

Our General Terms and Conditions of Business for Business Customers:

Update April/2022

1. Contracting party

- 1.1 The contract of purchase is brought about with Plettenberg Elektromotoren GmbH & Co. KG (hereinafter also referred to as we/us), Rostocker Str. 30, D-34225 Baunatal.
Managing Directors: Bastian Greiner, Boris Imhoff
Commercial register: Kassel Local Court (“Amtsgericht”) HRA 17432
VAT ID No.: DE297646255
General Partner: Plettenberg Elektromotoren Verwaltungs GmbH, Baunatal, HRB 16569**

2. Area of application / protective clause

- 2.1** These conditions only apply to parties who are engaging in their commercial or self-employed professional activity when entering into the contract (entrepreneurs within the meaning of Section 14 of the German Civil Code), and to special public assets and legal persons under public law. **Sales by us to private customers (consumers within the meaning of Section 13 of the German Civil Code) are subject to separate General Terms and Conditions of Business. Upon placing an order, the Buyer confirms that they are acting in their capacity of a party engaged in a trade or business, special public assets or a legal person under public law.**
- 2.2** Solely these conditions are authoritative for all our deliveries and services (in particular including those in the future). We expressly object to the Buyer’s conditions that vary from or are additional to our conditions. The Buyer’s conditions shall not have binding force for us unless we expressly acknowledge the Buyer’s conditions in writing. In the event that we acknowledge the Buyer’s conditions in writing, such acknowledgement shall at all times only apply to the respective individual contract. This does not affect separate agreements that we and the Buyer enter into. The exclusion of validity also applies in the event that we unreservedly accept and execute a customer order in the knowledge of the customer’s conditions that vary from ours.
- 2.3** Insofar as we and the Buyer have entered into a separate confidentiality agreement, if such an agreement is in conflict with one of the following regulations, such an agreement shall have preference over the colliding regulation.

3. New customers

- 3.1** New customers are to forward to us their business registration and/or a current excerpt from their entry in the commercial register, and their VAT identification number.

4. Subject matter of contract / entering into a contract/written form requirements

- 4.1** Our offers are subject to change without notice provided we have not expressly described them as having binding force.

- 4.2 The Buyer shall be bound by their order for a period of two weeks from receipt of the order by us.
- 4.3 Placing an order contains the binding statement of wishing to place an order for goods (application within the meaning of Section 145 German Civil Code).
- 4.4 An order as well as supplementary information and amendments shall be deemed accepted by us if we issue written confirmation. Delivery of the goods, receipt of a delivery note or the sending of an invoice to the Buyer also apply as confirmation.
- 4.5 German is deemed the contract language.
- 4.6 In the case of goods that we do not manufacture, the entering into of a contract by the Buyer and us shall be subject to correct deliveries to us. This does not apply in the event that we are responsible for the wrong or non-delivery, in particular if we have not entered into a congruent cover transaction. We shall notify the Buyer without delay of non-availability of the ordered goods.
- 4.7 The diagrams, photographs, cost estimates and individual offers (hereinafter: documents) shall be subject to our ownership rights and copyrights. Making such documents available to third parties shall be subject to our express, written, permission. If an order is not placed with us, the documents are, on request, to be returned to us without delay. Sentences 1, 2 and 3 of this clause apply accordingly to the Buyer's documents. However, we may make the Buyer's documents available to third parties provided this is necessary to execute the contractual relationship.

5. Prices / payment arrangements / setting off / right of retention

- 5.1 Our prices are net prices ex works (E.X.W. Incoterms 2010) plus the respective, statutory, turnover tax and plus packaging, transport and other incidental costs provided nothing to the contrary has been agreed upon with the Buyer.
- 5.2 Orders placed by new customers and Buyers with less than 3 previous orders shall be delivered exclusively subject to **advance payment** provided nothing to the contrary has been agreed upon with us. Consignments with a delivery location outside Germany shall be delivered exclusively subject to advance payment.
- 5.3 If a delivery is made on account, our claims shall fall due for payment upon delivery of the goods to the Buyer, at the latest upon receipt of an invoice following delivery, and are payable without deductions in EUROS provided nothing to the contrary has been agreed upon with the Buyer. A trade discount shall only be granted as a result of a separate, written, agreement entered into with the Buyer. In the event of default in payment, we shall be entitled to the statutory rights.
- 5.4 In the event that we grant the Buyer the option of paying via SEPA direct debiting, the costs that arise if debit entries cannot be honoured, or are re-booked, shall be borne by the Buyer. The Buyer consents to the reduction by one day of the 14-day advance announcement of the collection of the claim before the due date of the claim to be collected. In the case of recurring debit entries (subsequent debit entries), a one-off instruction issued by the Buyer by way of providing details of the future due dates and the agreed collection amounts shall be sufficient.

- 5.5 In the event that the Buyer defaults in payment for longer than two weeks, discontinues their payments or after entering into the contract for other reasons it becomes clear that our claims against the Buyer are jeopardised due to a lacking ability to pay, we shall be entitled to call in all for immediate payment all claims resulting from all contracts entered into with the Buyer. We may render the delivery of orders that have to date not yet been delivered conditional on advance payment or provision of security in the sum of the order value by way of setting a reasonable period. Following expiry of the period in vain we may withdraw from the contract and claim for damages in accordance with sub-section 12.2.
- 5.6 The Buyer is only permitted to set off with counter-claims insofar as such action is permitted and the counter-claims are undisputed or have become res judicata. The ban on setting off does not apply to a fault-related counter-claim that is based on the same contractual relationship as our claim. The exercising of a retention right by the Buyer shall only be permitted insofar as the Buyer's counter-claim is based on the same contractual relationship.
- 5.7 In the event that goods are to be delivered to a Buyer from the European Union, this shall apply on a tax-free basis if the preconditions in accordance with the German Turnover Tax Law are met. In the event that the Buyer fails to honour their obligation to furnish proof (confirmation of arrival) of receipt of the goods or forwarding of the goods to a European Union country, we shall invoice the Buyer for the German turnover tax in accordance with our statutory obligation.

6. Delivery / place of performance / passing of risk / taking goods back

- 6.1 The stated delivery dates, periods and delivery times do not have binding force for us unless we and the buyer have entered into an express agreement to the contrary. Only workdays are deemed period days. Saturday does not count as a workday. Delivery periods commence at the time a contract is entered into. However, in the case of advance payment this shall not be prior to receipt of payment on our account. The delivery period shall be deemed honoured by way of the handover to the carrier, forwarding agent or shipping company. Default in delivery shall in any case give rise to a written warning issued to the Buyer following the due date.
- 6.2 We are entitled to provide partial deliveries if this is acceptable to the Buyer.
- 6.3 The delivery shall apply ex works (EX WORKS - EXW. in accordance with Incoterms 2010) provided nothing to the contrary has been agreed upon with the Buyer.
- 6.4 Our principal place of business, Rostocker Straße 30, D-34225-Baunatal, is deemed the place of performance for all obligations resulting from the contractual relationship.
- 6.5 If the ordered goods are handed over to a carrier, forwarding agent or other shipping company at the Buyer's request, the risk of accidental loss and accidental deterioration of the goods shall pass to the Buyer upon handover of the goods to the carrier, forwarding agent or the shipping company.
- 6.6 Where acceptable to the Buyer, the Buyer is to accept variations in terms of construction, type and quality or design of the ordered goods that were stated

by us in catalogues and/or electronic catalogues without having the opportunity to derive rights from such variations.

- 6.7 In the case of events in the form of force majeure and additional circumstances that we cannot foresee (such as delivery and manufacturing disruptions, strikes, pandemics, wars, terror attacks, import and export restrictions (including those that affect our suppliers)), we shall not be responsible for these. The aforementioned circumstances shall release us from our delivery obligation for the period of the duration of the disruption. The period of the duration of the disruption shall not be included in calculating the delivery period. The delivery period shall be extended accordingly by the period of the disruption provided this is acceptable to the Buyer. This also applies in the event that an authorisation by third parties is required to perform the delivery, and such authorisation is not made available to us in good time. In the event of a transaction for delivery by a fixed date, this shall entitle the Buyer to withdraw.
- 6.8 In the event that we do not provide performance in good time for which we are responsible, the Buyer's right to withdraw shall be determined in accordance with the statutory requirements. This is not associated with a reversal of the burden of proof to the detriment of the Buyer.
- 6.9 Our delivery obligation shall be suspended if the Buyer is in default regarding a liability to an extent that is not insignificant. If the Buyer defaults in acceptance or culpably violates other collaboration obligations, we shall be entitled, irrespective of further-reaching claims, to demand from the Buyer compensation for the damage we sustain as a result and potential additional expenses.
- 6.10 We exclude taking back packaging material in accordance with the German Packaging Ordinance with the exception of pallets. In the absence of agreements to the contrary, the Buyer shall dispose of packaging material at its own cost and responsibility.
- 6.11 Tacking back fault-free goods ordered from us is excluded.
- 6.12 In the event that we undertake for legal reasons to take back goods we have delivered, or if we voluntarily state that we are willing to take back goods, the return consignment costs shall be borne by the Buyer. We are to be given 3 days' notice of return consignments prior to the return consignment.

7. Export control

- 7.1 Our deliveries and services for executing the contract are subject to the reservation that executing the contract does not conflict with any hindrances as a result of national or international export control provisions such as embargoes or similar sanctions. The Buyer undertakes to forward the documents and information to us that we require for the export and importation. In the event that the necessary licenses are not issued, or our delivery and performance are not eligible for authorisation, the contract shall be deemed not entered into with regard to the respective affected part.
- 7.2 We are entitled to terminate the contract entered into with the Buyer without notice if termination is necessary for us to comply with national or international requirements.

- 7.3 In the case of termination in accordance with sub-section 7.2., asserting claims for damages or exercising other rights on the part of the Buyer shall be excluded.

8. Claims arising from defects

- 8.1 The goods we deliver shall be deemed fault-free if they comply with the agreed quality, which is stated in the written confirmation of order and in our product description. Public statements or advertising by us, a manufacturer or other persons have no importance in respect of the agreed quality. Liability regarding a faulty assembly instruction is excluded.
- 8.2 Claims regarding material defects are excluded in the case of the delivery of demonstration or used goods.
- 8.3 The commercial law obligations to provide notification of defects and inspect in accordance with Section 377 HGB (German Commercial Code) are incumbent upon the Buyer. If the Buyer identifies defects, the Buyer is to provide us with notification of such defects in writing within 5 workdays. If the Buyer fails to properly inspect and/or provide notification of defects, with regard to the failure to provide notification of defects or failure to do so in good time or properly the goods shall be deemed authorised and as a result the Buyer shall not insofar be able to assert warranty claims in this respect.
- 8.4 In any case, the aforementioned inspection is to contain a basic functional test and a basic (visual) inspection of the external characteristics of the goods. If a large quantity of goods is delivered, a random sample inspection of the goods shall suffice that is representative and reflects the total quantity, and can be undertaken in an acceptable manner as part of the period stated in the aforementioned sub-section 8.3.
- 8.5 The Buyer may not refuse acceptance of the delivery regarding insignificant defects.
- 8.6 The Buyer shall give us the opportunity where applicable to also make arrangements to have the notified defects reviewed by an expert. In the event that the notification of defects proves to be unjustified, we shall have a claim against the Buyer for the reimbursement of costs or exemption of costs in dealings with the expert, and for the reimbursement of the costs we incur.
- 8.7 In the event that our deliveries are faulty, we shall then be free to rectify the defect or provide a new delivery (subsequent performance). If the subsequent performance fails, is unacceptable for the Buyer or is refused by us, the Buyer may reasonably reduce the price or in the case of defects that are not merely insignificant withdraw from the contract in the case of the statutory provisions or claim for damages in accordance with sub-section 9 "Liability".
- 8.8 If expenses arise in conjunction with the subsequent performance because the delivered goods are at a location other than the place of performance, such expenses shall be borne by the Buyer.

8.9 Assigning warranty claims by the Buyer is excluded.

9. Liability

- 9.1 We shall not be liable for minor negligent violation of insignificant contractual obligations. In the event of minor negligent violation of significant contractual obligations, including if such violation occurs by our legal representative or vicarious agents, our liability shall be limited to typical and foreseeable contractual damage. We shall be liable without limitations for culpable physical damage and detrimental effects on health caused by us, our legal representative or our vicarious agents and sustained by the Buyer, and in the case of intent and gross negligence as well as for the lack of a warranted characteristic.
- 9.2 If damage sustained by the Buyer, which is attributable to minor negligence on our part, is covered by an existing insurance policy of the Buyer, in the event of material and/or pecuniary damage our liability shall be limited to the disadvantages associated with the utilisation of the insurance by the Buyer.
- 9.3 We shall not be liable for damage that is caused by inappropriate handling of our products and inappropriate intervention in our products by third parties, inappropriate assembly and/or installation, excessive use or excess current provided these are not attributable to our culpability or culpability of our representatives and vicarious agents. The same applies in the case of arbitrary and inappropriate repairs and intervention in the subject matter of delivery by the Buyer or third parties.
- 9.4 We shall not be liable for damage that is caused as a result of insufficient information and notification on the part of the Buyer provided these are not attributable to our culpability or culpability of our representatives and vicarious agents.
- 9.5 We expressly draw attention to the fact that our motors, controls and other products have not been subject to safety and long-term tests specified for aircraft and aircraft equipment. Therefore, we are not liable for any kind of damage to, and/or as a result of the use of, our motors, controls and other products in/on passenger aircraft, in/on aircraft, ultra-light aircraft, aircraft models, drones, rockets, gliders and hang-gliders, parachutes, air traffic control and any other type of aircraft. Furthermore, we shall expressly not be liable for damage caused by the grounding of aircraft.
- 9.6 We expressly draw attention to the fact that our motors, controls and other products have not been subject to use in control systems of nuclear reactors. We shall not be liable for any kind of damage to, and/or as a result of the use of, our motors, controls and other products in controls of nuclear reactors or in/on nuclear reactors.
- 9.7 We shall not be liable for any kind of damage caused by application and use of our products that are subject to the German Act on Weapons used in War.
- 9.8 This does not affect liability in accordance with the German Product Liability Act.

10. Statute of limitations

- 10.1 The limitation period for the Buyer's claims regarding a defect in the case of newly manufactured goods is one year from acceptance or delivery. This does not apply provided longer periods are specified by law. Similarly, this does not apply to claims for damages as a result of physical injury, detrimental effects on health and in the case of intent or gross negligence by us or our vicarious agents.
- 10.2 The limitation period for the Buyer's claims for damages that are not based on a material defect in the delivered goods is one year from acceptance or delivery. Similarly, this does not apply to claims for damages as a result of physical injury, detrimental effects on health, in the case of intent or gross negligence by us or our vicarious agents, and to claims for damages arising from the German Product Liability Act.

11. Reservation of title

- 11.1 The goods shall remain our property up until payment in full ("reserved goods").
- 11.2 If the Buyer acts in breach of contract or, in particular, defaults in payment, we may demand the surrender of the reserved goods owned by us. We have the right to collect. For this purpose, access to the Buyer's business premises is permitted without restrictions.
- 11.3 We are entitled to utilise the reserved goods once they have been returned to us. The realisation proceeds are to be counted towards the Buyer's liabilities, and reasonable realisation costs are to be deducted.
- 11.4 In the event that the reserved goods are finished and/or processed by the Buyer, this shall occur by order of us and at all times on our behalf without such action leading to obligations on our part. In the case of processing, connecting or inseparable mixing of our reserved goods with other items that we do not own, we shall acquire co-ownership of the newly manufactured item in the proportion of the order value of the reserved goods to value of the other items at the time of processing, connecting or mixing.
The created joint reserved goods continue to apply as reserved goods within the meaning of sub-section 11.1. If our ownership expires as a result of connecting or mixing, the Buyer assigns to us at the respective time the ownership rights to which the Buyer is entitled to the newly manufactured goods to the extent of the order value of our goods. The Buyer undertakes to gratuitously store the joint ownership share created in this manner. The joint ownership share shall apply as reserved goods within the meaning of sub-section 11.1.
- 11.5 We permit the Buyer to sell on the goods that we own, or which we jointly own, as part of proper business operations. However, the Buyer assigns to us at this point in time all claims against their customers resulting from the resale of the goods. If we are merely entitled to joint ownership of the sold goods, the Buyer shall assign the claim in line with our joint ownership share. We hereby accept the aforementioned assignment. We authorise the Buyer to collect the claims assigned to us. However, this does not affect our authority to collect the claim.

If we exercise our right to collect, we shall provide the Buyer with written notification of this without delay. On request the Buyer shall surrender to us without delay the documents and data required for collection by us, state their customers and the amount of the claim and notify without delay their customers of the collection of the claim by us.

- 11.6 Extraordinary powers such as seizure and transfer by way of security of the reserved goods in accordance with sub-section 11.1 are not permitted. If a third party attempts to gain access to our reserved goods or a claim assigned to us, in particular in the form of seizure, the Buyer is to notify us in writing of such attempts without delay. In the event of a court intervention in accordance with Section 771 ZPO (German Code of Civil Procedure), the Buyer shall also be liable in the event of resulting costs if the third party is not in a position to reimburse us for the court and out-of-court costs of legal action. We undertake, at the Buyer's request, to release the securities to which we are entitled insofar as the value of our securities that can be realised exceeds the claims to be secured by more than 10%. Securities shall be released at our unqualified discretion. Release shall apply by way of transfer or re-assignment of the respective security or the respective claim.

12. Buyer's obligations / Buyer's claims for damages

- 12.1 The Buyer undertakes to obtain information as to whether or not our motors, controls and other products are suitable for the area of application intended by the Buyer, in particular whether or not necessary tests, suitability certificates and licenses for the area of application proposed by the Buyer are necessary and these exist and are available. In the event that the Buyer violates the aforementioned obligation and causes damage as a result, this shall release us from the liability in accordance with sub-section 9.
- 12.2 In the event that the Buyer culpably violates their obligation resulting from the contract, we shall be entitled without further proof to demand flat rate compensation in the sum of 30 % of the order amount. The Buyer is reserved the right to furnish proof that damage or a loss in value had not occurred at all or that these are considerably less than the flat rate. We are similarly entitled to furnish proof of greater damage.

13. Confidentiality

- 13.1 The following applies subject to a separate confidentiality agreement within the meaning of sub-section 2.3:
All technical or business information originating from us is to be kept secret from third parties and may only be used at the Buyer's business enterprise as long and insofar as it is not proven to be in the public domain or is not determined by us for forwarding by the Buyer. At the Buyer's business enterprise the Buyer shall ensure that the technical or business information originating from us is only made available to persons who have similarly been placed under obligation to maintain secrecy. Technical or business information shall remain our exclusive property. Such information may not be duplicated or used commercially without our prior consent. At our request, the Buyer is to surrender to us, or destroy

without delay and in full all information originating from us, including respective copies or records.

14. Applicable law / place of jurisdiction

- 14.1 Solely German law is applicable. Application of the UN Convention on Contracts for the International Sale of Goods (GICG) is expressly excluded. Similarly, German international private law is excluded insofar as it would lead to application of a non-German legal system.
- 14.2 The competent court for our registered office is deemed the sole place of jurisdiction.

15. Invalidity of individual clauses

- 15.1 In the event that individual provisions in the contracts entered into with buyers, or set out in these General Terms and Conditions of Business, prove to be wholly or partially invalid, this shall not affect the validity of the other provisions. The contracting parties undertake to replace the wholly or partially invalid provision with such a valid provision that comes closest to the wholly or partially invalid provision in terms of the essence and purpose and its economic considerations. This also applies to omissions in the contract.