

# General Terms and Conditions of Business (GTCs)

## Spitznagel Transformatoren GmbH

1. Scope of the GTC
    - 1.1 Unless otherwise agreed in writing, our offers, deliveries and services shall be governed by the following provisions. They shall be deemed to have been accepted by the buyer/customer at the latest at the time of the receipt of the goods or services, even if the buyer/customer refers to his own contradictory GTCs in his order.
    - 1.2 These GTCs are applicable only to our business relations with companies within the meaning of § 13 of the German Civil Code ("BGB").
  2. Offer and contractual conclusion

Our offers are non-binding. A written order confirmation shall be required to conclude a legally-effective purchase agreement or contract for services.
  3. Images, dimensions and performance specifications

We accept no warranty for the accuracy of the drawings, illustrations and data on performance, size and weight contained in our advertising material (website, brochures etc.).
  4. Prices

The prices in our offers and price lists are shown excl. the respective applicable statutory value added tax as well as shipping and packaging costs. The prices are not binding for follow-up orders.
  5. Delivery conditions, transfer of risk
    - 5.1 The risk of damage or loss of the goods shall be transferred to the buyer/customer at the time of the handover to the person commissioned to transport these goods. We shall take out a transport insurance policy only at the express request of the buyer/customer.
    - 5.2 Unless otherwise agreed, the shipping shall be arranged at our discretion. We accept no responsibility for ensuring the cheapest means of transport.
    - 5.3 In the case of prepaid or FOB, C+F or CIF deliveries which need to be specially agreed, we shall assume only the pure freight costs excl. other ancillary costs such as insurance premiums, customs duties, customs fees or similar. In the case of CIF sales, we shall not be obliged to insure against special risks such as for example the risk of reprisals, war, mines or torpedoes.
    - 5.4 The delivery periods and delivery deadlines specified by us are non-binding, unless otherwise expressly agreed in writing.
  6. Terms and conditions of payment
    - 6.1 Our invoices are due for payment within 30 days following invoice presentation. In the case of payments within 14 days following invoice presentation we grant a 2% discount.
    - 6.2 A payment shall be deemed to have been made only once we have disposal over the sum. In the case of payments by cheque, only once this has been cashed.
    - 6.3 In the event of a significant deterioration in the creditworthiness of the buyer/customer, we reserve the right to make delivery of the goods dependent upon payment in advance.
  7. Reservation of title
    - 7.1 We reserve the title to the delivered goods until the full payment of the purchase price and fulfilment of possible further claims arising out of the business relationship with the buyer/customer.
    - 7.2 Delivered goods may not be pledged, assigned as security or otherwise encumbered by third-party rights before the purchase price has been paid in full.
    - 7.3 The buyer/customer is entitled to resell or combine the goods with other movable property only to the extent that this is performed within the framework of ordinary business operations. The buyer/customer shall assign any claims against third-party buyers to us in advance to the full amount. The assignment is herewith accepted by us. The buyer/customer is obliged upon request to inform us about the level of these claims as well as the names and addresses of the third-party buyers.
  - 7.4 In the event of the processing of the goods together with other items, we shall have a co-ownership share of the manufactured item until this has been paid in full, pursuant to the ratio of the invoice value of our goods to the total purchase price of all goods used in the processing. In the event of our goods being mixed with other items, this shall apply *mutatis mutandis*.
  - 7.5 In the event of the resale of the item which has been created through mixing or processing with our goods, the resulting claims to which the buyer/customer is entitled vis-à-vis the third-party buyer shall be assigned to us in advance in proportion to the share of our co-ownership share. We herewith accept the assignment.
  - 7.6 The buyer/customer shall be entitled, until this entitlement has been revoked by us – which we may do at any time – to collect claims arising out of the resale of the goods. However, he shall not be entitled to assign these claims.
8. Warranty
    - 8.1 We guarantee that our goods are free of defects at the time of the transfer of risk. The assertion of warranty claims shall be contingent upon the buyer/customer examining the goods without delay following receipt, and reporting any possible defects to us without delay.
    - 8.2 The warranty period is 12 months and shall start at the time of the transfer of risk.
    - 8.3 Insofar as the goods contain a defect which has been reported in due time, we may at our own discretion either rectify this or make a subsequent delivery. Should these remedies prove unsuccessful, the buyer/customer may withdraw from the agreement or demand a price reduction.
    - 8.4 We shall be obliged to pay compensation pursuant to the statutory provisions only insofar as this relates to a personal injury or if the damage is covered by the German Product Liability Act or is attributable to gross negligence or wilful intent. We shall not be liable in the case of consequential damages due to defects, in particular damages which do not arise in the object of the delivery itself, in respect of loss of earnings or other pecuniary damages suffered by the buyer/customer.
    - 8.5 An effective assignment of warranty claims to third parties shall be subject to our written consent.
  9. Place of performance, place of jurisdiction, choice of law
    - 9.1 The place of performance, unless otherwise stipulated in the order confirmation, is our headquarters in Tuningen.
    - 9.2 The place of jurisdiction for all legal disputes arising out of our business relationships, insofar as permitted by law, is likewise our headquarters in Tuningen.
    - 9.3 These GTCs and all our business relationships are governed by the law of the Federal Republic of Germany. The application of the UN Sales Convention is excluded. This also applies if the buyer/customer is a foreigner or is domiciled abroad.
  10. Partial invalidity

Should individual provisions of our agreements with the buyer/customer or these GTCs be or become wholly or partially invalid, this shall not affect the validity of the remaining provisions. A wholly or partially invalid provision must be replaced by a clause which approximates as closely as possible to the economic purpose of the original provision.