

General Terms and Conditions of Sale

Renold GmbH

1. Scope

- 1.1. These General Terms and Conditions of Sale ("GTC") apply to all business relationships with business partners and purchasers ("Buyer") of Renold GmbH ("Renold"), without requiring a reference to these GTC in each individual case.
- 1.2. These GTC apply on an exclusive basis. Any conflicting, deviating or supplementing terms of business of the Buyer do not become part of the Contract except if and to the extent that Renold expressly approved their application in writing. In particular, Renold rejects penalty clauses. Where Renold accepts the Buyer's order, delivers the Goods or provide the Services without reservation despite knowing the terms of business of the Buyer, this may not be construed as an acknowledgment of these terms.
- 1.3. These GTC only apply if the Buyer is an entrepreneur (Sec. 14 BGB), a legal person under public law or a fund under public law.
- 1.4. Individual agreements (subsidiary agreements, amendments and/or modifications) with the Buyer have priority over provisions of these GTC. For such agreements, the text form (including email) is the prevailing form.

2. Contract formation

- 2.1. Renold's quotations for the supply of goods ("Goods") and provision of services ("Services") do not constitute an offer. In the event Renold issues an offer for the supply of Goods and/or Services, this offer is non-binding (*freibleibend*).
- 2.2. Unless earlier withdrawn or unless the quotations otherwise state, quotations are open for the period of 30 days from the date of the quotation.
- 2.3. Once the parties have agreed on the essentials of the transaction, the contract is deemed to be concluded based on the provisions of these GTC ("Contract").

3. Changes

- 3.1. In the event that Renold has a justified interest, Renold may request changes to the quantity of the Goods or Services after conclusion of the Contract, provided that such request is reasonable for the Buyer and takes into account the interests of both parties.
- 3.2. Renold is entitled to amend the GTC, provided that. Renold only makes such amendments for good cause, in particular due to new technical developments, changes in case law or the legal situation, drastic changes in market conditions, currency conversions or other equivalent reasons. Renold (i) will make the changes only in a manner that reflects the circumstances giving rise to the valid reasons, (ii) will expressly notify the Buyer of the new version of the respective GTC and make them available to the Buyer. Furthermore, Renold (iii) will grant the Buyer a reasonable period of time during which the Buyer can object to the changes and (iv) inform the Buyer that the contractual relationship will be continued with the new conditions without objection within a reasonable period of time or termination.

4. Use of the Goods

- 4.1. The Buyer will only use the Goods as set out in the instructions provided by Renold.
- 4.2. It is the Buyer's obligation to inform Renold of the environmental conditions in which the Goods are to be used.

5. Price

- 5.1. The price will be the price quoted to the Buyer by Renold, or in the absence of any such quotation, Renold's list price published or notified on the date on which the Contract was concluded, each of which includes Renold standard packaging for Goods ("Price").
- 5.2. All prices quoted are net prices, in particular excluding value added tax, and EXW at Renold's premises (Incoterms 2020).

6. Payment

- 6.1. Invoices are due and payable thirty (30) calendar days from the date on the invoice, but not prior to delivery of the Goods or provision of the Services.
- 6.2. The Buyer will not be entitled to any deductions, discounts or rebates for prompt or early payment.
- 6.3. Interest will be charged by Renold at 9 percentage points over the basic rate of interest on all sums overdue for payment (*Verzug*). Nothing in these GTC prevents Renold from claiming a higher loss caused by the default in payment (*Verzug*).
- 6.4. The Buyer's right to set off claims and exercise retention rights is limited to (counter)claims that are undisputed, legally established or ready for judgement.
- 6.5. If the Buyer is in default with a payment, Renold may without prejudice to any other remedy it may have:

- 6.5.1. suspend work on, and withhold delivery of Goods and/or performance of Services under any Contract at that time until payment in full is made; and
- 6.5.2. if payment remains outstanding for more than an appropriate period of time after Renold has issued an overdue notice to the Buyer, or for more than the period for payment specified therein, cancel any such Contract by written notice to the Buyer. Renold does not have to issue an overdue notice if (a) the Buyer seriously and definitively refuses payment, or (b) there are special circumstances which, when the interests of both parties are weighed, justify immediate revocation.

7. Delivery of Goods and/or performance of Services

- 7.1. Unless otherwise agreed by Renold in writing, delivery of the Goods will take place FCA at Renold's premises (Incoterms 2020) ("Delivery").
- 7.2. Times or dates quoted by Renold for Delivery of Goods and/or completion of Services approximate estimates only.
- 7.3. Renold shall be entitled to partial Deliveries and partial Service provision to a reasonable extent.
- 7.4. If the Buyer defaults to accept delivery of the Goods (*Verzug*), Renold will be entitled to charge the usual costs of storage at the place of storage. If the Buyer finally refuses to accept delivery of the Goods, Renold will be entitled to cancel the Contract.
- 7.5. Where the Buyer requests extra or special packing, Renold will be entitled to charge the full cost of the same to the Buyer. Any such packing will be at the Buyer's own risk and no warranty is given as to the suitability or fitness or otherwise of such packing for its purpose.
- 7.6. The Buyer will at its own cost, unless otherwise agreed in writing, supply all machinery, equipment and labour, lay on all services and make all other preparations as are necessary for the off-loading, commissioning and/or testing, installation and proper working delivery of the Goods and/or supply of the Services at the Buyer's premises.
- 7.7. Notwithstanding any warranty obligations, Goods cannot be returned without Renold's prior written authorisation. Duly authorised returns will be sent to such address as Renold directs.

8. Title and Risk

- 8.1. Renold retains title to the delivered Goods until satisfaction of all current and future claims of Renold against the Buyer on the basis of the business relationship – irrespective of their legal basis ("Retained Goods").
- 8.2. The Buyer will store the Retained Goods in such a way that they are identifiable as the property of Renold and are separate from all other Goods in the possession of the Buyer. The Buyer will not destroy, deface or obscure any identifying mark or packaging on or relating to the Goods and will keep them insured on Renold's behalf for their full price against all risks to the reasonable satisfaction of Renold. On request, the Buyer will promptly (*unverzüglich*) provide a copy of the policy of insurance to Renold.
- 8.3. The Retained Goods must not be pledged or assigned by way of security. If a third party intends to seize the Retained Goods, the Buyer will advise the third party of Renold's title and inform Renold immediately.
- 8.4. The Buyer is entitled to resell the Goods in the course of ordinary business transactions. However, the Buyer hereby assigns to Renold all claims in the amount of the total sum of the respective final invoice which it acquires against its buyers or third parties from reselling the goods; this shall apply regardless of whether the Goods were sold without or after further processing. The Buyer shall remain authorised to collect these claims even after the assignment. Renold's right to collect the claim itself shall remain unaffected hereby. Renold undertakes, however, not to collect the claims as long as the Buyer meets its payment obligations arising from the received proceeds and is not in arrears with payments and as long as its financial situation does not significantly deteriorate. However, if this is the case, Renold is entitled to request that the Buyer informs Renold of the assigned claims and the respective debtors, provides any information required for the collection, hands over the corresponding documents and informs the debtors (third parties) of the assignment.
- 8.5. Any processing or alteration of the goods by the Buyer shall always be effected on behalf of Renold. If the goods are processed with other objects that do not belong to Renold, Renold shall acquire joint ownership of the new object in the value of the goods (final invoice amount) in proportion to the other processed objects at the time of the processing. The new object resulting from the processing shall be subject to the same provisions that are applicable to the goods delivered under retention of title.

9. Warranty rights

- 9.1. At the time of Delivery, the Goods will be free from defects. In the event of a defect, Renold will execute a subsequent performance, i.e., at its option, repair or replace the Goods. Renold may refuse any type of subsequent performance if the associated costs are disproportionate.
- 9.2. If repair or replacement of the Good failed at two attempts (one attempt in the event of an agreement for works), the Buyer may demand the reduction of the price or, withdraw from the Contract or claim damages.
- 9.3. Rights and claims based on defects of quality will become time-barred twelve months after Delivery or Service provision.
- 9.4. Pursuant to Sec. 377 of the German Commercial Code (*Handelsgesetzbuch, HGB*), the Buyer shall inspect the Goods for obvious defects immediately upon receipt and notify Renold of any such defects immediately (*unverzüglich*). The same shall apply to latent defects from the moment of their discovery.

10. Testing and installation

- 10.1. Where the Buyer requires Renold to carry out tests on the Goods, Renold may charge the Buyer at a reasonable rate for work done and materials used in testing together with the cost of travelling to premises other than Renold's own premises and any other associated expenses.
- 10.2. Where Renold carries out work at the Buyer's request at any place other than its own premises, without prejudice to any other remedy Renold may have, the Buyer will compensate Renold against any losses Renold may suffer (including any damages, costs and expenses it may have to pay) as a result of damage to Renold's property or claims against Renold by its employees where the losses arise from the nature, condition or state of repair of the place or any materials or equipment in that place and due to at least simple negligence of the Buyer.

11. Refurbishment

- 11.1. If the Buyer wishes Renold to refurbish goods, the Buyer will (at the Buyer's cost) send the goods to Renold.
- 11.2. Following receipt of the goods, Renold will provide a quotation for the refurbishment of the goods. If Renold provides an estimate without having seen the goods, then Renold will not be bound by this estimate and will provide a quotation once it has seen the goods.
- 11.3. The Buyer's rights and claims based on defects of quality will become time-barred twelve months after delivery. Renold has the right to claim damages for and damages Renold incurs or suffers as a consequence of a fault in Goods supplied by the Buyer to Renold for refurbishment.

12. Liability

- 12.1. Renold's liability is limited as set out below:
- 12.2. Renold is fully liable for damages caused with wilful intent and gross negligence.
- 12.3. If Renold breaches a contractual obligation in a slightly negligent manner, which is essential for the purpose of the transaction, and if the Buyer relies on its fulfilment (*Kardinalpflichten*), Renold is only liable for foreseeable damage that typically occurs in these kinds of contractual relationships. With respect to any other damage resulting from slight negligence, Renold's liability is excluded.
- 12.4. The foregoing limitations of liability or exclusions do not apply to claims resulting from fraudulent concealment of a defect, acceptance of a guarantee, claims pursuant to the German Product Liability Act (*Produkthaftungsgesetz, ProdHaftG*) and to claims arising from personal injuries or death.
- 12.5. To the extent that Renold's liability is excluded or limited, this also applies to the personal liability of employees, representatives and vicarious agents.

13. Force Majeure

- 13.1. If events beyond a party's reasonable control, that are not caused by Renold with at least simple negligence, including strikes, lock-outs, shutdowns and other industrial disputes (not within Renold's workforce), embargoes, import or export prohibitions, governmental actions, orders, legislation, regulations, rationing, riots, civil disturbances or disobedience, epidemic (including, for the avoidance of doubt, pandemic influenza attack), quarantine, acts of terrorism or war, fire, flood, hurricane, earthquake, storm, lightning, explosion, acts of God or of a public enemy ("**Force Majeure Event**"), prevent or hinder that party from fulfilling its obligations in accordance with the Contract, the date or dates for delivery and/or performance will be extended by the period of delay caused by such events up to four (4) months, provided that the Force Majeure Event does not ultimately prevent the performance (*endgültiges Leistungshindernis*).

- 13.2. If the period of delay extends beyond four (4) months or the Party is ultimately prevented from providing the services, statutory law applies.

14. Buyer's obligations

- 14.1. The Buyer shall:
 - 14.1.1. provide Renold with all such information and assistance as Renold may require from time to time to perform its obligations under the Contract;
 - 14.1.2. not re-package the Goods or remove or alter any trademarks, patent numbers, serial numbers or other identifying marks on the Goods or their packaging or add any other trademarks, patent numbers, serial numbers or other identifying marks to the Goods or their packaging; and
 - 14.1.3. where agreed, return packaging to or make packaging available for collection by Renold, as required by Renold.
- 14.2. The Buyer will comply with Renold's instructions in connection with any product recall initiated by us involving the Goods (or any of them).
- 14.3. The Buyer is obligated to verify that any drawing, design or specification provided to Renold is correct.
- 14.4. The Buyer will promptly furnish all designs, equipment, personnel information and instructions necessary for Renold to be able to undertake the work in performance of the Contract and the Buyer will compensate Renold for all loss and expense incurred by Renold by reason of any error, defect or omission therein or by reason of any other act on the part of the Buyer to the extent that the Buyer or its employees or representatives have acted at least with simple negligence.
- 14.5. In relation to any orders for which the Buyer supplies Renold with any blanks, patterns or other materials ("**Materials**"), where any Materials prove to be unsuitable for the treatment that Renold is required to give them, the Renold has the right to claim damages it may have suffered through the Materials' unsuitability.

15. Termination

- 15.1. In the event that the Contract is a long-term agreement, Renold shall have the right at any time to terminate the Contract in whole or in part for convenience with a reasonable notice period.
- 15.2. The aforementioned does not affect either party's right to terminate the Contract for good cause. For Renold, good cause shall constitute, in particular, if:
 - 15.2.1. any distress, execution or other legal process being levied upon any of the Buyer's assets;
 - 15.2.2. the Buyer entering into any arrangement or composition with its creditors or entering negotiations to enter such arrangements or compositions, committing any act of bankruptcy or (being a corporation) an order being made, a notice given or an effective resolution being passed for its winding up except for the purposes of amalgamation or reconstruction as a solvent company or a receiver, manager, administrative receiver or administrator being appointed in respect of the whole or any part of its undertaking or assets or a notice to appoint such persons is made;
 - 15.2.3. an encumbrancer taking possession of any of the property or assets of the Buyer;
 - 15.2.4. the Buyer suspending or threatening to suspend payment of its debts or being unable to pay its debts as they fall due or admitting to being or being deemed to be unable to pay its debts;
 - 15.2.5. the Buyer ceasing or threatening to cease to carry on business;
 - 15.2.6. non-payment by the Buyer of any monies due from it to Renold;
 - 15.2.7. any material breach of the provisions of the Contract by the Buyer;
 - 15.2.8. any event occurring or proceedings being taken in respect of the Buyer in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned within **clauses 15.2.1-15.2.4**;
 - 15.2.9. the Buyer's financial situation deteriorating or being about to deteriorate and if this is jeopardizing the Buyer's fulfilment of its obligations towards Renold; or
 - 15.2.10. Renold reasonably believing that any of the events mentioned above is about to occur in relation to the Buyer,

16. Confidentiality

- 16.1. "**Confidential Information**" means the terms of the Contract as well as all information and content of documents regarding Renold's trade and business secrets and business-related information of Renold which become known to the Buyer because of or in connection with the Contract or due to the access provided to Renold business premises, regardless of its form (written, electronic, oral, or otherwise);
- 16.2. The Buyer is obligated to keep Confidential Information confidential. The Buyer may disclose Confidential Information only

to those employees who need to know them for the fulfilment of the obligations of the Contract. The Buyer needs to inform such employees of the obligation set forth in this **clause 16** and ensure that the employees comply with the confidentiality provisions of this **clause 16**.

- 16.3. The Buyer may disclose Confidential Information to third parties only with Renold's prior approval in writing, except for individuals obligated to statutory professional confidentiality and public authorities within the scope of statutory disclosure obligations and to the extent required. To the extent required the fulfilment of the obligations of the Contract, the Buyer is entitled to disclosure of Confidential Information to subcontractors provided it subjects the subcontractors to the same level of confidentiality as set out in this **clause 16**.
- 16.4. The confidentiality obligations set out in this **clause 16** do not apply to information that is or becomes already known to the public or is or becomes publicly available without the Buyer's fault, was already in the Buyer's possession before receiving it from Renold, is lawfully obtained from a third party who has the right to disclose it, or was independently developed without using Renold's Confidential Information.
- 16.5. Upon the end of the business relationship, the Buyer is obligated to return, delete or destroy all documents or files containing Confidential Information within a reasonable time period. Upon request of Renold, the Buyer will provide confirmation in writing that all documents, including all copies, have been returned to Renold, deleted or destroyed.
- 16.6. The obligations of this **clause 16** continues up to 5 years after termination of the business relationship.

17. Intellectual Property

- 17.1. The Buyer will not use the Goods or any specifications, designs or drawings or any other information supplied by Renold for the purpose of designing or manufacturing any goods without Renold's prior written consent. All patents, rights in inventions, copyright, rights in software, database rights, design rights, registered designs, unregistered designs, trademarks, service marks, domain names, know-how, utility models, confidential information and, where relevant, any and all applications for any such rights, and all and any other industrial or intellectual property rights in or in connection with or arising out of the Goods or the Services, subsisting anywhere in the world, shall belong to and shall remain the property of Renold, save that the Buyer will retain ownership of any specifications, designs and materials that it supplies to Renold in connection with the Goods.
- 17.2. The Buyer is liable towards Renold for all charges, damages, penalties, costs and/or expenses to which Renold may become liable as a result of Services provided or Goods supplied in accordance with the Buyer's instructions which involves the infringement of any patents, rights in inventions, copyright, rights in software, database rights, design rights, registered designs, unregistered designs, trademarks, service marks, domain names, know-how, utility models, confidential information and, where relevant, any and all applications for any such rights, and all and any other industrial or intellectual property rights or other rights of any third party.

18. Notice

- 18.1. Any notice required to be given under the Contract will be addressed in the case of a notice to be given to the Buyer at the address of the Buyer shown on the Contract or invoice (or, if none, its registered office for the time being in the case of a company or in any other case its last known address) and in the case of Renold, at its registered office for the time being.
- 18.2. Any notice required to be given under the Contract may be served either by letter or fax.

19. Data protection

Both parties consider themselves as separate controllers for the processing of personal data pursuant to this agreement. They are not deemed to neither joint controllers nor controllers and processors. Each party is therefore independently responsible for complying with the respective applicable data protection laws, including the General Data Protection Regulation. This applies in particular to their compliance with the general principles governing the processing of personal data - lawfulness, transparency, purpose limitation, data minimization, accuracy, storage limitation, data security and accountability. Both parties may assist each other, insofar as this is possible and reasonable, for the fulfilment of their obligations.

20. Anti-Bribery and Slavery

Each party will comply with all applicable bribery, corruption and slavery laws and ensure that it has in place adequate internal processes and procedures to prevent bribery, corruption and slavery.

21. Export control

- 21.1. The Buyer warrants that the Buyer and its subsidiaries (including any entities controlled, or wholly or partially owned by it), as well

as its agents or any third party acting on its behalf, will comply with any applicable export control laws and will not act in a way which could cause Renold to directly or indirectly breach any applicable export control laws.

- 21.2. The Buyer undertakes that neither it nor any of its subsidiaries (including any entities controlled, or wholly or partially owned by it), its agents or any third party acting on its behalf is a sanctioned entity or individual.
- 21.3. The Buyer will implement adequate policies and procedures to ensure compliance with applicable export control laws.
- 21.4. The Buyer shall notify Renold without undue delay (*unverzöglich*) if the Buyer becomes aware that it breaches any conditions in this **clause 20**.
- 21.5. In the event of a breach of any condition in this **clause 20** by Buyer, Renold may terminate the Contract for good cause and has the right to claim damages from the Buyer.

22. Sub-contracting

- 22.1. Renold may assign its rights and obligations under the Contract or sub-contract the whole or any part thereof to any person, firm or company.
- 22.2. The Buyer may not assign its rights and obligations under the Contract or any part of it without the prior written consent of Renold, except for monetary obligations.

23. No partnership

Nothing in the Contract and no action taken by the parties in connection with it or them will create a partnership or joint venture or relationship of employer and employee between the parties or give either party authority to act as the agent of or in the name of or on behalf of the other party or to bind the other party or to hold itself out as being entitled to do so.

24. No agency

Each party agrees that it is an independent contractor and is entering into the Contract as principal and not as agent for or for the benefit of any other person.

25. Governing Law

This Contract and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of Germany with the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG), and the parties submit to the exclusive jurisdiction of Göttingen, Germany for all disputes arising from and in connection with the Contract.