a resale as well as those claims of the Customer regarding the reserved goods that originate against third parties on other legal grounds (in particular, claims due to unauthorised action and claims for insurance benefits), including any balance claims from an open account, are fully assigned by the Customer to DBS as security. DBS hereby accepts the assignment.
- (5) The Customer may receive the assigned claims on its own account in its own name for DBS until DBS revokes this power. The right of DBS to receive these claims itself is not affected by the foregoing provision; however, DBS shall not assert the claims itself and shall not revoke the Customer's authority to receive as long as the Customer fulfils its payment obligations properly.
- (6) If the Customer acts in breach of contract particularly in the event of default in payment DBS may request that it be informed of the assigned claims and the respective debtors, that the respective debtors be informed of the assignment, and that DBS be provided with all documents and information that are required or advantageous for assertion of the claims.
- (7) Any processing or restructuring of the reserved goods by the Customer will be carried out for DBS. If the reserved goods are processed with other items owned by third parties, DBS will acquire co-ownership of the new item in the ratio of the value of the reserved goods (invoice amount including VAT) to the other processed items at the time of the processing. The same applies for the newly produced item as for the reserved goods.
- (8) If the reserved goods are inseparably connected to or mixed with other items that do not belong to DBS, DBS will acquire co-ownership of the new item in the ratio of the value of the reserved goods (invoice amount including VAT) to the other connected or mixed items at the time of the connection or mixing. If the reserved goods are connected or mixed in such a way that the Customer's item is be seen as the main item, then the Customer and DBS hereby agree that the Customer shall transfer the proportionate title to this item to DBS. DBS hereby accepts this transfer.



- (9) The resulting sole ownership or co-ownership of an item will be retained by the Customer for DBS free of charge.
- (10) In the event of attachment of the reserved goods by third parties or in the event of other interventions of third parties, the Customer must indicate the title of DBS and inform DBS immediately in writing so that DBS is able to enforce its property rights. If the third party is unable to reimburse the necessary judicial or extrajudicial costs incurred by DBS in this context, the Customer will be liable for this.
- (11) If so demanded by the Customer, DBS shall release the securities granted to DBS when their realisable value exceeds the value of the outstanding claims of DBS against the Customer by more than 20%. However, DBS may determine the securities to be released by overcollateralisation.

### Section 7 Warranty

- (1) The delivered items must be inspected with care immediately after delivery to the Customer or to the third parties designated by it. The delivered items will be deemed to be accepted immediately if DBS has not received a written defect notice with respect to obvious defects or other defects which were discernible during the immediate and careful inspection, this defect notice being received immediately but no later than within 7 working days after delivery of the delivered item, otherwise immediately but no later than 7 working days after the discovery of the defect or at any earlier time at which the defect became noticeable to the Customer without further inspection during normal use of the delivered item. Upon request, the delivered item in question must be returned to DBS carriage free. In the case of justified complaints of defects, DBS shall reimburse the costs of the cheapest shipping route; this does not apply for increased costs due to the delivered item being located in a place other than the place of the intended use.
- (2) The Customer shall describe the identified defects in detail, so that a conclusive review can be carried out by DBS using the defect notification.
- (3) In the event of a justified complaint of defects, DBS shall rectify the defect or provide a free replacement, at the Customer's option.
- (4) The warranty will be void if the Customer changes or allows a third party to change the delivered item without the approval of DBS and, as a result, the rectification of the defect is impossible or unreasonably difficult. In all cases, the Customer must bear any additional costs of rectification that are incurred due to the change.
- (5) Warranty claims will lapse 1 year after receipt of the goods, unless stipulated otherwise by mandatory
  - statutory provisions or the following provisions. The same period applies to the limitation of claims due to damages that are not incurred on the delivered object/service itself. Claims for damages resulting from bodily injury and impairment of health are excluded from the 1-year limitation period and are subject to the statutory limitation periods.

## Section 8 Limitation of liability

- (1) The liability of DBS for damages, irrespective of the legal grounds, particularly arising from impossibility, delay, defective or incorrect delivery, breach of agreement, violation of obligations in the event of agreement negotiations, and unauthorized action, will be limited in accordance with this provision insofar as fault is involved in each case.
- (2) DBS will not be liable in the case of slight negligence of its bodies, legal representatives, employees, or other vicarious agents, insofar as there has not been a breach of material contractual obligations. Material contractual obligations include the duties of timely delivery and delivery free of material defects, the duties of consultation, protection, and care that allow the Customer to use the delivered item in accordance with the contract, and those



- whose purpose is to protect the life and health of the Customer's staff and to protect the Customer's property against significant damage.
- (3) The warranty is excluded if a defect or deficiency in the subject matter of the contract is attributable to its natural wear. The warranty is similarly excluded if the Customer has not reported the defect to DBS immediately after becoming aware of it.
- (4) The warranty exclusion will also apply in the event that the Customer has not immediately given DBS the opportunity to rectify or has overused the subject matter of the contract and/or subjected it to improper treatment.
- (5) The warranty is also excluded in the event that the subject matter of the contract was improperly repaired by the Customer itself or by a third party commissioned by it or if the maintenance and care instructions of the manufacturer were ignored.
  - (6) Insofar as DBS is liable for damages on the merits, this liability will be limited to the damages that DBS foresaw as a possible consequence of the breach of contract at the time of the conclusion of the agreement or that DBS should have foreseen when exercising customary due diligence. DBS will only liable for indirect damages and consequential damages (e.g. loss of production) in the event of malicious intent or gross negligence. This also applies to lost profits or additional consumption of materials. In the case of gross negligence, the compensation for damages will be limited to the contractually typical, foreseeable damages.
- (7) The aforementioned liability exclusions and limitations apply to the same extent in favour of bodies, legal representatives, employees, and other vicarious agents of DBS.
- (8) Insofar as DBS issues technical information or works in an advisory capacity and this information or advice does not fall under the contractually agreed scope of performance owed by DBS, this will take place free of charge and with the exclusion of any liability.
- (9) These limitations apply to liability due to malicious conduct, guaranteed quality features, injury to life, limb, and health, or pursuant to the ProdHaftG [Produkthaftungsgesetz (Product Liability Act)].

#### Section 9

#### Prohibition of assignment; offsetting; right of retention

- (1) The Customer may not assign its contractual rights to third parties without the express written consent of DBS (prohibition of assignment).
- (2) The Customer may only offset undisputed and legally established claims.
- (3) The Customer will only possess a right of retention if this arises from the same specific contractual relationship and the claim underlying the right of retention is undisputed or has been legally established.

## Section 10 Miscellaneous provisions

- (1) The place of performance is the location of the supplier's plant. The place of jurisdiction is either the registered office of DBS or that of the Customer, at the option of DBS.
- (2) The language of the agreement is German.
- (3) German law is exclusively applicable, excluding the UN Convention on Contracts for the International Sale of Goods (CISG).
- (4) If a provision of these GTCs should be or become invalid in whole or in part, the validity of all other provisions or agreements will remain unaffected. In lieu of the invalid provisions, a valid provision that comes closest to the economic intent of the parties will be deemed agreed upon. The same applies in the event of an omission.