

## **I. Scope of Application, Written Form**

(1) These General Terms and Conditions of Sale (the "GTS") shall apply to the entire business relationship that any of the companies **Physik Instrumente (PI) GmbH & Co. KG**, or **PI Ceramic GmbH**, or **PI miCos GmbH** (hereinafter referred to as the respective "**PI Partner**") maintains with its respective customers (each such customer hereinafter referred to as "**Customer**"). The GTS shall particularly apply to the sale and/or delivery of movable property (hereinafter referred to as the "**Goods**"), irrespective of whether PI Partner manufactures the Goods or purchases them from sub-suppliers (Sections 433, 651 of the German Civil Code - *Bürgerliches Gesetzbuch*, hereinafter referred to as "**BGB**"). The GTS shall apply *mutatis mutandis* (accordingly) to service contracts, in so far as the respective provisions of the GTS are, by their nature, applicable to services. This shall include, but not be limited to contracts regarding Customer-specific development services or feasibility studies that PI Partner commits to provide to Customer. In so far as PI Partner's delivery obligation includes the transfer or grant of software use, the End User License Agreement of PI Partner shall apply instead of the GTS.

(2) The GTS shall apply exclusively. PI Partner does not acknowledge terms and conditions of Customer that are in conflict with the GTS, except in cases where PI Partner explicitly consented in writing as to their applicability. The GTS shall apply in any event, that means even in cases where PI Partner performs delivery without reservation despite its knowledge of general terms used by Customer that are in conflict with or differ from the GTS.

(3) The GTS shall only apply in relation to entrepreneurs (Section 14 BGB), legal persons under public law or special funds under public law.

(4) Individual agreements that may be entered into between PI Partner and Customer from time to time (including ancillary agreements with binding effect, contract modifications or amendments) shall in any event prevail over the GTS. Subject to proof of the contrary, only the content of such agreement embodied in a written document executed by PI Partner or otherwise confirmed by PI Partner in writing, shall be binding on PI Partner.

(5) Legally relevant declarations and notices made by Customer with respect to the contract (e.g. setting of deadlines, defect notices, contract rescission or purchase price reduction) must be made in writing, i.e. in written or text form (e.g., letter, email, fax etc.). The applicability of legal formalities and further proof or verifications, especially in case of doubt with respect to the credibility of the declarant, shall remain unaffected.

(6) Unless otherwise agreed upon from time to time for particular cases, the GTS version valid at the time of Customer's order placement or that was most recently notified to Customer in written form, shall also apply as framework agreement for each and every future contract of similar nature with Customer without the parties having to refer to the GTS again in each individual transaction. Legal or statutory provisions referred to or mentioned in the GTS are for clarification purposes only. Statutory legal provisions shall apply regardless of a reference, unless they are explicitly modified or excluded by the GTS.

(7) The GTS do not create any rights of Customer arising from its business relationship with a PI Partner vis-à-vis any affiliate (*verbundenes Unternehmen* pursuant to Section 15 et seqq. of the German Stock Corporation Act – *Aktiengesetz*) of such PI Partner.

## **II. Conclusion of Contracts and Performance Scope**

(1) PI Partner's quotations are non-binding and subject to change. This also applies if PI Partner hands out to Customer, whether in electronic form or otherwise, catalogues, technical documentation (such as, but not limited to, drawings, plans, descriptions, calculations, references to DIN standards, etc.), or other product descriptions or documents. PI Partner reserves its

ownership rights and copyrights thereto. They must not be made available to third parties without PI Partner's prior written consent.

(2) Customer's order shall constitute a binding contract offer. PI Partner is entitled to accept this contract offer within four (4) weeks counted from the date of receipt. PI Partner can declare its acceptance either in writing (e.g., by means of sending an order acknowledgment or confirmation) or in text form (e.g., by e-mail) or by delivering the Goods to Customer.

## **III. Place of Delivery, Delivery Periods and Default in Delivery**

(1) Unless agreed otherwise deliveries by PI Partner shall be FCA (production site of PI Partner) INCOTERMS 2020.

(2) The delivery period is individually agreed upon or specified by PI Partner upon acceptance of the order. Deadlines and dates for deliveries and performance declared by PI Partner are approximate only, unless fixed deadlines or due dates were promised or expressly agreed upon.

(3) If PI Partner is unable to comply with binding delivery schedules for reasons outside PI Partner's control, PI Partner will inform Customer about its non-performance without undue delay and, at the same time, inform Customer of the expected new delivery schedule. If the performance is still not possible even within the new delivery period, PI Partner is entitled to withdraw from the contract in whole or in part; in this case, PI Partner shall immediately reimburse any advanced payment made by Customer to PI Partner. The same shall apply, in particular, if PI Partner's own sub-supplier is in delay with its supply obligation in cases where PI Partner had entered into a procurement agreement with such sub-supplier for the Goods, in cases of late delivery of PI Partner's sub-supplier, provided that neither PI Partner nor its sub-supplier are at fault, or where the procurement obligation in a particular situation is not with PI Partner.

(4) The occurrence of PI Partner's delay in delivery shall be determined by the provisions of law. In any case, however, a reminder (*Mahnung*) by Customer is required. In the event of default, Customer is only entitled to withdraw from the contract after expiry of a four (4) weeks' grace period.

(5) PI Partner has no obligation to deliver due to circumstances outside its control. This notably applies upon occurrence of *force majeure*. *Force majeure* shall apply to all unforeseen events on which PI Partner has no control or influence, such as strikes, lockouts, war, uprising or natural catastrophes (flood, fire, storm, etc.). This also applies if the aforementioned circumstances occur with PI Partner's sub-suppliers. Likewise, PI Partner shall not be responsible for the aforementioned circumstances if they occur during an already existing delay. If PI Partner is unable to comply with binding delivery schedules for reasons outside PI Partner's control, PI Partner shall inform Customer about its non-performance without undue delay and, at the same time, inform Customer of the expected new delivery schedule.

(6) If PI Partner is in default of delivery, Customer may demand indemnity for the delay to the exclusions of any further claims. This lump-sum indemnity is one-half percent (0.5%) of the net price (delivery value) for each full week of delay, but in total no more than five percent (5%) of the delivery value of the delayed Goods. PI Partner reserves the right to prove that Customer has incurred no loss or damage or only a substantially lower loss or damage than the aforementioned lump sum indemnity.

(7) If Customer requested for a postponement of the delivery, Customer shall be charged of the storage cost, which shall commence one (1) month after being notified that the Goods are ready for delivery. The storage cost, if stored at PI Partner's premises, shall be at least one-half percent (0.5%) of the net invoice amount and shall be calculated per month. PI Partner shall, however, be entitled (a) to fix a reasonable period of time for the supply of the stored Goods, (b) to dispose of the stored Goods in any manner after expiration of that period and (c) to proceed with the delivery of the Goods to Customer within an appropriate extended time period. The rights of Customer according to Article VII of the GTS and PI Partner's applicable statutory rights, specifically in the event of impossibility to perform the obligation (e.g. in case of impossibility, unreasonableness of performance and/or supplementary performance), shall remain unaffected.

(8) PI Partner's compliance with the delivery schedule is conditioned upon fulfillment of Customer's contractual obligations under the respective contract or transaction.

#### **IV. Price and Terms of Payment**

(1) Unless otherwise stated in PI Partner's order confirmation, PI Partner's price lists valid at the time of the conclusion of the contract shall apply. Unless otherwise agreed upon, PI Partner is entitled to determine the type of shipment (in particular the type of carrier, shipping route, packaging, etc.).

(2) PI Partner shall be entitled to increase the price of the Goods in circumstances, where Customer raises a subsequent change request regarding the specifications of the Goods, the delivery terms, or if Customer failed to provide or provided belated instructions that were required for PI Partner's proper fulfillment of the contract.

(3) Taxes are not included in PI Partner's prices, but will be charged to Customer in accordance with the applicable laws and regulations in addition to the agreed purchase price.

(4) Customer shall be deemed in default, if Customer fails to remit due payments within thirty (30) days after receipt of the invoice or any equivalent demand for payment. Notwithstanding sentence 1 of this Article IV paragraph 4, Customer shall likewise be in default in cases where it is agreed that the purchase price is to be paid on a specified calendar date and Customer fails to remit its payment on that date at the latest. Invoices are due for payment without discounts or other deductions. PI Partner reserves the right to make deliveries only against payment in advance, especially in cases of first-time orders or after occurrence of default in payment.

(5) Payments shall only be considered received when PI Partner has actual access to the money involved.

(6) Customer is only entitled to offset PI Partner's monetary claims with undisputed or finally awarded counterclaims. Furthermore, in such a case, Customer is entitled to exercise its right to withhold payment to the extent that Customer's counterclaim is arising from the same contractual relationship or transaction.

(7) In cases of default in payment, the purchase price shall also bear interest at the applicable statutory default interest rate during the period of default. Moreover, if Customer is a merchant (*Kaufmann* pursuant to Section 1 of the German Commercial Code – *Handelsgesetzbuch* – "**HGB**"), PI Partner's right to claim for the commercial maturity interest (Section 353 HGB) remains unaffected until the occurrence of default. PI Partner shall likewise be entitled in the event of Customer's payment default to withhold due performance and to terminate with immediate effect the business

relationship with Customer if no payment was effected until expiration of a grace period set by PI Partner.

(8) PI Partner is entitled to make outstanding deliveries depending upon the timely payment of outstanding claims. If after conclusion of a contract PI Partner becomes aware of circumstances which reduce the creditworthiness of Customer (e.g. filing for commencement of insolvency proceedings, etc.) to such extent that the claims of PI Partner are at risk due to Customer's inability to honor its commitments, or if Customer has deliberately misrepresented its creditworthiness, then PI Partner shall be entitled to refuse performance in accordance with statutory provisions and, if necessary, to withdraw from the contract after fixing a deadline (Section 321 BGB). In this case, PI Partner is likewise entitled to demand advance payment irrespective of previously agreed modes and terms of payment.

#### **V. Transfer of Risk, Insurance, Packaging**

(1) Risk shall transfer to Customer at the latest at the time of physical transfer of the Goods to Customer. However, if shipment of the Goods is required, the risk of accidental loss and deterioration of the Goods already transfers to Customer upon delivery of the Goods to the carrier, freight forwarder or any other person or institution designated to handle the shipment. This also applies in case of partial deliveries, or if PI Partner has agreed to undertake additional obligations, such as payment of the shipping costs or supply to Customer's premises and installation. Upon Customer's request, PI Partner will insure the shipment at Customer's expense against theft, damages due to breakage, transportation, fire or water, and other insurable risks.

(2) If the shipment is delayed due to circumstances for which Customer is responsible, the risk shall pass to Customer on the date on which the order is ready for shipment; however, PI Partner is obliged, at Customer's request and expense, to procure the insurances demanded by Customer. In this case, PI Partner is entitled to claim lump-sum damages of one-half percent (0.5%) of the net price (delivery value) for each full week of delay, but no more than a total of five percent (5%) of the delivery value. The right of PI Partner to provide proof for higher damages and other statutory claims (in particular reimbursement of additional expenses, reasonable compensation, termination) shall remain unaffected; provided, however, that the lump-sum compensation shall be charged or offset against further monetary claims. Customer shall have the right to prove that PI Partner has incurred no damages at all or only significantly lower damages than the above lump-sum damage amount.

(3) Delivered Goods shall be physically received by the Customer, even if they have minor defects, without prejudice of Customer's rights as set out under Article VII.

(4) Partial deliveries shall be permitted unless Customer can prove that the partial delivery is unacceptable for him.

(5) PI Partner shall not be obliged to take back transport packaging and other packaging which are in compliance with the provisions of the German Packaging Act applicable at the time of dispatch of delivery. Customer is obliged to dispose of any such packaging at its own expense.

## **VI. Retention of Title**

(1) PI Partner reserves the title or right of ownership to the sold Goods ("**Retention of Title**" – *Eigentumsvorbehalt*) until Customer has made full payment of all current and future receivables arising from the respective purchase contract between Customer and PI Partner and from the entire ongoing business relationship of Customer with PI Partner and with PI Partner's affiliates (as defined in paragraph 7 of Article I) (the "**Secured Receivables**").

(2) Customer, at his own expense, is obliged to insure the Goods that are subject to Retention of Title at a sufficient level against theft, fire, water, and other damage at the replacement value. If Customer does not provide the corresponding proof of having purchased the appropriate insurance, PI Partner is entitled to insure these Goods accordingly at Customer's expense.

(3) Subject to PI Partner's revocation, Customer is entitled to resell and/or process Goods that are subject to Retention of Title in the ordinary course of its business.

(4) However, Customer is not entitled to pledge Goods that are subject to Retention of Title, to transfer their title to a third party as a security or to otherwise dispose of them to PI Partner's disadvantage prior to full payment of the Secured Receivables.

(5) If maintenance and inspection works need to be performed for Goods that are subject to Retention of Title, these works must be carried out in a timely manner by Customer at its own expense.

(6) Customer must immediately notify PI Partner in writing upon occurrence of any of the following events: commencement of seizure or attachment proceedings, filing for the commencement of insolvency proceedings or other creditor protection measures as well as any other third party attempts to obtain possession of Goods that are owned by PI Partner.

(7) PI Partner's Retention of Title also extends to new products resulting from the processing, mixing, blending or combining of Goods that are subject to Retention of Title at those new products' full value. PI Partner shall be deemed to be the manufacturer of those new products. If the Goods that are subject to Retention of Title are processed, mixed, blended or combined with the goods of third parties, whose ownership rights survive such processing, mixing, blending or combining, PI Partner shall acquire co-ownership of the new products in the ratio of the invoice value of the Goods to the other processed goods at the time of processing, mixing, blending or combining. The terms of the GTS on Goods that are subject to Retention of Title shall apply mutatis mutandis to those new products.

(8) In the event of either a resale of Goods that are subject to Retention of Title or the sale of products manufactured thereof, Customer herewith and hereby, and without any further agreement being required, assigns to PI Partner its future purchase claims vis-à-vis its customers or other third parties from such resale or sale in the amount of the final invoice amount (including VAT) of PI Partner's payment claim to Customer, irrespective of whether those Goods or products have been resold without or after processing. PI Partner hereby and already now accepts such assignment. Such assignment does not affect the right of Customer to collect such receivables or claims; provided that PI Partner shall not be precluded from directly collecting such claims and receivables. However, PI Partner undertakes not to collect the claims or receivables as long as Customer meets its payment obligations from the proceeds collected, is not in default of payment and, in particular, has not filed for the commencement of insolvency proceedings or has ceased to make payments. If any such event occurs, however, PI Partner can demand that Customer identifies to PI Partner the assigned claims or receivables and the corresponding debtors, submits to PI

Partner all information required for their collection, discloses all related and corresponding documents, and notifies the debtors (third parties) of such assignment. In addition, PI Partner is entitled to revoke Customer's authority to further sell and process Goods that are subject to Retention of Title.

(9) If the aggregate value of the securities existing for the benefit of PI Partner exceeds the Secured Receivables by more than ten percent (10%), PI Partner will release securities of its own choice at the request of Customer.

(10) In the event of any breach of contract by Customer, especially in cases of non-payment or partial payment of the due purchase price, PI Partner is entitled to withdraw from the contract in accordance with the statutory provisions and/or to demand that the Goods be returned to PI Partner on the basis of retention of title. Customer shall bear any and all costs incurred in the course of such return. The assertion of PI Partner's retention of title shall not be deemed a declaration of withdrawal from the contract; rather, PI Partner shall be entitled to demand the return of the Goods and to reserve the right to withdraw from the contract. If Customer fails to pay the purchase price when due, PI Partner may only assert these rights after having given the customer a reasonable deadline for payment, and such deadline has elapsed without payment being made, or when such deadline is unnecessary according to applicable statutory provisions.

## **VII. Claim for Defects by Customer**

(1) The rights of Customer in the event a Good is defective (*Sachmängel*) (including wrong or incomplete delivery as well as improper installation or faulty installation instructions), shall be governed by the applicable statutory provisions, unless otherwise specified below. Claims due to legal defects (*Rechtsmängel* - Section 435 BGB) are excluded. This does not apply to the right of ownership or in the case of malicious or fraudulent concealment of a legal defect.

(2) Claims of Customer for damage compensation or reimbursement of futile expenses shall only exist in accordance with Section VIII also with regard to defects; any other claims shall be excluded.

(3) The primary basis of PI's liability for defects is the agreement reached concerning the condition of the Goods. All product descriptions, which are the subject matter of the individual contract shall constitute to be an agreement on the quality of the Goods. The data and information included in data sheets, brochures and other promotional and information material of PI Partner serve only as a guideline and shall become a binding part of the contract only upon the express written consent of PI Partner.

(4) Insofar as the condition of the Goods has not been agreed upon, the applicable statutory regulations shall determine whether a defect exists or not (Sections 434 para. 1 and 3 BGB). However, PI Partner shall not be held liable for public statements made by third parties.

(5) Any those parts or components of delivered Goods that, within twenty-four (24) months after transfer of the risk, prove to be unusable or whose usability turns out to be substantially impaired due to circumstances existing before the transfer of risk, particularly due to incorrect design, poor raw material or faulty or poor workmanship, shall, at PI Partner's reasonable choice, either be repaired or replaced by PI Partner free of charge.

(6) Customer's warranty claims for defective Goods are conditioned upon Customer's inspection of the Goods after delivery without delay in its ordinary course of business and Customer's immediate notice to PI Partner regarding the identification of a defect (Section 377 HGB). The notice must be in written or text form. In order to maintain its entitlement to warranty rights, Customer must notify PI Partner in writing of any apparent defects and any defects which are identifiable in the inspection of the Goods upon delivery within 10 days following their receipt, and of those defects, which are not detectable on the occasion of such inspection, upon their discovery within the same deadline.

(7) The rules in paragraphs 5 and 6 likewise apply to partial deliveries. Minor deviations in manufacturing, construction or coloring which are customary in the commercial trade shall not constitute defects. If Customer fails to carry out proper inspection of the delivered Goods and/or to notify defects, then PI Partner shall not be liable for defects that were not notified or only notified in an untimely or improper manner in accordance with the statutory provisions of the law.

(8) Customer will notify PI Partner without delay of all claims for defects which are asserted by its own customers and which relate to PI Partner's Goods. Otherwise, Customer's claims for defects against PI Partner will be excluded. In addition, Customer shall preserve evidence in the requisite form and provide such evidence to PI Partner.

(9) If a delivered Good is defective, PI Partner can firstly choose to remedy the defect by repairing the defective Good or by replacing the defective Good with a defect-free Good (repair and replacement hereinafter referred to as **"Supplementary Performance"** – *Nacherfüllung*). PI Partner's right to refuse Supplementary Performance under the statutory provisions shall remain unaffected.

(10) PI Partner is entitled to claim payment of the due purchase price as a pre-condition for engaging in Supplementary Performance. Customer may, however, withhold an adequate portion of the purchase price in proportion to the defect.

(11) If Supplementary Performance by PI Partner fails twice or if a reasonable period that is to be set by the Customer to remedy the defect has elapsed or expired without success or is dispensable according to mandatory statutory provisions, Customer, at its choice, is entitled to either demand a reduction of the purchase price or to withdraw from the contract; provided, however, that there shall be no right of withdrawal if the defect in the Good is negligible or insignificant.

(12) Replaced parts shall become property of PI.

(13) PI Partner shall not be liable for damages occurring due to any of the following reasons: (i) unsuitable or improper use, (ii) unsuitable or faulty installation or initial operation by Customer or a third party, (iii) natural wear and tear, (iv) incorrect or negligent handling, (v) unsuitable operating materials or spare parts/tools, (vi) faulty or poor construction works or unsuitable building foundation, and (vii) chemical, electro-chemical or electrical factors, unless those reasons are a consequence of culpable action or non-action on the part of PI Partner.

(14) Customer must allow PI Partner the required time and opportunity for the Supplementary Performance, notably by handing over the Good referred to in Customer's complaint for examination purposes, in order to enable PI Partner to carry out all repair and replacement activities that PI Partner deems necessary at its reasonable discretion. Supplementary Performance does not include removal or re-installation of the defective Good if PI was not originally obligated to install it. Customer's right to claim cost compensation under Section 439 para. 3 BGB shall remain unaffected.

(15) PI Partner shall bear the necessary expenses for the purpose of inspection and Supplementary Performance, particularly costs relating to transportation, travel, labor and material (but excluding the costs for dismantling or installation to which paragraph 14 applies), provided that there is actually a defect. It remains within PI Partner's discretion to determine the most cost effective solution for each individual case. Otherwise, PI Partner may demand reimbursement from Customer for the costs incurred for the unjustified or arbitrary request to remedy the defect (in particular inspection and transportation costs), unless the circumstances did not allow Customer to recognize the lack of defectiveness. Any additional expenses arising from the fact that Customer has transferred the Good after its receipt to a place other than the agreed place of delivery shall be borne by Customer; unless such transfer is consistent with the predetermined use of the Good.

(16) For replacement part and repair, the warranty period shall end upon expiry of the original warranty period of the delivered Good. The warranty period, however, shall be extended by the duration of the business interruptions caused by the repair work.

(17) PI Partner shall not be liable for the consequences of any modifications or repair work carried out improperly by the Customer or a third party without PI Partner's prior consent.

(18) Excluded from the warranty are consumables such as lamps, fuses, batteries and the like. Special provisions apply to laptops, photometers, special tubes and devices which are provided with a shorter warranty period by the manufacturer due to their technical design; in these cases, the respective shorter warranty period also applies to the contract between Customer and PI Partner.

(19) If a Good delivered is returned to PI Partner during the warranty period and PI Partner discovers within the course of its examination that a defect is due to Customer's improper handling ( mishandling), the costs incurred by PI Partner in this respect shall be borne by Customer.

#### **VIII. Liability**

(1) Unless otherwise stipulated in the GTS, including the following provisions, PI Partner shall be liable in the event of breach of contractual and non-contractual obligations in accordance with the relevant statutory provisions.

(2) In accordance with the terms and conditions stated herein, PI Partner shall be liable for damages, regardless of the legal basis, in the event of willful misconduct and/or gross negligence (*Vorsatz und grobe Fahrlässigkeit*). In cases of slight or ordinary negligence, PI Partner shall, subject to less strict liability under statutory law, only be liable (a) for damages resulting from injury to life, body or health; or (b) for damages resulting from a significant breach of an essential contractual duty. A duty shall be regarded as essential to the contract if its fulfilment is indispensable for the contract to be duly executed and if Customer regularly relies and can rely on PI Partner's fulfilment of such contractual duty. In this case, however, PI Partner's liability shall be limited to the compensation of typical damages foreseeable upon conclusion of the contract.

(3) The limitations of liability in preceding paragraph 2 shall likewise apply in the event of contractual breach of duty (*Pflichtverletzung*) by persons whose fault or negligence is PI Partner's responsibility in accordance with the statutory provisions. The limitations of liability shall not apply if PI Partner has maliciously or fraudulently concealed a defect or has given a guarantee for the quality of the goods and for claims of the customer under the German Product Liability Act (*Produkthaftungsgesetz*).

(4) If a breach of duty does not consist of a defect of the Good, Customer may only withdraw or terminate the contract if PI is responsible for the breach of duty. Customer's free right to terminate the contract (in particular according to Sections 651, 649 BGB) is excluded. Otherwise, the statutory requirements and legal consequences shall apply.

#### **IX. Statute of Limitations**

(1) The general statute of limitations for claims arising from defects is two years from date of delivery. If acceptance has been agreed upon, the statute of limitation begins with the acceptance. However, in cases of malicious and fraudulent concealment, the provisions of statutory law shall apply.

(2) The aforementioned statute of limitations shall also apply to contractual and non-contractual claims for damages of Customer with respect to defective Goods; provided, however, that, if the application of the applicable statutory limitation period (Sections 195, 199 BGB) would result in a shorter period of limitation in individual cases, such shorter period shall apply. However, Customer's claims for damages pursuant to Article VIII paragraph 2 sentence 1 and sentence 2 (a) as well as according to the German Product Liability Act shall be time-barred exclusively according to the applicable statutory limitation periods.

#### **X. Export Control Regulations**

(1) To comply with national and international foreign trade regulations and laws, PI Partner and Customer shall mutually support each other and, upon request, provide all necessary documents and information, e.g. applicability of an export control list to the Goods to be exported, place of destination and/or end use of the Goods. PI Partner shall not be obliged to provide service or make delivery without the necessary permit or if it is prohibited to do so.

(2) Delays due to export inspections or approval procedures shall suspend deadlines and delivery schedules. Any claim for damages in connection with and due to the aforementioned failure to meet deadlines and delivery schedules shall be excluded.

(3) PI Partner may withdraw from the contract at any time to the exclusion of claims for damages by Customer, if (a) Customer does not or did not sufficiently inform PI about the place of destination and the end use of the Goods despite inquiry, or (b) PI Partner becomes aware of an end use and/or a person involved in the business that was or were not identified at the time the offer was made and PI Partner is unable to perform the delivery or service due to applicable German, US or other national laws, or regulations of the European Union of foreign trade.

(4) By placing the order, Customer declares to comply with the applicable national and international export control regulations when exporting or reselling the Goods. Customer shall indemnify PI Partner against all damages incurred by PI Partner as a result of the culpable breach of the above obligations.

#### **XI. Electrical and Electronic Equipment**

In accordance with the German Electrical and Electronic Equipment Act of 4 July 2012 and EU Directive 2012/19/EU of 20 October 2015 on waste electrical and electronic equipment, PI Partner is, in principle, obliged to

take back and dispose of certain used equipment as specified therein that was placed on the market after 13 August 2005 in those territories where PI Partner is regarded as manufacturer within the meaning of the law. The placement time of a Good on the market is identified by the second (2nd) and third (3rd) digits of the PI serial number on the identification plate. If this digit is five ("5") or higher and the other legal requirements are fulfilled, then used equipment can be returned or sent back to PI Partner for disposal.

#### **XII. Other Provisions**

The GTS come into force on 1 January 2019 and shall replace the 2008 GTS for new contracts that will be concluded as of this date.

#### **XII. Place of Performance, Place of Jurisdiction, Applicable Law**

(1) The place of performance for PI Partner and Customer shall be PI Partner's registered place of business.

(2) The place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship for both parties, including legal actions on cheques and bills of exchange shall be PI Partner's registered place of business. PI Partner shall be entitled to bring a legal action in any other court having jurisdiction whether under the laws of Germany or under the laws of the country in which Customer has its registered place of business.

(3) The GTS and any agreement between PI Partner and Customer shall be governed by and construed in accordance with the laws of the Federal Republic of Germany without giving effect to its conflict of law rules. The UN Convention on Contracts for the International Sale of Goods of 11 April 1980 (CISG) shall not apply.