

General Terms and Conditions for Coating Services (COATING GTC)

Applicable to business transactions in the area of the FLT Coating Center with entrepreneurs carrying out their commercial or independent professional activities, with legal entities under public law and with special funds under public law.

1. General

- 1.1. Our General Terms and Conditions for Coating Services (Coating GTC) apply exclusively. We shall not recognize any terms and conditions of the contracting authority that are contrary to or additional or differ from our Coating GTC, unless we have agreed to their validity expressly and in writing. Our Coating Terms and Conditions shall even apply if we perform a service for the contracting authority without reservation but in the knowledge that the contracting authority's terms and conditions conflict with, supplement or deviate from our Coating Terms and Conditions.
- 1.2. Our Coating GTC shall also apply to all future coating services until a newer version of our GTC enters into force.
- 1.3. Individual contractual additions to and deviations from these Coating GTC shall only be valid with our explicit consent.
- 1.4. The terms „contractor“, „we“, „us“ or „our“ etc. used in these Coating Terms and Conditions refer to FUCHS LUBRITECH GmbH.

2. Quotations and orders

- 2.1. Our quotations are non-binding.
- 2.2. Orders are only deemed to be accepted if they have been confirmed in writing or after having been carried out. This also applies in particular if the contracting authority merely places the goods to be processed on our premises for processing without prior order. Follow-up agreements shall only become valid with written confirmation.

3. Withdrawal, Force Majeure

- 3.1. We may withdraw from the contract if the contracting authority, after expiry of an adequate period of grace, fails to fulfill his payment obligations towards us or towards an entity affiliated with us pursuant to section 15 et seq. of the German Corporation Act (*Aktiengesetz*). Otherwise, the statutory rights of termination of the contractor and/or contracting authority remain unaffected. Any further claims of ours shall also remain unaffected.
- 3.2. In the event of an external event that has no operational connection and cannot be prevented even when exercising the utmost care that can reasonably be expected, such as natural disasters, war, terror, sabotage, labor disputes, shortage of raw materials and energy, non-delivery or insufficient delivery by upstream suppliers, transport and loading disruptions, production disruptions, disruptions due to cyber attacks, fire and explosion damage or sovereign acts („force majeure“), the parties shall be exempt from their duty to perform for the duration and to the extent of the force majeure. The parties are obliged to inform each other immediately in writing within

the scope of what is reasonable. If the restrictions due to force majeure last longer than three months, we are entitled – notwithstanding our other rights – to withdraw from the contract in whole or in part.

4. Liability

- 4.1. We shall be fully liable for damages resulting from the breach of a guarantee or from an injury to life, body or health. The same applies for willful misconduct and gross negligence or as far as we have accepted a risk of procurement. If it is a matter of slight negligence, we shall only be liable as far as essential duties that result from the nature of the contract and are of special importance to fulfill the contractual purpose, have been violated. In the event of breach of such obligations, delay or impossibility, our liability shall be limited to such damages that are typically to be expected within the scope of this contract. A mandatory statutory liability for product defects remains unaffected.
- 4.2. As far as our liability is excluded or restricted, this shall also apply to the personal liability of our employees, workers, co-workers, representatives and vicarious agents.

5. Goods provided

- 5.1. The contracting authority shall provide us with the goods to be processed at his own expense in good time. For this purpose, the contracting authority delivers the goods to be processed to the delivery address specified by us. Unless otherwise agreed, delivery including transfer of risk of the provided goods shall be effected DPD (INCOTERMS in the version valid upon contract conclusion).
- 5.2. The contracting authority shall select at his own expense such packaging that is suitable for the delivery of the goods provided to us. This requires that we can use the packaging for the return shipment of the processed goods. Unless otherwise agreed, the goods shall be delivered to us as bulk goods without using small packaging.
- 5.3. The contracting authority shall only provide us with such goods
 - that can be immediately processed by us, in particular goods that are clean, rust-free, chip-free, dry, free of wax, grease, oil, silicone, hardness residues, substances interfering with varnish coating, adhering or mixed-in foreign bodies and that are pore-closed and demagnetized;
 - that correspond to the respective sampling of the goods provided to us in its type, condition and also otherwise.Any additional expenditure arising from a breach of the above obligation shall be borne by the contracting authority. Warranty claims for defects arising from the breach of the above obligation are excluded. Further claims remain unaffected.
- 5.4. We only carry out a visual inspection for any obvious transport damage of the outer packaging of the goods provided. An incoming goods inspection beyond this will

General Terms and Conditions for Coating Services (COATING GTC)

not take place. In particular, we do not inspect whether the provided goods meet the requirements of section 5.3 of these Coating Terms and Conditions.

6. Processing, return delivery to contracting authority and determination of quantity, acceptance

- 6.1. We process the goods according to the contractual agreements. Unless otherwise agreed, the subsequent return delivery of the processed goods shall be effected using the same packaging as the one upon delivery of the goods to be processed. Unless otherwise agreed, the return delivery including the transfer of risk from us to the contracting party shall be made pursuant to FCA (INCOTERMS in the version applicable at the time of contract conclusion). If the dispatch is delayed for reasons the contracting authority is responsible for or if the contracting authority is in default of acceptance for any reasons, the risk shall pass to the contracting authority upon notification of the delivery readiness or in the event of the default of acceptance with the default of acceptance.
- 6.2. The quantity of the processed goods will be determined by us. It will be used as the basis for calculating the price.
- 6.3. The contracting authority is obliged to accept the processed goods. The processed goods shall also be deemed to have been accepted if we have set the contracting authority a reasonable deadline for acceptance and if the contracting authority has not refused acceptance in writing within this deadline, indicating at least one defect. Additionally, the processed goods shall be deemed accepted in particular in the event the contracting authority further processes or otherwise uses the processed goods without written statement of reservation. In any case, the processed goods shall be deemed to have been accepted at the latest on expiry of the fifth working day after delivery, unless a written statement of reservation is made. Acceptance may not be refused due to minor defects.

7. Samples, information on quality, rejects and approvals

- 7.1. We carry out processings of development samples. After written approval of a development sample processing by the contracting authority, preliminary samples are produced before a series production. After written approval of them by the contracting authority, the first sample processing takes place in coordination with the contracting authority under the conditions of a series production. The level of development of this first sample processing corresponds to the execution of the series production.
- 7.2. Depending on the coating process and the geometry of the goods provided, the thickness of the coating may partly deviate from a possible tolerance window for coating thickness. If the parties agree on a measurement of the coating thickness, they must determine a suitable marking point on the product to which the coating thickness specification refers. If the parties agreed on a layer thickness, but have not reached any agreement on

the measuring point, we shall be entitled to determine the point at our duly discretion.

- 7.3. Unless otherwise agreed, processing may result in rejects, changes in shape, shortfalls in quantities, cracks or similar defects of up to 5 % of the goods provided. The contracting authority cannot assert any claims from this against us.
- 7.4. Analytical data and details concerning other quality features reflect to the best of our knowledge the current status of our experience and the state-of-the-art development. Samples and specimens provided to the contracting authority prior to contract conclusion are only of approximate relevance and only reflect the current average quality of the goods. If, on the basis of the samples and specimens, certain parameters are listed in the product specifications, data sheets or other contractual documents, they are binding and conclusive. They shall even be conclusive if the samples or specimens feature further parameters beyond those mentioned in the product specifications, data sheets and other contractual documents.
- 7.5. The contracting authority is responsible for complying with the safety and environmental regulations in connection with the acquisition, the storage and the use of the provided goods after handover. Vis-à-vis the contracting authority we are not obliged to obtain official permissions from authorities.

8. Claims for defects

- 8.1. In the event of a complaint about the processed goods, the contracting authority shall immediately provide us with the goods complained about in sufficient quantity so that we can proceed with their inspection. We and the contracting authority agree by mutual consent whether we collect the goods being object of the complaint from the contracting authority's place or whether the contracting authority delivers the rejected goods to the address specified by us. At our request, we shall – while safeguarding the contracting authority's business and trade secrets - also be entitled to inspect the goods being object of complaint during normal business hours on site at the contracting authority's place. In the event of defects, the costs of the inspection, including the costs for the return delivery, shall be borne by us. On top of that, in the event of a complaint, the contracting authority is obliged to ensure that any remaining stocks in the original container, where appropriate also goods already in use, are secured and stored separately.
- 8.2. In the event of defects, we are entitled, at our discretion, to either remedy the defect or to provide the service again (subsequent performance). In the event the subsequent performance fails or if the contracting authority cannot be reasonably expected to accept the subsequent performance, the contracting authority may either withdraw from the contract or reduce the price or claim compensation for damages or expenses.
- 8.3. The limitation period for complaints submitted by the contracting authority shall be one year. The limitation period of one year shall also apply to claims arising from

General Terms and Conditions for Coating Services (COATING GTC)

unauthorized actions based on a defect in performance. The limitation period of one year shall not apply to our unlimited liability for damages resulting from the breach of a guarantee or from injury to life, body or health and not to intent and gross negligence and product defects or insofar as we have assumed a procurement risk. The limitation period shall commence with the acceptance of the processed goods.

9. Services

- 9.1. Any services or advice that we provide, information that we give or releases that we issue, shall be based on the information, samples or test series provided by the contracting authority, in line with the state-of-the-art technique at the time of contract conclusion and always to the best of our knowledge.
- 9.2. The contracting authority shall provide us with the necessary data completely and in time. We will neither check the content accuracy nor the completeness of the data provided to us by the contracting authority or third parties. Any additional costs arising from violations of these information and cooperation obligations shall be borne by the contracting authority. Any further claims of ours remain unaffected.
- 9.3. Details and information about the suitability and use of the goods do not exempt the contracting authority from carrying out own tests and checks.

10. Unauthorized use

- 10.1. Our goods must not be used for aircraft/spacecraft or parts thereof without our explicit prior consent unless the processed goods are completely removed before the aircraft or spacecraft is put into operation.
- 10.2. The goods processed by us must not be used in connection with the primary circuit in the field of nuclear energy.
- 10.3. If our goods are used contrary to the specifications set forth in paragraph 1 and/or 2, the contracting authority must indemnify us from any potential resulting damage/loss as well as from any associated costs (including legal costs) without undue delay, unless the contracting authority is not responsible for the use of the goods contrary to the specifications set forth in paragraph 1 or 2. Any further claims of ours shall remain unaffected.

11. Prices

- 11.1. Unless a fixed price has been agreed, the calculation is always based on our prices valid on the day of order placement.
- 11.2. Prices quoted shall - unless otherwise agreed - be valid for the duration of 30 days.
- 11.3. With respect to deliveries, all prices are quoted FCA (Free Carrier; INCOTERMS in the version valid on the day of contract conclusion), unless otherwise agreed.
- 11.4. Unless explicitly otherwise agreed in a contract, we shall not be obliged to undertake customs clearance and declare and pay any levies, fees, taxes, duties and other charges that arise outside the country where our company

is based. We shall only adhere to the weight and measuring systems, packaging, labelling or other identification regulations that are applicable at the place of delivery known to us.

- 11.5. All prices are net prices and do not include the applicable sales tax. The sales tax will be charged separately at the respective valid rate.

12. Payment

- 12.1. In Germany payments are due net without deductions within 30 days of invoicing. We reserve the right to offer different payment conditions primarily to customers based outside Germany.
- 12.2. Delays in payment are subject to the statutory rules and regulations.
- 12.3. Offsettings against us are only permitted with legally binding or undisputed claims. Rights of retention may only be exercised against us if they refer to claims from the same contractual relationship.
- 12.4. Only appointees authorized by us with a letter of authority to collect payments may collect invoice amounts.

13. Co-ownership, retention of title

- 13.1. In so far as we do not acquire full ownership of the processed goods in accordance with the statutory provisions, we shall at least acquire co-ownership of the processed goods through the processing. The amount of the co-ownership share is determined by the value of our processing performance in relation to the value of the provided goods at the time of processing, but our co-ownership share is at least half.
- 13.2. The processed goods remain our joint property until the full payment of the purchase price. Until then, the contracting authority is therefore neither entitled to dispose of the goods outside his proper business operations nor to pledge them to third parties or even assign them by way of security. As security for our purchase price claim, the contracting authority assigns to us, in the amount of our co-ownership share, the purchase price claim that he obtains through the sale of the processed goods that are still in our co-ownership. We hereby accept this assignment. If an assignment is not permitted, the contracting authority hereby instructs the third-party debtor to make any payments only to us.
- 13.3. The contracting authority shall be authorized to collect the assigned claims for as long as he fulfills his contractual payment obligations towards us. If the contracting authority does not meet this obligation, the collected amounts are due to us in the amount of the co-ownership share and must be kept separately.
- 13.4. If the contracting authority processes the goods subject to retention of title, the contracting authority executes the processing for us without any obligations arising for us thereof. If the goods processed by us are processed, combined, mixed or blended with other goods not belonging to us, we shall be entitled to a co-ownership share of the new object in the ratio of the invoice value of our co-ownership share in the goods processed by us to the other goods at the time of processing, combining,

General Terms and Conditions for Coating Services (COATING GTC)

mixing or blending. If the contracting authority acquires sole ownership of the item by law, the contracting authority hereby grants us co-ownership of the new item in the proportion described above and undertakes to store this item for us free of charge. Sections 13.2 and 13.3 of these Coating GTC shall apply accordingly.

- 13.5. If the value of the assignments and securities given to us exceeds our claims by more than 10 per cent in total, we undertake, at the request of the contracting authority, to release the corresponding securities at our discretion.
- 13.6. The sections 13.2 to 13.5 shall apply accordingly if we acquire full ownership of the processed goods in accordance with the statutory provisions.

14. Export

- 14.1. Due to statutory embargo regulations (e.g. in Germany, the EU or the US) we expressly point out that the products processed by us may be subject to certain export restrictions. A violation of export restrictions may entail criminal proceedings.
- 14.2. We are not obliged to assist the contracting authority in any way in connection with the export of the goods. If there is an agreement according to which we assist the contracting authority with the export of the goods, this shall only apply to the export of the goods to the agreed place of delivery. This applies in particular to the preparation of export-relevant documents.

15. Assignment

Rights and claims may only be assigned by the contracting authority with our prior written consent. This does not apply to monetary claims.

16. Confidentiality

- 16.1. All business or technical information made accessible to one another (including offer documents) shall be kept secret from third parties and shall not be disclosed as long as and to the extent that it is not demonstrably publicly known, and may only be made available in the business of the receiving party to those persons who must necessarily be consulted for the purpose of fulfilling the contractual obligations and who are accordingly obliged to maintain secrecy (general duties of confidentiality in employment contracts and the like are sufficient). The duty of confidentiality shall apply while there is a business relationship with us and the contracting authority as well as for a period of three years after termination of the business relationship. Without the prior written consent of the disclosing party in text form pursuant to section 126b of the German Code of Civil Law (*Bürgerliches Gesetzbuch*) such information must not be copied or used for commercial purposes. Upon request, all information originating from the disclosing party (where applicable including copies and records made) and any items that have been provided by way of loan must be returned with undue delay in full to that party or be destroyed. Exempt

are automatically produced backup files as well as cases where the receiving party, due to statutory or regulatory provisions, is obliged to store information, on the proviso that the receiving party, for an unlimited period of time, handles that information confidentially in line with the aforementioned provisions and does not make use of it.

- 16.2. We retain title to the information referred to in paragraph 1. We reserve all rights (including copyrights and the right to register industrial property rights such as patents, utility models, trademarks, etc.) concerning such information.

17. Data protection

- 17.1. In execution of the contract, the parties are obliged to observe the statutory provisions concerning data protection and, in particular, to adhere to the General Data Protection Regulation (GDPR) issued by the EU and to impose the obligation to comply with these regulations on their employees.
- 17.2. The parties process the personal data they receive (names and contact details of the respective contact persons) exclusively for the purpose of fulfilling the contract and they shall protect the data by means of security measures (article 32 of the GDPR) that are adapted to the current state of the art. The parties are obliged to delete the personal data as soon as its processing is no longer required. Any potential statutory storage duties remain unaffected.
- 17.3. If, in the course of the execution of the contract, the contracting authority were to process personal data on our behalf, the contracting authority and we shall conclude an agreement about the contract processing pursuant to article 28 of the GDPR.

18. Applicable law, jurisdiction, place of performance

- 18.1. The contractual relations shall be exclusively governed by German law to the exclusion of the provisions concerning the conflict of laws and the UN Convention on Contracts for the International Sale of Goods (CISG).
- 18.2. If the contracting authority is a merchant pursuant to the German Code of Commercial Law (*Handelsgesetzbuch*), the place of jurisdiction is the registered office of our company; we shall, however, have the right to sue the contracting authority, at our discretion, before a court of law where his business is registered or where his subsidiary is located or before a court of law at the place of performance.
- 18.3. Place of performance for delivery is the place where, based on the contract, the goods must be delivered to or the services must be rendered. Place of performance for payment is Kaiserslautern.

19. Language

These Coating GTC are available in German and in English. In the event of discrepancies, the German version of the GTC shall prevail.