

Terms and conditions of business of Hans Müllenmeister GmbH

The following conditions shall apply to all deliveries and services to persons, who, at the time of concluding the contract, are acting in execution of a commercial or self-employed professional activity (entrepreneur); and to legal persons under public law or a special fund under public law.

Any and all deliveries and services shall be made exclusively on the basis of our terms and conditions, which the Purchaser acknowledges with receipt of our order confirmation, and at the latest on acceptance of the goods ordered. The Purchaser's terms and conditions of purchase shall not constitute contractual content even in the event of acceptance of an order.

The UN Convention on the International Sale of Goods is excluded. Orders, ancillary agreements, and other agreements shall only become valid upon our written confirmation.

Prices: The prices and conditions published on the day of delivery shall apply.

VAT shall be charged at the statutory rate.

If the items are to be delivered packaged, we will charge the packaging at cost price. We will take back the packaging delivered under statutory provisions if it is returned to us freight-free within a reasonable period of time.

Special manufacture: In the case of sample and special productions outside of our respective applicable range of deliveries, additional or reduced costs shall be deemed agreed.

Lead times shall not be binding until an order is accepted – sale in the meantime reserved - and shall commence from receipt of order or at the earliest when final agreement has been reached on the fulfilment of the order and the provision of any documents, approvals and clearances to be furnished if necessary by the customer. If lead times are given in days, only normal working days shall count. The delivery time shall be deemed met when the delivery item has left the factory before the deadline expires or the Purchaser has been informed that the item is ready for shipment. Lead times are subject to essentially unforeseen processes in the manufacture and other obstacles such as force majeure, transport delays, stoppages or labour disputes at our own plants or plants of suppliers.

If the Purchaser has incurred damages due to a delay caused by us, he shall be entitled to request compensation for delay. This shall be 1/2 % for each full week of the delay, but a maximum of 5%, in total of the value of that part of the consignment that cannot be used on time or in accordance with the terms of the contract as a result of the delay. Any further claims are excluded.

Packaging: Our products shall be delivered as per customer requirements either in disposable or in reusable containers, both in accordance with packaging regulations. Disposable packaging like wooden crates, boxes etc. shall be charged at cost price and not taken back. Reusable and box pallets, pallets with collar and cover, containers and cases shall remain our property and shall be returned immediately to the delivery point at no cost to us. Bulk packaging contains the figure given in our price list as small packs. Amounts deviating from this or from its multiples shall – provided there are no minimum orders – only be delivered in individual packaging.

Shipping: The choice of type of shipping is up to the delivery centre and part deliveries are permitted.

Payments: shall be made in Euro plus statutory VAT.

Payment by cheque or bill of exchange shall not be accepted, subject to agreements to the contrary. The valid payment date is deemed met if the funds are available to us within the deadlines.

Failure to meet a payment deadline will lead to default. Set-off and retention by the Purchaser shall only be permissible if the counter-claims have been recognised by declaratory judgment or are undisputed. In the event of discontinuation of payment or excessive indebtedness with subsequent filing of insolvency proceedings, and in the event of any other culpable failure to meet agreed payment dates, all claims due to us against the Purchaser, including bill of exchange receivables, shall immediately become due. In the settlement of receivables ahead of schedule, an appropriate interest rebate shall be applied.

Retention of title: We retain title to all goods supplied by us until they are paid in full; all deliveries shall be considered as one inclusive delivery transaction. For open accounts, the retained title shall be deemed to be security for any amounts outstanding. If our goods are mixed with other goods by the Purchaser to form a unit, we shall acquire co-title to the new goods.

If the Purchaser re-sells the goods supplied by us in accordance with provisions, he shall then assign the claims arising from the sale against his customers, including all ancillary rights to us until all of our claims have been paid in full. This also includes claims arising from letters of credit and similar securities.

The Purchaser shall, upon our request, declare the transfer of claims to third party purchasers and provide us with all the information and documentation required to assert our rights. We authorise the Purchaser to collect the receivables assigned to us in his own name for our account. The authorisation to collect shall only be revoked if the Purchaser does not duly meet his payment obligations. Regardless of this, this authorisation to collect shall expire automatically – without the requirement of any revocation – once the Purchaser or a third party makes an application to start insolvency proceedings against the assets of the Purchaser.

The Purchaser shall immediately inform us of any seizure of the goods subject to retention of title or any other impairment of our rights by third parties.

If the Purchaser is in default with his payments, we shall be entitled to take back the goods under retention of title.

If we reclaim or attach the goods under retention of title, this shall not constitute rescission of the contract, unless we have explicitly declared this in writing.

We shall release the securities held by us, if their value exceeds the claims to be secured by more than 20%.

If the retention of title is not effective in the form intended here for legal reasons, the Purchaser shall ensure the security of our rights accordingly and cooperate in any measures required.

Claims for defects: In the case of deliveries, which have items that are completely or partially unusable due to defects, for which we are clearly not responsible, we shall, at our discretion and taking into consideration economic and technical factors, provide repair free of charge, make a replacement delivery or reduce the sales price. In terms of the direct costs incurred through the subsequent performance, we shall bear the

costs of the repair or replacement part, including the dispatch and the reasonable costs of removal and installation relating to the value of the defective item, if these are due legally and where these relate to the national territory. Freight costs for the return of the faulty goods shall only be refunded, if the return shipment takes place at our explicit request. Any other costs shall be at the Purchaser's expense. In the event of unjustified complaints with respect to defects, we shall be entitled to claim compensation from the Purchaser for the expenses incurred by us. Any claims for defects become time-barred within 12 months of delivery, however, said period shall not apply, if a longer limitation period is prescribed by law. The original limitation period shall continue to run for repaired items; it is only extended for the period, in which the item delivered is not usable. The same shall apply to deliveries of replacement parts. Visible transport damage shall be reported to us immediately and all other defects within 8 days once they are detected. We may refuse to satisfy warranty claims if we are not notified of defects in good time. The same shall apply if we are not given sufficient time and opportunity as appears reasonable to rectify defects. Only in urgent cases where operational safety is jeopardised or for the purpose of averting disproportionately large damages, where we must be informed immediately or if we are delayed in remedying the defects and this delay continues after expiry of a reasonable period of grace, shall the Purchaser have the right to carry out the remedy himself or have same carried out by third parties and demand compensation for the necessary costs from us, withdraw from the contract or terminate same. The Purchaser's right of withdrawal shall also exist – allowing for statutory exceptions - in other cases of failure by us to provide supplementary performance. Any other claims by the Purchaser shall be excluded, particularly claims for damages not incurred on the actual goods delivered.

The liability regulated below shall not be affected. We may also refuse to satisfy warranty claims if the general technical instructions in our catalogues and printed matter have not been followed. Information on a catalogue or lists does not constitute any guarantee.

Industrial property rights and copyrights; Defects in title:

In the absence of any agreement to the contrary, we shall make delivery only in the country in which the place of delivery is located, free of third-party intellectual property rights and copyrights (hereinafter: intellectual property rights). If a third party brings a justified claim against the Purchaser for infringement of intellectual property rights in relation to items delivered by us and used in accordance with the contract, we shall be liable vis-à-vis the Purchaser for the period of the time limit contained in the Chapter “Claims for defects”, as follows:

- We shall decide at our discretion, either to obtain a licence, at our own expense, in respect of the deliveries concerned, change the said deliveries so that they no longer infringe the intellectual property rights or replace the deliveries. If it is not reasonably possible for us to do so, even within a reasonable period, the Purchaser shall be entitled to the statutory rights of rescission or abatement.
- Our obligation to provide compensation is governed by the paragraph on liability below.
- Our aforesaid obligations exist only insofar as the Purchaser notifies us immediately in writing of the claims asserted by the third party, does not admit an infringement and we retain the right to undertake all defensive measures and settlement negotiations.

Claims by the Purchaser shall be excluded insofar as he is responsible for the infringement of the property right

Any claims by the Purchaser shall also be excluded, if the infringement of the property right has been caused by the Purchaser's specifications, by an application which could not be foreseen by us or by the fact that the delivery has been changed by the Purchaser or has been used along with products, which have not been supplied by us.

Any further claims, or any claims other than those set out in this paragraph, raised by the Purchaser against us and our vicarious agent by reason of a deficiency in title shall be excluded.

Liability:

We shall be liable:

- if we have acted with intent,
- in the case of gross negligence of bodies or managerial employees,
- in the case of culpable injury to life, limb, health,
- in the case of culpable breach of material contractual obligations,
- in the case of defects, which we have fraudulently concealed or whose absence we have guaranteed,
- in the case of defects in the item delivered to the extent that we are liable under the Product Liability Act for personal injury or damage to privately used items.

For intent and gross negligence of non-managerial agents, we shall only be liable if material contractual obligations are breached. Here and in cases of liability even for minor negligence in the breaching of material contractual obligations, liability shall be limited to reasonably foreseeable damage that is typical of the contract.

Any other claims by the Purchaser shall be excluded, particularly claims for damages not incurred on the actual goods delivered. This also applies to damages, based on a breach of industrial property rights and for unlawful actions.

Use of software: To the extent that the scope of delivery comprises software, the Purchaser is granted a non-exclusive, non-transferable right, which is limited according to the provisions of the scope of delivery, to use the software inclusive of its documentation in connection with the intended delivery item. The use of the software in connection with more than one delivery item shall be prohibited. The granting of sub-licences shall not be permitted.

The Purchaser may duplicate, revise or translate the software or convert it from the object code to the source code only within the legally admissible scope (§ 69a et seq. of the German statute on copyright).

The customer shall not remove nor change without our prior written express consent, any manufacturers' particulars – in particular, copyright notices.

All other rights to the software and the documentation including any copies are reserved to us.

Restriction on use: Our products supplied are not designed, manufactured or approved for use in the aviation and aerospace industries or in nuclear facilities as defined by the Federal German Atomic Energy Act. Should any of these standard products nevertheless be installed in any of the abovementioned areas, we shall not accept any liability for any actual damage incurred in ensuing incidents, unless written approval on our part representing an exception to these restrictions has been given.

Additional obligations and advice: Additional contractual obligations and advice in relation to the object delivered shall be provided with due care and to the best of our knowledge in accordance with the state-of-the-art and the use conditions stated to us by the Purchaser; the abovementioned conditions shall apply accordingly for warranty and liability, including failure to perform..

Mere recommendations shall be non-binding.

Legal venue and jurisdiction: Place of performance for the delivery is the registered office of our delivery point.

Place of performance for payment and place of jurisdiction is Krefeld. However, we are also entitled to instigate legal proceedings at the Purchaser's registered offices.

Data protection: Under the Data Protection Act, we would point out that we record data on customers and use this as part of our collaboration.

Delivery of products of SKF Siewing Bearings S.A.:

In the case of delivery of products of SKF Siewing Bearings S.A, the designated terms of business, supplementing these delivery and payment terms shall prevail.

NB: More specific conditions in particular for the provision of general services for the repair of bearings and other components, for technical support and advice, and for engineering consultancy services take precedence over the aforementioned conditions in their current version.

Key to price unit

- | | |
|----------------------------------|-----------------------------------|
| 1 = Price for 1 quantity unit | 4 = Price for 1000 quantity units |
| 2 = Price for 10 quantity units | 5 = Price for 12 quantity units |
| 3 = Price for 100 quantity units | 6 = Price for 6 quantity units |

Key to unit of measure

- | | | | |
|-----------|--------|----------|--------|
| 1 = Piece | 4 = 1 | 7 = Set | 0 = ml |
| 2 = kg | 5 = m2 | 8 = Pair | |
| 3 = m | 6 = m3 | 9 = Bulk | |