



General Terms and Conditions of FISCHER USA

1. General

- 1.1. Definitions. Words not otherwise defined in these General Terms and Conditions (the "Terms") will be as defined in the uniform commercial code of the State of Wisconsin, Chapters 401 to 411, Wisconsin Statutes (the "UCC"). The following meanings apply to these Terms:
- a. "Supplier" means FISCHER USA, INC., a Wisconsin corporation, located and doing business in Racine, Wisconsin.
 - b. "Customer" means the person or entity on whose behalf an order was placed, and its affiliates, successors, and assigns.
 - c. "Sales Order Confirmation" means the written confirmation from Supplier that it accepts the order from Customer.
- 1.2. The Supplier and Customer agree to be bound by these Terms and the Sales Order Confirmation. Any other terms and conditions of the Customer, including any purchase order, do not apply and shall only be applicable if the Supplier expressly states as such in the Sales Order Confirmation or otherwise explicitly accepts those additional terms in writing.

2. Scope of Supplies and Services

- 2.1. The following Terms, valid at the time of ordering, apply to any business relationship between Supplier and the Customer. Alternative provisions by the Customer are valid only if they have been explicitly accepted in writing by the Supplier.
- 2.2. Supplier is the contractual partner. These Terms do not apply to products which the Customer orders directly from another company of FISCHER Spindle Group, in which case the purchase is governed by the respective company and their applicable delivery terms.

3. Plans and Technical Documentation

- 3.1. Unless otherwise agreed upon, brochures and catalogues are not binding. Information in technical documents shall only be binding if this is stipulated in writing.
- 3.2. Each party to the contract retains all rights to plans and technical documents provided to the other party. The party receiving such documents recognizes these rights and shall - without previous written consent of the other party - not make these documents available to any third party, either in whole or in part, nor use them for purposes other than those for which they were provided.

4. Binding Contract

- 4.1. The contract shall be deemed to be binding upon Supplier's written acknowledgement to the Customer stating acceptance of the order in the form of the Sales Order Confirmation.
- 4.2. Any deviations from the purchase order that are stated in the Sales Order Confirmation shall become part of the contract, unless the Customer contests them in writing within 5 working days of receipt of the Sales Order Confirmation.
- 4.3. The Supplier is entitled to withdraw from the contract if it is unable to deliver the items for reasons beyond the Supplier's control, including but not limited to a subcontractor failing to meet its contractual obligation. If Supplier withdraws from the contract, it shall inform the Customer immediately that the product ordered is unavailable.

5. Regulations in the Country of Destination and Safety Devices

- 5.1. The Customer shall inform the Supplier of any existing regulations and standards relating to the supply of goods and services, operations, and measures for the prevention of sickness and accidents no later than when placing the order.
- 5.2. Unless otherwise agreed, goods and services supplied shall comply with the regulations and standards applicable at the domicile of the customer as indicated to the Supplier in clause 5.1 above. Additional or other safety devices shall be included, insofar as this is specifically agreed.



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6. Prices

- 6.1. Offers without a validity date are non-binding, including but not limited to offers in price lists and brochures.
- 6.2. Packaging costs are stated separately unless they are part of the product price.
- 6.3. The Supplier reserves its right to price adjustment in the event that Customer requests technical adjustments to the products after Supplier sends the Sales Order Confirmation.

7. Conditions of Payment

- 7.1. Payments shall be made at the Supplier's domicile, without any deduction for cash discount, expenses, taxes levies, fees, duties, and the like. Payment shall be 30 days net from invoice date.
- 7.2. For new Customers and Customers ordering irregularly, advance payment on the invoice amount must be made by credit card or bank transfer unless Suppliers agrees otherwise in writing.
- 7.3. In the event of delayed payment, the Customer shall be liable, without reminder, for the interest with effect from the agreed date of payment at a rate of 12% APR. Supplier reserves the right to claim further damages.
- 7.4. Customer shall be bound by the payment date even if transport, delivery, commissioning or acceptance of the goods or services should be rendered impossible or be delayed for reasons beyond the Supplier's control, or if minor parts are missing or such reworking proves to be necessary as does not render the use of the goods supplied impossible.

8. Security Interest

- 8.1. The Supplier shall have a security interest in all supplies and equipment until receiving the full payments from Customer in accordance with the contract. Customer will not transfer the supplies to any third party or suffer or allow any interest other than Supplier's security interest to attach to the supplies including any lien or encumbrance. The existence of the contract constitutes Customer's consent to Supplier's security interest, and Customer agrees not to contest Supplier's security interest. By entering into the contract, Customer hereby appoints Supplier as its attorney-in-fact to execute and sign all documentation necessary in Supplier's discretion to perfect Supplier's security interest including any liens, financing statements and notices thereof. The lack or failure of Supplier to make a filing or give notice of its security interest will not be evidenced as between Supplier and Customer of the lack of a security interest or the intent of the parties to provide Supplier a security interest.
- 8.2. The Customer shall be entitled to sell or otherwise dispose of the items that are subject to the security interest only by way of normal course of business and shall not be entitled to pledge or to assign them as a security. The Customer shall inform the Supplier without delay regarding any access to the items by any third party.
- 8.3. The Customer shall assign its claims from the resale of the items in full to the Supplier in advance for securing reasons.
- 8.4. The Customer shall maintain the delivered items at its own cost while Supplier retains a security interest and shall insure the items in favor of the Supplier against loss, breakage, fire, water and any other risks. Further, it shall carry out any and all measures so that the security interest of the Supplier is neither impaired nor cancelled.
- 8.5. In the event the Customer does not respond to contact from Supplier, the Supplier shall keep the Customer's equipment and other supplies for up to 12 months. After that 12 month period, the Supplier shall be entitled to take possession and dispose or sell the equipment and other supplies at its sole discretion.

9. Delivery Period

- 9.1. The delivery period shall commence when the contract becomes binding, administrative formalities are complete, payments are effected on the basis of the order, all due securities are paid, and all technical issues are clear. The delivery period shall be regarded as observed when Supplier sends the notification of readiness to the Customer.



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- 9.2. The delivery period shall be reasonably extended:
- a. In the event the Supplier does not receive the details in due time that the Supplier needs for fulfillment of the contract or in the event the Customer modifies them subsequently and thereby causes a delay of the supplies and equipment;
 - b. In the event circumstances beyond the Supplier's control cause delay, irrespective of whether they occur at Supplier's place of business, at the Customer or any third party. Such circumstances include but are not limited to epidemics, mobilization, war, insurrection, significant interruption of operations, accidents, labor disputes, or faulty delivery of the necessary raw material, semi-finished or finished items, rejects of important manufactured parts, authoritative measures or omissions, and natural phenomena;
 - c. In the event the Customer or any third-party delay fulfilling their contractual obligations, in particular when the Customer does not meet the payment conditions.
- 9.3. The Customer shall not have any rights or claims due to delay regarding supplies, equipment and services. This restriction shall not apply to willful intent or gross negligence of the Supplier; however, this shall apply to willful intent or gross negligence of assistants.

10. Passage of Use and Risk

- 10.1. The benefit and the risk shall pass to the Customer on the date that the goods leave the works.
- 10.2. If the order is delayed at the request of the Customer or due to reasons beyond the Supplier's control, the risk shall pass to the Customer at the time originally foreseen for the goods to leave the works. From this moment on, the supplies and equipment shall be stored and insured for the account and risk of the Customer.

11. Inspection and Acceptance of the Supplies and Services

- 11.1. The Supplier shall inspect the supplies and equipment before shipment. If the Customer requests further testing, the request must be made in writing, specifically agreed upon by the Supplier, and paid for by the Customer.
- 11.2. The Customer shall inspect the supplies and equipment within 5 days after receipt and shall inform the Supplier without delay regarding any and all defects. In the event the Customer does not do so, the supplies and equipment shall be considered as accepted.
- 11.3. The Supplier shall be obliged to carry out repairs regarding the reported defects pursuant to section 11.2 as soon as possible, and the Customer shall provide an opportunity for the Supplier to do so.
- 11.4. The execution of inspection tests as well as the stipulation of the applicable conditions shall be subject to separate understanding.
- 11.5. The Customer shall not be entitled to any rights and claims due to defects of any kind regarding supplies and equipment except the ones as mentioned expressly herein.

12. Limitation of Liability

- 12.1. Supplier shall only be liable for defects:
- a. in the event of willful intent;
 - b. in the event of gross negligence by the owner / the board members or senior managers;
 - c. in the event of culpable injury to life, body and health;
 - d. in the event of fraudulent non-disclosure of a defect or a defect the absence of which has been guaranteed;
 - e. in the event of defects in the delivery item insofar as the Product Liability Act provides for personal injury and damage to privately used property.

Liability shall be limited to the contractually relevant, foreseeable damage or loss. Any further claims shall be excluded.

Any and all other claims by the Customer, regardless of the legal grounds whatsoever, shall have a statute of



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limitation of 12 months. Statutory limitation periods shall apply for claims stated in sections (a.) – (e.) above.

- 12.2. The Supplier, at its own choice, may repair or replace, upon request of the Customer, all parts of the delivery by the Supplier, as soon as possible, that provably have become defective or unusable due to poor material, faulty construction or improper workmanship by the end of the limitation period. The Supplier shall have the ownership of the replaced items.
- 12.3. Warranted characteristics shall only be those as were named as such in the specifications. The warranty shall at the latest last until the expiry of the limitation period.

In the event the warranted characteristics are not met at all or only in part, the Customer shall initially have a claim to immediate repair by the Supplier. In this regard, the Customer shall grant the Supplier an adequate time period and opportunity to do so.

In the event that the defect is so serious that it cannot be remedied within adequate time and the supplies and services are not or only to a reduced extent usable regarding the announced purpose, the Customer shall be entitled to refuse acceptance of the defective item or, if any partial acceptance is economically not reasonable, to withdraw from the contract. The Supplier shall only be obliged to refund those amounts that were paid to Supplier regarding the items that became part of the withdrawal.

- 12.4. Excluded from limitation and the liability of the Supplier shall be damage that arises not verifiably due to poor material, missing information details regarding use (milling strategy, grinding, etc.), faulty construction or improper workmanship, e.g. due to natural wear and tear, insufficient maintenance, non-observance of operating instructions, excessive stressing, unsuitable operating media, chemical or electrolytic influences, construction and assembly work not carried out by the Supplier, as well as due to any other reasons the Supplier is not responsible for.
- 12.5. The Customer shall not have any rights and claims except the ones as expressly described herein.

13. Disclaimer of Warranties

- 13.1. **SUPPLIER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER MATTER WITH RESPECT TO THE SUPPLIES OR EQUIPMENT. Any affirmation of fact or promises made by Supplier shall not be deemed to create an express warranty that the supplies and equipment shall conform to such affirmation or promise. SUPPLIER RECOMMENDS THAT CUSTOMER INSPECT THE SUPPLIES AND EQUIPMENT HEREUNDER. SUPPLIER SHALL NOT BE RESPONSIBLE FOR THE CONSEQUENCES OF CUSTOMER'S FAILURE TO INSPECT THE SUPPLIES OR EQUIPMENT FOR ANY INACCURACIES, INSUFFICIENCIES, OR OMISSIONS IN ANY DESCRIPTIONS OR SPECIFICATIONS OF IT.** Supplier is not liable for any loss or indirect, special, incidental, or consequential damages, or loss of profits of any sort, whether based in contract or in tort, resulting from the supply or failure or malfunction of the supplies or equipment. Supplier's maximum liability hereunder is limited to the amount paid to the Supplier hereunder.

14. Cancellation of Contract by Customer

- 14.1. In the event the Customer cancels the contract without any reason or the Customer does not fulfill the contract, the Supplier shall be entitled to claim 25% of the order amount as damages. It shall be at the choice of the parties hereto to claim any deviating loss.

15. Jurisdiction and Applicable Law

- 15.1. This contract will be governed by, construed and enforced in accordance with the laws of the State of Wisconsin including the UCC without giving effect to the rules respecting its conflicts of law principles. The courts of Racine County, Wisconsin will have exclusive jurisdiction to entertain and determine all disputes and claims both at law and in equity arising out of or in any way connected with the validity, existence, enforceability, construction, breach or alleged, threatened or anticipated breach of the contract, to which the parties admit to having personal jurisdiction over them.

16. Enforceability; Non-Waiver



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- 16.1. Any provision or provisions of this contract which may prove to be invalid, void, or illegal will in no way affect, impair or invalidate any other provision hereof, and the remaining provisions hereof will nevertheless remain in full force and effect. No condoning, excusing or waiver by either Supplier or Customer of any default, breach or non-observance by the other party may at any time in respect of any covenant, provision or condition contained in the contract will operate as a waiver of that party's rights hereunder in respect of any continuing or subsequent default, breach or non-observances, or so as to defeat or affect in any way the rights of that party in respect of any continuing or subsequent default, breach, or non-observance, and no waiver will be inferred from or implied by anything done or omitted to be done by the party having those rights.