#### PMP - General terms and conditions of sale and service

## Section 1 Scope and contract subject-matter

- (1) All services of PMP Germany GmbH and PMP Service GmbH (hereinafter, collectively "PMP") are provided exclusively upon the basis of these general terms and conditions of sale and service ("T&Cs"). They are part of all contracts that PMP concludes with its customers. The T&Cs only apply if the customer is a business (Section 14 of the German Civil Code (BGB)), a legal entity in public law or a public law special fund.
- (2) The T&Cs apply in particular to contracts for the sale and/or delivery and maintenance of mobile items ("good") no matter whether PMP manufactures the goods itself or purchases them from suppliers (Sections 433, 650 of the German Civil Code (BGB)). The T&Cs also apply, in addition to maintenance, to the preparation, repair, servicing and modification of goods, installation and/or removal of goods or support for the customer from PMP for this, error analysis and/or resolution and the exchange of individual goods components ("Services") if this has been agreed between PMP and the customer as a contractual service and independently of whether the goods are delivered by PMP or a third party.
- (3) As a general rule, PMP does not provide consulting services, nor does PMP perform coupling dimensioning, unless consulting services and/or coupling dimensioning are expressly agreed to with the customer in writing. Prior to ordering, the customer is obligated to review whether the coupling and/or good ordered by it is suitable for the specific application purpose or use. The offer or order is based exclusively on the choice of coupling and/or spare part made by the customer.
- (4) Other than where PMP provides consulting services and/or coupling dimensioning, PMP excludes the warranty that the coupling and/or good ordered by the customer can be installed and/or is suitable for the specific application purpose or use, in particular, that the coupling and/or good can transfer the maximum torque that arises in the specific application and/or the chosen coupling and/or good ordered by the customer is suitable for the specific application purpose or use in terms of torsional vibration. In any case, PMP recommends that when the drive is commissioned, it should be run up slowly and in a controlled manner and be run down in a controlled manner in order to identify possible resonance points in the speed range and possibly omit them for operation. PMP is prepared to assist in the commissioning procedure on the basis of a separate engagement.
- (5) Other than where PMP provides consulting services and/or coupling dimensioning, PMP excludes the warranty that installed components are suitable for the specific application purpose or use, in particular, that the coupling and/or good can transfer the maximum torque that arises in the specific application and/or the installed coupling and/or good ordered by the customer is suitable for the specific application purpose or use in terms of torsional vibration.
- (6) Where PMP is to provide coupling dimensioning on the basis of a separate engagement, the customer is obligated to make available to PMP the technical data of the drivetrain that are necessary for this purpose. To that end, PMP will make a corresponding questionnaire available to the customer. The customer is solely responsible for the accuracy of the transmitted data. PMP does not check the transmitted data. If the customer transmits incorrect or flawed data PMP excludes the warranty that the coupling and/or good ordered by the customer can be installed and/or is suitable for the specific application purpose or use, in particular, that the coupling and/or good can transfer the maximum torque that arises in the specific application and/or the chosen coupling and/or good ordered by the customer is suitable for the specific application purpose or use in terms of torsional vibration. In any case, PMP recommends that when the drive is commissioned, it should be run up slowly and in a controlled manner and be run down in a controlled manner in order to identify possible resonance points in the speed range and possibly omit them for operation. PMP is prepared to assist in the commissioning procedure on the basis of a separate engagement.
- (7) Should inspection and acceptance by a classification society be necessary, the customer is obligated to notify PMP of the serial number of the coupling. The costs for the inspection and acceptance procedure as well as the delivery time vary depending on the classification society and are beyond our control.

- (8) In the case of the ordering of a new coupling, defective couplings and/or spare parts will be disposed of by us at our expense 14 days after delivery of the new coupling and/or good, unless the customer requests return shipment of the defective coupling or spare parts when ordering the new coupling. In the latter case, the return shipment takes place at the customer's expense.
- (9) Unless otherwise stipulated, the T&Cs are valid as amended at the time the customer places or issues the order or also in the version published most recently in text form as a framework agreement and also for similar future contracts, without PMP needing to refer to them again in each individual case.
- (10) These PMP T&Cs apply exclusively. Differing, opposing or additional general terms and conditions of the customer only become a part of the contract if and to the extent to which PMP has explicitly agreed them in writing. These T&Cs also apply if we implement the delivery to the customer without restriction even when aware of opposing or different terms from the customer.
- (11) Individual agreements made in particular cases with the customer (including subsidiary agreements, additions and changes) always have priority over these T&Cs. A written agreement or confirmation by PMP is key for the content of such agreements subject to counter-evidence.
- (12) Legally relevant declarations and notifications of the customer relating to the contract (e.g. setting deadlines, notification of defects, withdrawal or reduction) are to be submitted in writing, i.e. in written or text form (e.g. letter, email, fax). Statutory form requirements and other evidence in particular if there are doubts about the legitimate nature of the person providing the declaration remain unaffected.
- (13) Notes on the application of statutory regulations only serve for clarification. Even without such clarification, the statutory regulations apply if they were not directly modified or explicitly excluded in these T&Cs.

#### **Section 2 Offer and conclusion of contract**

- (1) PMP offers are not binding and are subject to change if they are not explicitly marked as binding or contain a particular acceptance deadline. PMP may accept orders or requests within fourteen calendar days of their receipt.
- (2) The written contract, including these T&Cs, agreed between PMP and the client solely defines the legal relationships. It reflects all of the agreements between the contracting parties with regard to the subject of the contract. Oral commitments by PMP before concluding this contract are not legally binding and oral agreements between the contracting parties are replaced by the written contract if it is not explicitly stated in them that they continue to apply in a binding manner.
- (3) PMP retains ownership to or copyright of all of the quotations and estimates provided by PMP as well as the drawings, diagrams, calculations, brochures, catalogues, models, tools and other documents and resources provided to the customer. The customer may not make these items nor their content available to third parties, publish, use them themselves or via third parties or reproduce them without the explicit agreement of PMP. It must at the request of PMP return these items in full and destroy any copies made if it no longer requires them for proper business operations or if negotiations do not result in the conclusion of a contract. This excludes the electronic storage of data provided for the purposes of normal data backup.

## Section 3 Prices, service rates and payment

- (1) The prices for the delivery of goods apply to the scope of goods and services listed in the order confirmations. Additional and special services are to be charged separately. The prices are understood as net prices in EUROS ex works plus packaging, freight, statutory value-added tax, any transport insurance requested by the customer, customs duties, fees and other public charges for exports.
- (2) If the agreed prices are subject to the general list prices of PMP and delivery will take place more than four months after concluding the contract, PMP reserves the right to modify the prices to the general PMP list prices valid on delivery (each minus an agreed percentage or fixed discount). PMP also reserves the right to modify the price accordingly if there is more than four months between concluding the contract and delivery and there are changes to salaries, material prices or cost prices.
- (3) If PMP accepts delivery of the goods on Sundays or statutory public holidays, a supplement totalling 150.00 EUR is agreed. If the customer desires dispatch of the goods on the same day as the order, a supplement of 50.00 EUR is due for a dispatch or order after 12:30 CET.

work of any kind.

- (4) In the case of orders, there is a minimum order value of 75.00 EUR. If the minimum order value is not reached, PMP is entitled to charge a small-quantity surcharge of 20.00 EUR.
- (5) In cases of urgent Services under shortening of the delivery time, a 30% surcharge will be charged on the delivery to be made. If PMP only makes a diagnosis/error analysis and does not provide a Service in the form of a repair, a flat fee of 150.00 EUR will be charged in addition to the service rate.
- (6) Prices and terms for Services ("Service Rates") apply to scope of services listed in the order confirmations. Additional or special services are charged separately pursuant to the Service Rates. The Service Rates are considered net prices in euros plus value-added tax.
- (7) The price for the Services shown in the offer is agreed upon as minimum compensation. This minimum compensation will be charged irrespective of the actual effort. If the actual effort exceeds the effort that is the basis of the calculation of the minimum compensation, then the further actual efforts on the basis of our Service Rate is to be paid in addition to the minimum compensation. All expenditures that made and costs that are paid in connection with service provision (e.g. hotel costs, costs for airport transfer, rental care, see PMP Service Rates) will be billed with an additional processing fee of 20%. These expenditures and costs will be listed by PMP in a separate invoice item and documented for the customer in a comprehensible manner.
- (8) If the agreed Services are based on the Service Rates of PMP and the Service is first to be provided more than four months after contract conclusion, PMP reserves the ability to adjust the Service Rates to match the Service Rates of PMP that are in effect at the time of provision of the Service (in each case, less an agreed percentage or fixed discount). Similarly, PMP reserves the ability to make an corresponding adjustment to the Service Rates in the event of a change in wage and/or travel costs if there are more than four months between contract conclusion and the time of provision of the Services. (9) The calculation of our effort and our offer for the Services presupposes that the customer is meeting its obligations to cooperate, in particular, sufficient space for performing the Services is available and a smooth workflow free of interruption is guaranteed. Waiting times for which PMP is not responsible will be billed in addition pursuant to the currently valid Service Rates. The same applies to disruptions to
- (10) If, at the time of the performance of the Services, circumstances should arise on site that the customer did not communicate on the day of order creation and/or order issuance and that generate an added effort that were previously not identifiable/calculable, this added effort will be discussed with the customer and calculated and the work will be performed after approval of the added effort. This added effort will be charged on the basis of our current Service Rates. Added effort includes, for example, the disassembly of a drive shaft, the disassembly of protective equipment or the use of special tools.
- (11) Invoice amounts are to be paid within ten days or receipt of invoice without deduction if nothing further has been agreed in writing. The receipt of the transfer is decisive as to whether the payment was received on time. Payment by cheque is excluded if it was not agreed separately in the individual case. (12) If the customer is in default the still outstanding amounts are subject to interest from the date of the default at 5% per annum; the assertion by PMP of higher damages in the event of default remains unaffected.
- (13) The offsetting of the customer's counter-claims or the retention of payments from such claims is only permitted if the counter-claims are undisputed or found to be legally binding. In the case of defects in the service, the customer's opposing rights remain unaffected, particularly those under Section 10 of these T&Cs.
- (14) PMP is however entitled at any time, including in connection with an ongoing business relationship, to provide a delivery or service in whole or in part only against payment in advance or the provision of collateral. PMP will declare a corresponding proviso, at the latest, when confirming the order. The same applies to failure to comply with the payment terms defined in this Section 3. In the case of failure to comply with the payment terms, PMP is additionally entitled to make all open receivables immediately due and payable by the customer.

# Section 4 Delivery, delivery time and default

(1) Deliveries are made ex works (Incoterms 2020). The delivery period is agreed individually or stated by PMP when the order is accepted. If shipment has been agreed the delivery periods and deadlines

refer to the time of transfer to the forwarder, carrier or other third-party appointed to provide transportation. If approval is required, the approval deadline or the notification of willingness to approve is key unless approval is refused for justifiable reasons.

- (2) If PMP cannot comply with binding delivery periods for reasons for which PMP is not responsible (performance not available), PMP will inform the customer about this without delay and at the same time inform them of an expected new delivery period. If the product can also not be delivered within the new delivery period, PMP is entitled to withdraw from the agreement in whole or in part; any payment already made by the customer is immediately refunded by PMP. The non-availability of the performance covers in particular late delivery by a supplier to PMP if PMP has concluded a congruent hedging transaction, neither PMP nor its supplier is responsible or PMP is not obliged to obtain the item in the individual case. (3) PMP can request from the customer an extension to the delivery and performance periods or a delay to them for the period in which the customer does not comply with its contractual obligations to PMP or the commercial and/or technical questions between the parties are not clarified. Other rights of PMP from the customer's delay remain unaffected by this.
- (4) The occurrence of default delivery is determined by the statutory requirements. In any case, however, the customer is required to send a reminder. In the event of default delivery the customer may request flat-rate reimbursements for the damage it has incurred. The flat-rate for damages is 0.5% of the net price (delivery value), in total however at least 5% of the delivery value of the goods delivered late, for each completed calendar week of default. PMP may provide evidence that the customer did not suffer any damage or only much lower damage than the flat-rates stated above. Otherwise the liability of PMP is limited as stated in Section 11 of these T&Cs.
- (5) PMP is not liable for the impossibility of delivery or delays to deliveries and services if these were caused by force majeure or other events not predictable at the time the contract was concluded (e.g. business disturbances of all kinds, difficulties in purchasing materials or energy, transport delays, strikes, legal lockouts, lack of personnel, energy or raw materials, difficulties in procuring necessary official approvals, official measures or the outstanding, incorrect or late delivery by suppliers) for which PMP is not responsible. If such events make delivery or performance more difficult or impossible for PMP and the hindrance is not simply temporary, PMP may withdraw from the contract. Any payment already made by the customer is immediately refunded by PMP. For temporary hindrances the delivery and performance periods are extended or the deadlines are delayed by the period of the hindrance plus a reasonable start-up period. If as a consequence of the delay it is unreasonable for the customer to accept delivery or performance, it may withdraw from the contract by providing a written declaration to PMP without delay.
- (6) PMP is entitled to make partial deliveries if the partial delivery can be used by the customer for the contractually agreed purpose, the delivery of the remaining products ordered is ensured and the customer does not therefore incur any significant additional costs unless PMP declares it is willing to accept these costs.
- (7) If PMP is in default of a delivery or performance, or a delivery or performance becomes impossible no matter the reason, the liability of PMP is restricted to damages as defined by Article 11 of these T&Cs.

# Section 5 Place of performance for deliveries of goods, dispatch, packaging, transfer of risk, approval delay

- (1) The delivery is ex warehouse, which is also the place of performance for the delivery and any cure. At the request and expense of the customer, the goods are sent to another destination (shipment purchase). If nothing further has been agreed, PMP is entitled to determine the type of shipment (in particular transport company, shipment method, packaging) itself.
- (2) The risk of accidental loss and damage to the goods is transferred to the customer when they leave the warehouse. For sale including dispatch the risk of the random destruction or worsening of the item being delivered as well as the risk of delay is transferred to the customer when the goods are handed to the forwarder, carrier or other person or organisation appointed with dispatch. If approval has been agreed this is key to the transfer of risk. Otherwise the statutory provisions of work contract law apply

accordingly to the agreed approval. If the customer is in default of acceptance this is equivalent to transfer or approval.

- (3) The shipment is only insured by PMP against theft, breakage, transport, fire and water damage or other insurable risks at the explicit request of the customer and at its expense.
- (4) If PMP takes back the packaging used for transport or sale under the packaging regulations, the customer bears the costs of return transport and the appropriate costs or recycling or if possible and appropriate the costs of reusing the packaging.
- (5) If the customer is in default of approval, does not cooperate or our delivery is delayed for reasons other than those for which the customer is responsible, the risk is transferred to the customer from the start of approval default. In addition, PMP is entitled to request the reimbursement of damage that has incurred including additional costs (e.g. warehousing costs). For this PMP will charge a flat-rate compensation amount of at least 0.5% of the invoice amount per month starting with the delivery period or if there is no delivery period notification that the goods are ready for dispatch.

Evidence of higher damage and the statutory claims of PMP (in particular reimbursement of additional costs, appropriate remuneration, termination) remain unaffected; the flat rate is however offset against other financial claims. The customer may provide evidence that PMP did not suffer any damage or only much lower damage than the flat-rates stated above.

## Section 6 Place of performance for Services, activity report

- (1) The Services will be provided at the agreed place of deployment, e.g. at the vessel's anchorage. If the Service is to be provided or has been provided on a vessel, the place of performance is considered to be the place of anchorage.
- (2) The provision of the Services will be listed and documented in an activity report made available to the customer with the invoice, particularly the provided activities, the service employees deployed by PMP and the time expenditure.

## **Section 7 Approval**

- (1) If work services have been contractually agreed between the customer and PMP as part of the Services, the customer is obliged to approve them if approval is not excluded due to the nature of the contractually agreed services. The customer is not entitled to refuse approval due to insignificant defects.
- (2) The service provided by PMP is considered to have been approved if PMP has set the customer an appropriate period for approval after providing the service and the customer has not refused approval during this period whilst stating at least one defect.
- (3) If the customer issues approval whilst being aware of one or more defects, the warranty claims from these T&Cs are only available to it if the customer retains the right to assert warranty claims due to the defect or defects.

#### Section 8 Customer's obligations to cooperate, occupational safety

- (1) The customer is obligated to support PMP in the provision of the Services through appropriate acts of cooperation. It is to make available the required information and data, create the work environment required for the performance of the Services and make available the necessary work materials. This comprises, in particular, the obligations to cooperate listed in the following:
- (a) The customer must ensure unimpeded accessibility of the coupling or place of the provision of the Services. For instance, the customer must disassemble, e.g. installed protected covers in advance.
- (b) During the Services performed by PMP, it must be assured that no other work takes place that could negatively influence the Services to be carried out by PMP, particularly, the scheduled sequence.
- (c) During the performance of the alignment work, it must be assured that no other work takes place that could negatively influence the measurement error. In addition, the customer is to provide the following acts of cooperation:
- (d) sufficient lighting;
- (e) 230 V 50 Hz on site;
- (f) sufficient ventilation of the work rooms;
- (g) free access to all rooms in which work is to be performed;
- (h) free access to the shipyard and the vessel;

- (2) Our service employees have personal protective equipment, consisting of work safety boots, if necessary flame-retardant work clothing in accordance with EN 531; EN 470-1; ENV50354; EN 13034; EN1149, helmet, safety glasses and hearing protection. The customer is to take the necessary measures to guarantee the occupational safety of our service employees and compliance with accident prevention rules. In particular, the customer must take the following measures in accordance with the requirements of BGI 865 (Deployment of outside firms in connection with contracts to produce a work): (a) For the purpose of preventing possible mutual endangerment, a person is to be appointed to coordinate the work of internal employees and outside firms, particularly our service employees. The coordinator is to be furnished with corresponding authority to give directions in order to ward off special hazards. In this regard, the coordinator must satisfy the requirements listed in Section 6 of BGI 528 "Safety and health protection by coordinators". The function can be effectively exercised only by an employee of the customer with appropriate knowledge of the site and the processes. The coordinator is to be appointed by the customer in writing and made known to PMP in writing before the start of work. The coordinator is authorised to give instructions to our service employees with respect to the safety measures to be observed.
- (b) The customer is to specify a person responsible for the order and give us their name is writing before the start of work. Before starting our work, this person must give our service employees instruction about safety provisions and protective measures and document this.
- (c) In the case of activities with special hazards, the customer must ensure that compliance with safety provision is monitored by a supervision manager. We must also be given this person's name in writing before the start of work. If the customer itself is unable to guarantee this in exceptional cases, a written understanding is to be adopted.
- (d) The person responsible for the order, the coordinator and the supervision manager may be exercised by one individual in a personal union.
- (e) The "Occupational safety provisions for outside firms" drawn up by the customer for its operation are to be handed out to PMP with the contract issuance.
- (f) Our service employees are not competent and not authorised to operate work machinery, transport aids or personal transportation equipment on their own, unless they are given instruction about the specific equipment by the customer on site.

## **Section 9 Retention of title**

- (1) Until full payment of all current and future claims by PMP from the purchase agreement and ongoing business relationship (protected claims), PMP retains the ownership of the goods sold.
- (2) The customer must treat the goods with care and insure them at its expense against fire, water and theft damage in line with the new value of the goods. The careful treatment covers in particular maintenance and inspection work that the customer must conduct at its expense if this is required.
- (3) The goods under retention of title may not be pledged to third parties nor provided as collateral before full payment of the protected claims. The customer must inform PMP without delay in writing if an application is made to start insolvency proceedings and if access is provided to third parties (e.g. pledges) to the goods belonging to PMP.
- (4) For customer behaviour contrary to the contract, in particular non-payment of the due purchase price, PMP is entitled to withdraw from the contract under the contractual provisions and/or request the return of the goods due to retention of title. The return request is not also a declaration of withdrawal; rather PMP is entitled to only request the return of the goods and reserve the right to withdraw. If the customer does not pay the due purchase price, PMP may only assert these rights if PMP has previously set an appropriate period for payment without success or such period setting is not required under the statutory requirements.
- (5) The customer is entitled until revocation as stated below in (c) to sell and/or process the goods subject to retention of title in normal business processes. In this case the following provisions also apply:
- (a) The retention of title covers the products created through the processing, mixing or connection of the PMP goods up to their full value whereby PMP is considered to be the manufacturer. If when processing, mixing or connecting with the goods of third parties their ownership right is retained, PMP acquires joint ownership in the ratio of the invoice values of the goods processed, mixed or connected. Otherwise the same applies to the product created as to the goods delivered under retention of title.
- (b) The claims against third parties created from the sale on of the goods or products are already assigned by the customer in full or in the amount of any joint ownership share as per the paragraph

stated above to PMP as collateral. PMP accepts the assignment. The customer's obligations stated in Para. 3 also apply with regard to assigned claims.

(c) The customer and PMP are authorised to collect the claim. PMP is obligated to not collect the claim if the customer complies with its payment obligations to PMP, no defect is found in its ability to perform and PMP does not assert the retention of title by exercising a right under Section 4. If this is the case however, PMP can also request that the customer informs PMP of all assigned claims and their debtors, provides all of the information required for collection, hands over the associated documents and informs the debtors (third parties) about the assignment. In this case PMP is also entitled to revoke the customer's authorisation to sell the goods subject to retention of title on for further processing and sale. (d) If the realisable value of the collateral exceeds the receivables of PMP by more than 10%, PMP will at the request of the customer release the collateral of its choice.

## Section 10 Warranty, material defects

manufacturer or other third parties.

- (1) Unless specified otherwise below, statutory provisions govern the customer's rights in the case of material and legal defects (including wrong deliveries, under-deliveries, improper assembly and/or installation, and defective instructions). Remaining unaffected in all cases are the statutory provisions concerning the purchase of consumer goods (Sections 474 et seq. BGB) and the customer's rights under separately provided warranties, particularly by the manufacturer.
- (2) The basis for PMP's defect liability is above all the contractual agreement reached on the characteristics of the goods (including accessories and instructions) and their presumed use. An agreement on characteristics in this sense is considered to be all product descriptions and manufacturer information that are the subject of the individual contract or were publicly announced by PMP at the time of contract conclusion (particularly in catalogues or on the PMP website). If characteristics were not agreed upon, it is to be evaluated in accordance with the statutory arrangement whether or not a defect exists (Section 434 (3) BGB)). In this regard, public statements by or on behalf of the manufacturer, particularly in advertising or on the goods label, take precedence over statements by other third parties. (3) In the case of goods with digital elements or other digital contents, PMP owes a provision and, if applicable, updating of digital contents only to the extent this explicitly results from an agreement on characteristics pursuant to Para. 2. PMP assumes no liability in this respect for public statements by the
- (4) As a rule, PMP is not liable for defects that at the time of contract conclusion the customer has knowledge of or has no knowledge of due to gross negligence (Section 442 BGB). The items delivered must be inspected carefully without delay after delivery to the customer or the third party determined by it. In the case of construction materials and other goods intended for assembly or other further processing, an inspection must take place in every case immediately prior to processing. The goods apply with regard to apparent and other defects that would have been detected in an immediate, careful inspection as approved by the customer if PMP does not receive written notification of complaint within seven working days of delivery. With regard to other defects, the items delivered are considered to have been approved by the customer if the complaint is not received by PMP within seven working days of the fault being notified; if the defect was detectable for the customer during normal use at an earlier point in time, this earlier time is key to the start of the complaint period. If the customer fails to make a proper inspection and/or notification of complaint, the liability of PMP is excluded in accordance with statutory provisions for the defect that was not notified on time or not notified properly. In the case of a good intended for assembly, attachment or installation, this also applies where the defect first became apparent after the corresponding processing as a result of the breach of one of these duties; in such case, the customer has no claims, in particular, to reimbursement of the associated costs ("disassembly and assembly costs"). At PMP's request, the item subject to complaint is to be returned to PMP postage paid. If the complaint is justified, PMP will reimburse the fee for the lowest cost return method; this does not apply if the costs increase because the item is at a different location from the one of its proper use. (5) For material defects to delivered items, PMP is obliged and authorised to make an appropriate choice for subsequent improvement or replacement delivery within an appropriate period of time. In the event of two failures of subsequent improvement or replacement delivery, the customer may withdraw from the contract or reduce the purchase price appropriately. If it is unreasonable in a given case for the

customer to accept the type of cure chosen by PMP, it may reject it. The right of PMP to refuse to provide a cure under the statutory prerequisites remains unaffected. If work services are part of the contractual agreement between PMP and the customer, the customer is entitled in urgent cases, e.g. in the case of a danger to operational safety or to prevent unreasonable damages, to resolve the defects themselves and to demand from PMP the expenses objectively necessary for this purpose. PMP must be promptly notified, where possible, in advance, of such self-help. The right of self-help does not exist if PMP would have been entitled to refuse to provide a corresponding cure in accordance with statutory provisions. PMP is entitled to make the owed cure dependent on the customer paying the due and owing purchase price. However, the customer is entitled to withhold a portion of the purchase price that is appropriate in relation to the defect.

- (6) The customer must give PMP the time and opportunity necessary for the owed cure, particularly to hand over the good complained of for testing purposes. In the case of replacement delivery, the customer must return the defective item in accordance with statutory provisions at PMP's request; however, the customer has no entitlement to return. The cure consists neither of the disassembly, removal or deinstallation of the defective item nor the assembly, attachment or installation of a defect-free item if PMP was not originally obligated to provide these services; the customer's claims to reimbursement of the associated costs ("disassembly and assembly costs") remain unaffected. The costs required for checking and cure, in particular transport, transfer, work and material costs and any removal and installation costs are to be borne or reimbursed by PMP under the statutory provisions and these T&Cs if a defect actually exists. PMP may otherwise request compensation from the customer for the costs (especially examination and transportation costs) resulting from the unjustified request to rectify a fault unless the lack of a defect was not evident to the customer.
- (7) If a reasonable deadline to be set by the customer for the cure has expired without result or can be dispensed with in accordance with statutory provisions, the customer may withdraw from the contract or reduce the price, in accordance with statutory provisions. In the case of an insignificant defect, however, there is no right of withdrawal.
- (8) If a defect is due to the responsibility of PMP, the customer may request damages under the conditions determined in Section 11.
- (9) For defects to components from other manufacturers that PMP cannot resolve due to licence law or factual reasons, PMP may choose between asserting warranty claims against the manufacturer and suppliers on account of the customer or assigning these to the customer. Warranty claims against PMP only exist for such defects under the other conditions and as per these T&Cs if the in-court assertion of the claims stated above against the manufacturers and suppliers was unsuccessful or is futile, for example due to insolvency. The lapsing of the customer's relevant warranty claims against PMP is restricted for the duration of the legal dispute.
- (10) The warranty lapses if the customer changes the item delivered without the agreement of PMP or permits this to be done by third parties and this makes the defect resolution impossible or unreasonable. In all cases the customer must bear the additional costs of defect resolution incurred by the change.
- (11) Claims from supplier redress are excluded if the defective goods were processed further by the customer or another business, e.g. installed in another product.
- (12) The delivery of used goods agreed in the individual case with the customer takes place with the exclusion of the warranty for material defects; the liability of PMP pursuant to Section 11 (2) of these T&Cs remains unaffected by this.
- (13) The customer's claims to reimbursement of expenses pursuant to Section 445a (1) BGB are excluded, other than where the last contract in the supply chain is a consumer contract for the provision of digital products (Sections 445c, sentence 2, 337 (5), 327u BGB). The customer shall also be entitled to claim compensation or reimbursement of expenses incurred in vain in the event of defects solely in accordance with the provisions of Section 11.
- (14) The limitation period for claims from material and legal defects is one year from delivery or, if approval is required, from approval unless the application of the normal statutory limitation would shorten the limitation period in the individual case.

This period does not apply to claims for damages by the customer from the injury to life, limb or health or deliberate or grossly negligent duty infringements by PMP or the vicarious agents of PMP or from the

Product Liability Act that lapse under the statutory requirements. For a construction project or work, the success of which is comprised of providing planning and monitoring services, the warranty claims lapse after five years. Also remaining unaffected are special statutory arrangements on limitation (particularly Section 438 (1) No. 1, (3), Sections 444, 445b BGB).

# Section 11 Liability for damages due to culpability

- (1) The liability of PMP for damages is restricted under this Section 11.
- (2) PMP is liable in cases of contractual and ex-contractual liability for deliberate action and gross negligence, for guaranteed characteristics, injury to life, limb or health or under the Product Liability Act.
- (3) In other cases PMP is liable when infringing key contractual duties. Important contractual obligations are those that must be fulfilled to permit the contract to be implemented properly and on the compliance of which the contractual partner regularly relies and may rely. If PMP is liable for damages due to the infringement of important contractual obligations, this liability is limited to damages that PMP could predict as a potential consequence of its contractual infringement when the contract was concluded or which it should have predicted if it had used the normal level of care. Indirect and subsequent damages that are the consequence of defects to the item delivered can in addition only be reimbursed if such damage can typically be expected if the delivered item is used properly.
- (4) Otherwise liability for damages by PMP no matter the legal basis and apart from damages for default as stated in Section 4 is excluded.
- (5) If PMP provides technical information or consulting services and this information or advice is not part of the contractually agreed scope of services that PMP must provide, in particular as part of the free offer of a service line for the customer by PMP, they are provided notwithstanding the responsibility arising from the contractual relationship, tort or other statutory provision and excluding all liability. If PMP bears a responsibility as a result of a contractual relationship, tort or other statutory provision for the individual case, the liability of PMP is restricted as per this Section 11.
- (6) If PMP's liability is restricted as per the provisions stated above, this restriction also applies equally to the statutory representatives, employees and vicarious agents of PMP.

#### **Section 12 Final provisions**

- (1) For the purpose of implementing this contract, without exception the law of the Federal Republic of Germany applies whilst excluding international private law and UN procurement law.
- (2) If the customer is a business, legal entity under public law or public law investment fund, the exclusive including international court of jurisdiction for all disputes arising directly or indirectly from the contractual relationship is PMP's business address in Erkrath, Germany. This also applies if the customer is a business as defined in Section 14 of the German Civil Code (BGB). PMP is however in all cases entitled to start a lawsuit at the place of performance for the delivery obligations under these T&Cs or as agreed individually which takes priority or the customer's general court of jurisdiction. Priority statutory regulations, in particular on exclusive responsibilities, remain unaffected.
- (3) If a provision of this contract is or becomes ineffective or if the contract contains a gap in regulations, this does not affect the effectiveness of the remaining contract.

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