## 1 Scope of Application

- 1.1 These General Terms and Conditions of Repair ("GTCRep") of Plasser Robel Services GmbH ("PRS") shall apply to any and all contracts between PRS and its Customers regarding repairs, extensions and modernisations ("Retrofit") and other comparable services ("Services") to/by/of machines and/or accessories or components of the Customer ("Repair Object"), provided that the Customer is an entrepreneur (Section 14 of the German Civil Code [*Bürgerliches Gesetzbuch/BGB*]), a public-law entity or constitutes a public-law special asset.
- 1.2 These GTCRep shall apply exclusively. General terms and conditions of the Customer shall only apply if and when PRS expressly accepts them in writing. Silence on the part of PRS regarding such deviating terms and conditions in particular cannot be interpreted as acceptance of or consent to such provisions, including future contracts. These GTCR shall apply and replace any general terms and conditions of the Customer (e.g. general terms and conditions for orders or of purchase), even if they provide that acknowledgment of an order would constitute an unconditional acknowledgement of the Customer's general terms and conditions. By accepting PRS's order confirmation the Customer expressly acknowledges that it waives its legal defence derived from the general terms and conditions.
- 1.3 These GTCRep as amended from time to time shall apply as a master agreement, including to future contracts on Services of PRS with the same Customer, without PRS being required to refer to the same in each individual case.
- 1.4 To the extent that individual agreements have been entered into with the Customer in a specific case, they prevail over these GTCRep. A written contract and/or written confirmation of PRS shall be decisive for the content of such agreements.
- 1.5 Legally relevant statements, declarations or notifications to be made by the Customer vis-à-vis PRS after conclusion of the contract (e.g. setting of deadlines, notices of defect or rescission or price reduction) shall be made in writing to be effective.
- 1.6 Any references to the applicability of statutory provisions only serve the purpose of clarification. Accordingly, the statutory provisions apply even without such clarification unless they are directly modified or expressly excluded hereunder.
- 1.7 To the extent that written form is prescribed by these GTCRep text form and application of the rule of interpretation of Section 127 (2) *BGB* shall be excluded.

## 2. Information on and properties of the Services. Guarantee

- 2.1 PRS shall give information and render Services exclusively on the basis of past experience and information provided by the Customer. Any and all information on the Services of PRS, including but not limited to the illustrations, drawings, content and performance specifications and any other information contained in PRS 's offers or printed materials, shall be considered approximate average values.
- 2.2 Proof of the contents of an agreement on the specific quality of the Services shall require a written statement by PRS. The same shall apply to the issuing of a guarantee by PRS that refers to the quality or useful life of the Services.
- 2.3 Documents that belong to the offer, such as drawings, illustrations, technical data, references to standards or information in means of advertising, must not contain specific quality information, assurances of properties or guarantees unless such information is described as such expressly and in writing.
- 2.4 PRS expressly reserves any and all rights of ownership and copyrights in catalogues, technical documentation (e.g. drawings, plans, weight and measurement information, computations, calculations), tools, forms and other product descriptions or documents, including in electronic form. The Customer undertakes not to disclose to third parties the documents stated in the foregoing sentence, unless PRS expressly so agrees in writing.

## 3. Conclusion of contracts

- 3.1 Communications from PRS to the Customer referred to as an "offer" shall be subject to change and non-binding. They constitute requests for the Customer to place purchase orders or directions.
- 3.2 Ordering of Services by the Customer constitute a binding offer to contract. Unless otherwise stated in the purchase order, PRS may accept the offer to contract within 2 weeks of the date it was made.
- 3.3 A contract is only concluded upon PRS 's acceptance of the Customer's

purchase order or order, even if it is part of the regular business. Acceptance may be declared either in text form (e.g. through order confirmation) or by providing the Service. Acceptance may be declared either in text form (e.g. through order confirmation) or by providing the Service. The order confirmation of PRS shall exclusively be decisive for the content of the contract.

3.4 If the Repair Object is not supplied by PRS, the Customer shall point out any existing intellectual property rights with regard to the Repair Object; the Customer shall indemnify PRS against claims of third parties arising from intellectual property rights, unless the PRS is at fault.

## 4. Services. Costs

- 4.1 The order must be executed with due care taking into account the Services specified in the order confirmation by PRS. If the scope of the Services specified in the order confirmation by PRS is to be extended or modified at the Customer's request, this shall require a separate written supplementary agreement.
- 4.2 PRS shall provide the Customer with the estimated costs for its Services in its offer pursuant to Clause 3.1 or in a supplementary non-binding offer ("indicative price offer").
- 4.3 A binding fixed price shall be expressly requested by the Customer in writing. It is only binding if offered by PRS in written form and if described as a "fixed price". Within three months of receipt of the fixed-price offer the Customer may order the requested Services of PRS at the stated fixed price.
- 4.4 Services provided by PRS for the Customer in the course of preparing a Cost Estimate as defined in Clauses 4.2 4.3 may be charged to the Customer if no order is placed after preparation of the Cost Estimate or if the Services rendered for submission of the Cost Estimate cannot be used for providing the ordered Services. Clause 7.1 remains unaffected.
- 4.5 PRS reserves the right to carry out additional work not stated in the order confirmation, especially if the work is necessary for regaining full usability of the Repair Object, for its repair or modernisation. In this case or in the case of other considerable problems due to which the Services can only be rendered by significantly exceeding the Cost Estimate as defined in Clauses 4.2 4.3 the stated costs may be exceeded to a reasonable extent. If PRS expects that the Cost Estimate will be exceeded, it shall immediately notify the Customer thereof. The Customer's approval must be obtained if the costs stated in the Cost Estimate are likely to be exceeded by more than 15%.
- 4.6 The costs stated in the Cost Estimate may also be exceeded if the Customer orders additional Services, works or changes after conclusion of the contract.

## 5. Services at the registered office of PRS

- 5.1 The Customer shall make the Repair Object available at the registered office of PRS (Munich, Freilassing or Opladen) to the incoming department named or a different place specified by PRS at its own risk and cost (in particular that for packaging, safety and securing, transport, insurance, etc.).
- 5.2 All third-party products, accessory parts, add-on products, programmes, data and storage media that are not part of the Repair Object must be removed before delivery to PRS; PRS shall not be liable for objects that have not been removed by the Customer or have been damaged before receipt by PRS. Likewise, the Customer shall properly prepare the Repair Object for transport (cleaned, etc.) and pack it in a commercially customary manner.
- 5.3 The Customer shall remove all dangerous, toxic and/or hazardous substances with which the Repair Object has come into contact without residues.
- 5.4 While the Repair Object is in the works of PRS the Customer shall by itself and under its own responsibility ensure that an existing insurance cover for the Repair Object is maintained (e.g. regarding fire, tap water, storm, machine breakage). Insurance cover for these risks may only be taken out at the Customer's express request and at its own costs.
- 5.5 If the Customer delays acceptance, PRS may charge storage fees for storage in its works. The Repair Object may also be stored elsewhere at PRS's discretion. The costs and risk of storage are incumbent on the Customer.

## 6. Services in the works of the Customer

6.1 For Services provided in the works of the Customer the Customer shall support the staff of PRS at its own cost in providing the Services.

- PRS shall designate the Customer a person in charge on the site as the 6.2 exclusive contact person.
- The Customer shall take the measures necessary to protect persons and 6.3 objects. It shall inform the responsible person of PRS about existing safety regulations to the extent that they are relevant to PRS's staff.
- The Customer shall provide technical support at its own cost, including but 6.4 not limited to:
  - provision of the required number of suitable auxiliary staff for the a) period of time required: the auxiliary staff shall follow the instructions given by the responsible person. PRS shall not be responsible for the auxiliary staff. However, if the auxiliary staff cause defects or damage due to instructions given by the responsible person, Clauses 13 and 14 shall apply accordingly;
  - b) provision of the necessary devices, heavy tools and necessary utensils and consumables;
  - provision of heating, lighting, electricity, power, operating power, c) water, including the necessary connections; provision of the required dry and lockable rooms for storage of the
  - d) tools of PRS:
  - protection of the workplace and working materials against harmful e) influences of any kind and cleaning of the workplace;
  - f) provision of suitable theft-proof staff rooms and workspaces (inclusive of heating, lighting, washing facilities, sanitary facilities) and first aid for the staff; and
  - provision of the materials and taking of all other actions necessary for g) adjusting the Repair Object and conducting a test as contractually agreed and required for acceptance.
- The technical support provided by the Customer must ensure that 6.5 provision of the agreed Services can commence without undue delay upon arrival of the staff of PRS and can be carried out without delay until acceptance.
- 6.6 If the Customer does not fulfil its duties, PRS is entitled but not obliged, after having set a period, to take the actions to be taken by the Customer in its place and at the latter's costs and risks. In any other respect, the statutory rights and claims of PRS shall remain unaffected.

#### Services that cannot be provided 7.

- 7.1 The Services provided for submission of a Cost Estimate and any other expenses incurred (time spent on finding defects equals working time) shall be invoiced to the Customer if the agreed Services or parts thereof cannot be provided for reasons for which PRS is not responsible, in particular if a notified defect did not occur during inspection, no spare parts can be obtained or if the Customer culpably missed the agreed date.
- The Repair Object shall only be restored to its original condition upon the 72 Customer's express request against reimbursement of the costs.
- For Services that cannot be provided PRS shall not be liable for damage 7.3 to the Repair Object, irrespective of the legal ground on which the Customer relies.

#### Performance periods. Delays 8.

- Information on performance periods is based on estimates and shall 8.1 therefore not be binding.
- Performance periods shall only be binding if PRS has expressly confirmed 8.2 the same as binding in writing in the order confirmation. Performance periods stated in the order confirmation commence upon PRS's unimpeded access to the Repair Object and fulfilment of any and all cooperation duties of the Customer that are necessary for starting the work
- The occurrence of a delay in performance is determined in accordance 8.3 with the statutory provisions. In any case a warning notice from the Customer shall be required.
- 8.4 Observance of performance periods shall require resolution of all technical issues and timely receipt of any and all documents and information, required permits and approvals to be delivered by the Customer and exact definition of the scope of the works and fulfilment of all other obligations and cooperation duties of the Customer. Another requirement is the Customer's observance of the agreed payment terms. lf the aforementioned requirements have not been fulfilled or if any other delay occurs for which the Customer is responsible, the performance periods shall be extended appropriately. This shall not apply where PRS is responsible for the delay.
- The performance period is deemed observed if the Customer has received 8.5 notice of readiness for acceptance at the agreed time or within the agreed performance period. The performance period is deemed observed also if

minor reworks are still necessary that have no significant impact on the usability of the Repair Object.

- In the case of addenda agreed after the conclusion of the contract or if 8.6 additional works are required, the agreed performance period is extended accordingly.
- If the Customer causes a delay in performance of the Services, PRS may 8.7 claim damages and any extra expenses incurred. Any additional claims or rights shall be reserved.
- Should PRS be in default, the Customer may request liquidated damages 8.8 based on late performance. For each full calendar week the liquidated damages shall amount to 0.25% of the net price of the part of the Services that the Customer cannot use in time due to the delay, but not more than 3% in total. PRS shall be permitted to prove that no damage or only a significantly smaller damage than the aforementioned lump sum has been incurred by the Customer.
- The Customer's rights as defined in Clause 14 and the statutory rights of 8.9 PRS, in particular if the obligation to perform is excluded (e.g. due to impossibility or unreasonableness of performance and/or subsequent performance), shall remain unaffected.
- In the case of late payment by the Customer PRS is entitled to withhold 8.10 Services

#### Termination right. Reservation of self-supply. Force majeure 9.

- 9.1 If PRS is unable to meet binding performance periods for reasons for which it is not responsible, it shall inform the Customer without undue delay at its earliest convenience and at the same time notify the Customer of the expected new performance period. If the service is also not available within the new performance period, PRS is entitled to terminate the contract in whole or in part. If PRS terminates the contract, it is entitled to demand payment for the part of the Services provided up to the time of termination.
- 9.2 PRS shall, in particular, be entitled to terminate the contract if despite an appropriate transaction concluded for the required spare parts and/or accessory parts or services from subcontractors it is not supplied by its suppliers/subcontractors correctly and on time for reasons for which it is not responsible.
- In the case of force majeure the regulations defined in Clause 9.1 shall 9.3 apply accordingly. Force majeure means war or military conflicts, riot, pandemics or epidemics, natural disasters, terror, labour disputes, strikes, lock-outs, attacks on IT infrastructure, official orders or measures, unavoidable shortage of energy or raw materials, shortages in transport through no fault of the party, unforeseeable disruptions of operations, for example due to damage caused by fire, water or machine breakage and all other impediments which from an objective point of view have not been culpably caused by PRS.
- If a performance period is fixed and exceeded due to events defined in 9.4 Clauses 9.1 to 9.3, the Customer shall be entitled to terminate the contract based on the part of the Services that has not been provided upon expiry of a reasonable grace period if continuation of the contract is objectively unreasonable for it. Further claims of the Customer, including but not limited to claims for damages, shall be excluded in this case.
- Clause 9 shall apply even if the described circumstances arise after PRS 9.5 has already been in default.

#### Prices. Terms of payment. Defence of uncertainty 10.

- All prices are generally stated in EUR (exclusive of transport, insurance 10 1 and other incidental costs) ex works plus the VAT to be borne by the Customer at the statutory rate applicable from time to time. PRS may adjust the agreed price to the payroll cost and raw material prices even without special agreement if it concerns Services that are delivered or provided either more than four months after conclusion of the contract or in the context of continuous obligations.
- In the case of transportation of the Repair Object to the works of PRS 10.2 (Munich, Freilassing or Opladen) or any other agreed place or in the case of return transport to the Customer by PRS the Customer shall bear the transport costs and the costs for transport insurance if such insurance is requested by the Customer. Any custom duties, fees, taxes or other public charges shall be borne by the Customer.
- 10.3 Unless the parties have agreed otherwise, the price shall be paid immediately upon acceptance. Any cash discount requires a written agreement with the Customer. Timeliness of payment depends on the time of receipt of the money in the account of PRS. An agreed cash discount is calculated based on the net claim of PRS and shall only be

permissible if all other liabilities under the Customer's business relationship with PRS older than 30 days have been fulfilled.

- 10.4 PRS may request a down payment of 50% of the price. The down payment is due and payable within 10 days of invoicing. Section 632a BGB is not affected thereby; the down payment shall be credited towards any partial payments due.
- 10.5 The Customer is in default of payment, even without a reminder, if it does not make payment within 30 days of the due date and receipt of the invoice. For the time of the default interest on arrears is added to the price at the then applicable statutory interest rate. PRS reserves the right to claim additional damages due to default in payment. PRS's claim to interest from the due date (Section 353 of the German Commercial Code (HGB)) remains unaffected.
- 10.6 The Customer shall be entitled to rights to set off or withhold payments only insofar as its claim has been ascertained in a non-appealable manner or is undisputed or to the extent it exists under the same contractual relationship with PRS as a counterclaim to its claim.
- If after conclusion of the contract it becomes apparent that PRS's claim for 10.7 consideration is at risk for lack of the Customer's ability to perform (e.g. due to a petition for opening of insolvency proceedings), PRS shall in accordance with the statutory provisions be entitled to refuse performance and, if necessary, upon expiry of a period set, to rescind the contract (Section 321 *BGB*). The statutory regulations on situations where setting a grace period is not necessary shall remain unaffected.

## Title. Right to withhold. Lien

- 11.1 Until full payment of all current and future claims of PRS under the contract for work or services and an ongoing business relationship PRS reserves title to any spare parts and accessory parts installed or supplied by it ("Conditional Goods").
- 11.2 Any claims of the Customer towards its insurance company in connection with a loss concerning Conditional Goods shall hereby be assigned to PRS in the amount of the value of the Conditional Goods already now.
- 11.3 If the Customer acts in violation of the contract, in particular by failing to pay the price due, PRS may rescind the contract in accordance with the statutory provisions and/or to ask that the Conditional Goods be surrendered due to the retention of its title. The request for surrender shall not include a notice of rescission at the same time; PRS shall rather be entitled to ask that the Conditional Goods be surrendered and reserve the right to rescission. If the Customer fails to pay the price due, PRS may only claim such rights if it has first granted the Customer a reasonable grace period for payment or such period is not necessary pursuant to the statutory provisions.
- PRS holds a statutory lien over the Repair Object. If PRS exercises its right 11.4 to sell liens, it shall notify the Customer of the intended realisation of liens and inform it thereof in time, provided that this is feasible and appropriate under the circumstances.
- 11.5 Liens may also be exercised with respect to claims from works that were carried out earlier, delivery of spare parts or other Services of PRS.
- Unless the Customer is the owner of the Repair Object, it hereby assigns 11.6 its claim to transfer of title (vested right) to PRS to secure the claim to payment.

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- Acceptance. Passing of risk. Delay in acceptance Unless agreed otherwise Services shall be accepted in the works at the 121 registered office of PRS (Munich, Freilassing or Opladen), which shall also be the place of performance.
- 12.2 At the Customer's request the Repair Object is sent to a place of destination other than the place of performance, subject to approval from PRS. Unless agreed otherwise, PRS itself may define the mode of shipping (including but not limited to the transport company, shipping

route, packaging). In the case of agreed shipping PRS shall insure the shipment against theft, breakage, transport damage and damage caused by fire or water or other insurable risks only upon the Customer's express request.

The time of acceptance of the Repair Object determines the passing of the 12.3 risk of accidental loss or accidental deterioration of the same. However, in the case the Repair Object is shipped the risk of accidental loss or accidental deterioration of the products and the risk of delay shall pass as early as upon delivery of the products to the forwarding agent, carrier or

any other person or institution instructed to effect shipping.

- 124 The Customer shall accept the Services as soon as it has been notified of their completion. Where the Customer is late in taking delivery of the products this is deemed equal to acceptance.
- Services are also deemed accepted if after completion of the Services 12.5 PRS has granted the Customer a 14-day period for acceptance and the Customer did not refuse acceptance in writing within such period stating at least one material defect that materially adversely affects operability of the Repair Object.
- 12.6 The Services shall also be deemed accepted if the Customer takes delivery of the Repair Object, uses it or puts it into operation and has not previously reserved the right to claim a material defect in writing.
- 12.7 Should the Customer accept the Services of PRS despite being aware of a defect, it shall only be entitled to the rights defined in Clause 13 if it reserves its rights due to the defect during the acceptance procedure.
- The Customer shall not be entitled to claims based on a defect if it declares 12.8 acceptance although it could have recognized the defect in the course of inspection at the time of acceptance to the extent that this is feasible in the ordinary course of business, unless the defect was known to PRS at the time of acceptance.
- 12.9 The costs of acceptance shall be borne by the Customer.
- 12.10 If acceptance or shipping is delayed for reasons for which the Customer is responsible, PRS may, at its option, demand immediate payment of the price or rescind the contract or to reject fulfilment and claim damages in lieu of the entire Service after having granted a grace period of 14 days.
- 12.11 If the Customer is in default of acceptance, does not duly cooperate or collect the Repair Object or if the Services of PRS are delayed for other reasons for which the Customer is responsible, PRS shall be entitled to claim resulting damages and any extra expenses (e.g. storage costs). In this connection liquidated damages in the amount of 0.25% of the agreed net invoice amount per started calendar week from the performance period or - if no performance period has been agreed - from notification of completion of the Services will be charged. PRS's right to prove additional damage and to make further claims (including but not limited to the compensation for extra expenses, reasonable compensation, termination) remain unaffected; however, the lump sum shall be credited towards further monetary claims. The Customer is permitted to prove that no damage or only significantly less damage than the aforementioned lump sum has occurred.

#### Customer's claims based on defects 13.

- The Customer's rights in the case of defects in quality or title shall be 13.1 subject to the applicable statutory provisions unless provided otherwise below.
- 13.2 PRS's liability for defects shall be based on the agreement made on the quality of the work. Agreements on the quality of the work mean the performance specifications referred to as such which have been made available to the Customer before placing the order or which were included in the contract in the same way as these Terms and Conditions of Repair. There shall be no defect if the subject-matter of the complaint is irrelevant to the Customer's interests.
- A specific application or use by the Customer is only the subject of a quality 13.3 agreement if PRS so expressly agrees in writing
- 13.4 There shall be no claims in connection with defects if the Customer is solely or highly predominantly responsible for the defect, in particular due to a failure to cooperate.
- In the case that the Repair Object is a used one it cannot be excluded that 13.5 defects may arise even after completion of the Services by PRS that are attributable to the quality of the Repair Object at the time the risk passes,

unless the detection or repair of those defects is included in the Services of PRS. No warranty claims exist for such defects.

Unless otherwise agreed, used parts or accessory parts of PRS that are 13.6 delivered with the Repair Object shall be sold in the condition and quality they have at the time of delivery to the Customer. Typical damage based on the goods' age and their previous wear and use in particular are pertain to the quality of the used goods in accordance with the contract. Replacement parts shall also be deemed used goods. This refers to used spare parts processed or regenerated by the manufacturer or PRS yet have a reduced remaining useful life. Any claims of the Customer arising

from defects regarding used goods are excluded.

- 13.7 The Customer shall notify PRS of any complaints or defects in writing without undue delay upon detection.
- 13.8 Parts or accessory parts delivered with the Repair Object shall be subject to the statutory obligations of inspection and notification of defects (Sections 377 and 381 *HGB*). The delivered products shall be carefully inspected immediately after delivery to the Customer or the third-party named by the Customer. The Customer shall send a notification of defect in text form without undue delay, however no later than two business days after a defect became apparent or should have become apparent after inspection. Defects that cannot be recognized in the course of an inspection shall also be notified within the period from detection defined above.
- 13.9 If the work is defective, PRS may choose whether to provide subsequent performance by repairing the defect (improvement) or by producing a new work. PRS's right to refuse the chosen manner of subsequent performance subject to the statutory requirements remains unaffected.
- 13.10 PRS shall be entitled to make the subsequent performance owed subject to the Customer's payment of the price due. However, the Customer may withhold a reasonable part of the payment proportional to the defect.
- 13.11 The Customer shall grant PRS the time and opportunity necessary for the subsequent performance owed. If the Repair Object is no longer at the place of performance, the Customer shall at its own risk make available the Repair Object at the place designated by PRS in Clause 13.15 at its request. Clause 10.2 applies accordingly.
- 13.12 The expenses required for inspection and subsequent performance, including but not limited to costs for transport, travel, labour and material, shall be borne by PRS, provided that a defect actually exists. If a Customer's request for repair of defects turns out to be unjustified, PRS may request the Customer to refund the expenses incurred.
- 13.13 If subsequent performance has failed, or after unsuccessful expiry of a period for subsequent performance to be granted by the Customer, or if such period is not necessary according to the statutory provisions, the Customer shall have a statutory right of reduction under the statutory provisions. The Customer may only rescind the contract if the service rendered by PRS is provably of no interest to the Customer despite such reduction.
- 13.14 The Customer's claims for damages and/or claims for refund of wasted expenses shall only be valid in accordance with Clause 14 and shall otherwise be excluded.
- 13.15 If the parties have entered into a contract for work or services, the Customer shall be entitled to terminate the contract until completion of the work. If the Customer terminates the contract, PRS shall be entitled to request the agreed price; however, it shall be charged with the amount of costs which PRS saves as a consequence of termination of the contract or earns through other use of its manpower or maliciously fails to earn. For Services not provided due to the termination a lump sum of 70% of the price attributable to the part that is not provided must be deducted for expenses saved and/or different use of the manpower.
- 13.16 The place of subsequent performance shall be the works in Munich, Freilassing or Opladen or at another place determined by PRS. PRS can define a place of performance appropriate for the technical requirements.

## 14. Other liability

- 14.1 Unless provided otherwise in these Terms and Conditions of Repair including the following provisions, PRS shall be liable for breach of contractual or non-contractual duties in accordance with the applicable statutory regulations.
- 14.2 PRS shall be liable for damages, irrespective of their legal bases, in the case of intent or gross negligence. In the case of ordinary negligence PRS shall be liable
  - a) for damage based on injury to life, limb or health;
  - b) for damage based on breach of a material contractual duty (i.e. a duty the proper fulfilment of which enables proper performance of the contract in the first place and on the compliance with which the contracting party usually relies and may rely); in that case, however, PRS's liability shall be limited to compensation of foreseeable damage that may typically occur.

c) for damage based on breach of a material contractual duty in the case of a used Repair Object; in this case, however, the liability of PRS shall be limited to compensation of foreseeable damage that may typically occur; liability for damage for loss of profit and loss of production are excluded.

Any other claims for damages are excluded.

- 14.3 Liability for malicious concealment of defects, issuing of a guarantee or accepting a procurement risk as defined in the German Product Liability Act [*Produkthaftungsgesetz*] and other mandatory statutory provisions remain unaffected.
- 14.4 The above exclusions and limitations of liability equally apply to executive and non-executive employees, other agents [*Erfüllungsgehilfen* as defined in Section 278 *BGB*] and subcontractors of PRS.
- 14.5 The above rules do not imply a reversal in the burden of proof.
- 14.6 The Customer shall inform PRS of the risk of severe damage (including but not limited to loss of profit or loss of production above the contract value) due to a default or defect before conclusion of the contract.

## 15. Limitation periods

- 15.1 In derogation from Section 634a (1) No. 1 BGB the general limitation period for claims based on defects in quality or title shall be one year from acceptance. In any other respect, the limitation periods for works as defined in Section 634a BGB shall apply.
- 15.2 The above limitation periods also apply to contractual and non-contractual claims for damages of the Customer that are based on a defect in the work, unless application of the regular statutory limitation (Sections 195 and 199 *BGB*) were to result in a shorter period of limitation in a specific case. However, claims for damages of the Customer as defined in Clause 14.2 or in the German Product Liability Act [*Produkthaftungsgesetz*] shall become time-barred exclusively after the statutory limitation periods.

## 16. Replacement by the Customer

If in the course of the services provided outside the works of PRS any devices, tools or other aids provided by PRS are damaged or lost on the premises of the Customer through no fault of PRS, the Customer shall be obliged to replace such damage.

## 17. Final provisions

- 17.1 Any legal relationships between PRS and the Supplier is governed exclusively by the laws of the Federal Republic of Germany; the provisions of UN Sales Convention (CISG) are excluded. Prerequisites for and effects of the retention of title defined in Clause 11 shall however be subject to the law of the place where the object is located, provided that according to that law the choice of German law is inadmissible or ineffective.
- 17.2 If, at the time when proceedings are instituted, the Customer has its registered office in the European Union, Switzerland, Norway or Iceland, the registered office of PRS shall be the exclusive (including international) place of jurisdiction for any disputes directly or indirectly arising out of the contractual relationship. However, PRS shall also be entitled to sue the Customer at the Customer's general place of jurisdiction or at any special place of jurisdiction.
- 17.3 If Clause 17.2 is not applicable, any disputes arising in connection with the relevant contract for Services by PRS or regarding its validity shall be finally settled in accordance with the Arbitration Rules of the German Institution of Arbitration [Deutsche Institution für Schiedsgerichtsbarkeit e.V. (DIS)]; recourse to the courts of law shall be excluded. The place of arbitration shall be Munich. The language of the arbitration proceedings shall be German.
- 17.4 Any modifications of and amendments to these GTCRep and/or ancillary agreements must be made in writing. This shall also apply to a waiver of this writing requirement.
- 17.5 PRS employees are not authorized to amend or deviate from the contents of the contract. This does not apply to organs or *Prokuristen* [authorised officers pursuant to Sec. 49 *HGB*] of PRS or to persons authorised by the same to do so.

If any of the above provisions is or becomes ineffective, the validity of the remaining provisions shall not be affected. The parties shall replace the ineffective provision by a provision that comes as close as possible to the economic success previously pursued.