

General Terms of Business

§ 1 Validity of the terms

1.1 All goods, services and quotations from Zippel GmbH (hereinafter certain services shall be supplied exclusively on the basis of these terms of business

1.2 Contrary terms of business issued by the customer which we do not expressly acknowledge (or confirm) in writing shall be non-binding for us and shall not become part of the contract even if we do not expressly reject them. These terms of business shall apply even if we supply goods without reservation despite the fact that we are aware of contrary or different terms of business issued by the customer.

1.3 These general terms of delivery and service provision shall be an integral part of all contracts which Zippel concludes with its contract partners (customers) for the goods or services it provides (apart from certain services). They shall also apply to all future supplies of goods, services or quotations to the customer. In the event that changes are made to these general terms of business, the customer shall be notified of the new version by suitable means. Contracts concluded after such notification shall be based exclusively on the amended terms.

1.4 These terms shall only apply to companies in the sense of § 14 of the German Civil Code if the contract is part of the company's ongoing business and to legal entities under public law in the sense of § 310 Para. 1 of the German Civil Code.

§ 2 Quotation and contract conclusion

2.1 Quotations from Zippel are subject to change and non-binding. Quotations shall be tailored to the customer and produced with the customer's cooperation. Acceptance declarations and all purchase orders require written or fax confirmation from Zippel in order to become legally valid. The same shall apply to the contract itself as well as all supplements, amendments or side agreements. The requirement for written form may only be waived in writing.

2.2 We reserve the right to make changes due to technical progress or legislative requirements as well as changes to the design, colour and/or weight of goods within the realms of reason, even after the order has been confirmed.

2.2.1 All information such as dimensions, weights, performance data, illustrations, descriptions, sketches and drawings or the like in quotations, catalogues, brochures or other printed matter or electronic media and on the Zippel website are only approximations, are nevertheless provided in the best possible form but are not binding for us. The same applies to manufacturers' and performance data for our outsourced parts and components. Drawings, illustrations, dimensions, weights or other performance data shall only be binding if this has been expressly agreed in writing.

2.2.2 Zippel reserves all proprietary and immaterial rights (intellectual property rights) without restriction to all samples, drawings, illustrations, photographs or information of a physical or non-physical nature, in other words also in electronic form. These must not be copied or disclosed to third parties without the express written consent of Zippel.

3.3 Orders based on drawings, sketches or other information supplied to us shall be produced at the risk of the customer from a patent and brand infringement point of view. If the completion of these purchase orders results in infringements of intellectual property rights owned by third parties, the customer shall be responsible for any damages incurred by us as a result.

3.3 The quotation from Zippel and the order confirmation from Zippel shall take precedence in describing the scope of the goods and/or service.

§ 3 Prices and payment

3.1 The prices are net prices. Value-added tax shall be added to the total at the statutory rate.

3.2 Unless agreed to the contrary, the prices shall be understood to be on an ex-works basis from Zippel including loading at the plant but excluding packing, freight, postage, insurance and unloading. Packing shall be charged separately.

3.2.1 Charges related to exporting the goods, such as customs duties and taxes are not included in the prices unless agreed to the contrary. The customer must obtain the permits and/or the export and import documents required for its use of the products at its own expense.

3.2.2 Costs for loading and transporting models and tools owned by the customer as well as all goods shall be at the expense and risk of the customer, however, unless agreed to the contrary.

3.3 The prices shall be based on the cost situation at the time when the order is placed. If a delivery is made more than four months after the order confirmation as a result of a lead time requested by the customer or as a result of events which are beyond the control of Zippel, any increases in costs incurred by Zippel in the intervening period for material prices, prices for auxiliary materials and raw materials such as electricity, prices of individual components sourced from third parties, salaries, wages, social expenses, taxes and charges, freight or insurance premiums may be passed on to the customer.

3.4 Preparations which are primarily in the interest of the customer and also beneficial for the customer depending on a subsequent contract being concluded must also be paid by the customer within reason.

3.5 Unless otherwise agreed, all payments are to be made as follows:

- 30% deposit after the receipt of the order confirmation
- 65% after notification that the goods are ready for delivery
- 5% after the final acceptance procedure but at the latest 30 days after commissioning.

3.5.1 All payments are to be made in euros to the accounts specified on the invoice.

3.5.2 Unless agreed to the contrary, invoices shall be issued as described in point 5.

3.5.3 Payments shall be due within 14 days of the date of the invoice unless otherwise agreed. No discounts shall be granted. Zippel shall commence charging interest at a rate of 8 percentage points above the relevant interest rate of the European Central Bank 30 days after the due date of the invoice.

3.6 The customer shall only be entitled to set off payments if its counter claims are undisputed or have been established by a court of law. The same shall apply to the exercising of a right of retention whereby this must also be based on the same contract.

3.7 Zippel may refuse to supply any further goods or services in the event of the customer being in default. Any contractually agreed contract penalties or compensation claims shall be excluded in this case.

3.8 If Zippel becomes aware of circumstances which question the creditworthiness of the customer, in particular if a cheque is not redeemed or if the customer declares insolvency, or if Zippel becomes aware of other circumstances which question the creditworthiness of the customer, Zippel shall be entitled to demand payments in advance or other forms of security.

§ 4 Production

4.1 The goods shall be produced in permanent contact with and with the collaboration of the customer. Any major modifications or new wishes during the production phase shall require a new written purchase order unless an agreement to the contrary is made.

4.2 If an action by or the support of the customer is required for the production of the goods, the customer shall be obliged to maintain constant contact and collaborate with Zippel.

4.2.1 If the provision of samples is required for the design of the system, the customer must supply them to Zippel at its own expense when requested to do so by Zippel. If specific chemicals are necessary for pre acceptance, the customer must also supply them to Zippel at its own expense.

4.2.2 After the design has been completed, the customer shall be supplied with a layout of the system by Zippel for its approval. Unless otherwise agreed, the customer shall be obliged to approve the submitted layout within seven days of receipt or to notify us of any modifications it requires. If we do not receive a response within the period set out above, we shall assume that the customer agreed to the system layout and that the system can therefore be produced on the basis of the layout supplied to the customer.

4.2.3 After the elapse of the period described in point 2.2 or after the layout has been approved or after the initial acceptance procedure, change requests to the design shall generally only be completed after the receipt of a written purchase order.

4.3. Changes shall be charged either on the basis of a quotation or on the basis of costs incurred using our current charging rates.

§ 5 Lead time and service completion time

5.1 The place of fulfilment shall be Neutraubling.

5.2 Lead times shall be determined on the basis of contractual agreements.

5.3 Zippel shall only be obliged to meet the lead time if the customer has fulfilled its contractual duties promptly. These duties in particular include all the documents to be supplied by the customer, any permits, approvals and other customer-supplied items (samples, washing products, etc.) which may be required, the fulfilment of any preparation duties, the satisfaction of the agreed terms of payment and all the other requirements, for example of a technical nature, which are needed for completing the order. If these duties are not carried out promptly, a reasonable deadline extension shall come into force.

5.4 The lead time shall be deemed to have been met if the goods are ready for the acceptance procedure at Zippel's plant or, if an acceptance procedure at the plant has not been agreed, notification that the goods are ready for shipment has been made or the goods have been handed over to the forwarder or have left the plant by the end of the period concerned. If the delivery of the goods is delayed for reasons which are the responsibility of the customer, the lead time shall be deemed to have been met if the notification that the goods are ready for shipment is made within the agreed deadline.

5.5 Retrospective requests on the part of the customer for change or redesign work shall extend the lead time by a reasonable period. The same shall apply to measures relating to industrial conflicts, in particular strikes and lock-outs or other business difficulties, in the event of mobilization, war, civil unrest, the scrapping of an important work piece, delays in the supply of important raw materials and parts and also in the event of other unforeseeable events if these problems result in or are part of the reason for a failure to meet the deadline. Zippel cannot be held responsible for the above circumstances even if they occur when the company is already in default with the delivery of the goods.

5.6 If Zippel is in default with the goods, the contract partner may demand default compensation in the amount of 0.5% for every complete week of the delay subject to a maximum of 5% of the contract value if it can provide credible evidence that it has actually suffered damages which have been caused by a failure to supply the goods on schedule.

5.6.1 Compensation claims (or claims for damages) on the part of the contract partner which go beyond the limits described above shall be excluded in all cases of late delivery.

5.6.2 If the shipment of the goods is the responsibility of the customer, the shipment must be made within seven days of notification being made that the goods are ready for shipment.

5.7 If the shipment or the delivery is delayed at the request of the customer, the customer may also be charged a storage fee in the amount of 0.5% of the contract value for every week or part week starting one month after notification is made that the goods are ready for shipment. The storage fee shall be limited to a maximum of 5% unless Zippel can provide evidence that it has incurred higher costs. Regardless of this, the customer shall be obliged to make immediate payment for the goods. If the shipment is delayed for more than three months, the warranty shall automatically start on the first day of the fourth month regardless of any contractual provisions to the contrary and without any explicit notification to the customer being required.

§ 6 Transfer of risk

The risk shall be transferred to the customer, even if freight-free delivery has been agreed, as soon as the goods have been handed over to the person responsible for actually transporting them or they have left the Zippel warehouse for the purpose of being shipped. Shipment shall be carried out at the expense and risk of the customer. If the goods are impossible to ship through no fault of Zippel, the risk shall be transferred to the customer when notification is made that the goods are ready for shipment. Zippel is prepared to conclude insurance policies on behalf of the customer at the latter's request and expense.

§ 7 Reservation of title

7.1 Zippel shall reserve title to the goods until all payments have been received and all the other claims against the customer arising from the order have been fulfilled (conditional sale). Any machining or processing of the goods and their connection with other goods by the customer or third parties shall be carried out on behalf of Zippel. We shall accrue co-title to the newly created goods in proportion to the value of the goods supplied by us.

7.2 The customer undertakes to handle the goods with care. If any servicing and inspection work is required, the customer must carry out such work on a regular basis at its own expense.

7.3 The customer shall be obliged to insure the goods at its own expense against insurable damage. The customer shall assign any insurance payments up to the amount of the order price by way of security to Zippel when the order is placed. It undertakes to notify the insurer of this and to inform Zippel of the outcome. The re-assignment shall be deemed to have taken place tacitly once full payment has been made and all other claims from the order have been fulfilled.

7.4 The customer must not pledge the goods nor transfer title to them by way of security. The customer must notify Zippel without delay of any seizures, confiscations or other risks to the title of the goods on the part of third parties and must also provide copies of the relevant documents (for example a seizure report). The costs of any intervention by Zippel shall be charged to the customer.

7.5 In the event that the customer sells the goods before making full payment of the agreed price, it shall assign its claims from the resale up to the amount of the order price plus 10% cash payment by way of security to Zippel when it places the order. In this respect it is of no consequence whether the customer sells the goods to one or more purchasers together with other items which do not belong to Zippel, without or after processing. Zippel shall not collect claims of this nature as long as the customer fulfils its payment and other duties properly. At the request of Zippel the customer must provide the name of the debtors for the assigned claims, notify the debtors at its own expense about the assignment and keep the proceeds from the sale separate from its other assets on behalf of Zippel.

7.6 If the value of the securities held for Zippel exceeds Zippel's claims in total by more than 15%, Zippel shall be prepared at the request of the customer either to release or to return any securities over and above this value at its discretion.

7.7 The customer shall be obliged to assist in any measures which Zippel intends to take in order to protect its title or similar security rights to the goods. A temporary injunction or similar court measures may be taken out against the customer for this purpose and to satisfy the duties set out in § 7.

§ 8 Installation / Duties of assistance on the part of the customer

8.1 If it has been agreed that the installation work will be carried out by Zippel, the customer must ensure that the equipment and devices required for the installation work (in particular media connections) are available and satisfy the specifications provided by Zippel. The customer must also provide adequate quantities of all the sample parts for the adjustment and/or commissioning and/or acceptance procedure for the goods promptly. The fact that installation is not possible because the equipment and devices to be provided by the customer and sample parts are not available or are not available in adequate quantities shall be at the expense and risk of the customer and shall not be within the responsibilities of Zippel.

8.2 The customer shall ensure at its own expense and risk that

8.2.1 the Zippel fitters can start the work immediately upon their arrival at the site of the installation and that they are able to carry out their work both during normal working hours and also outside normal working hours if Zippel regards it as necessary to move the start or end of working hours to outside normal working hours and Zippel has notified the customer of this with reasonable notice;

8.2.2 the access routes to the installation site are suitable for transporting the goods;

8.2.3 the site provided is suitable for the storage and installation of the goods;

8.2.4 the locked rooms required to store the materials, equipment and other goods are available;

8.2.5 the customary, required laborers, tools, equipment and consumables (for example media, oil, grease, cleaning products and other small item materials, gas, water and electricity, steam, heating and compressed air, lighting, etc. included) are available promptly and free of charge on the site for Zippel;

8.2.6 all the necessary security and other precautionary measures have been taken and are observed;

8.2.7 the supplied goods are available on the site at the start and throughout the installation period;

8.2.8 protective clothing and protective equipment which are required at the installation site as a result of special circumstances and are not normal in the industry must be provided free of charge for Zippel.

8.3 In the event of time lost by delays as a result of a failure to meet the conditions set out in sections 1 and 2 of this paragraph, this shall result in an extension of the lead time commensurate with the circumstances.

8.4 All costs incurred as a result of a failure to comply with the conditions of this paragraph or a failure to do so promptly shall be charged to the customer. If the commissioning or acceptance procedure is delayed due to circumstances which (in particular on the site) are not within the sphere of responsibility of Zippel but are instead the responsibility of the customer, the customer must pay, within reason, the costs of the delay and any additional trips which the installation personnel are required to make.

§ 9 Acceptance procedure

9.1 Before the system is shipped, an advance acceptance procedure will generally be held at Zippel's plant. Zippel shall notify the customer promptly of its intention to carry out the acceptance procedure so that the latter can take part in it. The advance acceptance procedure must be carried out in the presence of at least one authorized person representing the customer. Any waiver of the advance acceptance procedure must be regarded as a declaration of agreement for the system design.

9.1.1 The advance acceptance procedure essentially documents and confirms the following points and therefore the acknowledgement of the correct practical design of the system and the performance defined in the purchase order or specification: Scope of the order, function, mechanical components, pneumatic and hydraulic components, electrical installation and programming, safety and the documentation of the controller and circuits. However, the documentation should not be regarded as final but only as a preliminary version.

9.1.2 If an advance acceptance procedure is required in specific conditions, for example using the original cleaning product and genuine soiled work pieces, the customer must pay all the additional costs incurred by the completion of such an advance acceptance procedure.

9.2 A final acceptance procedure will be carried out after the system has been delivered and installed. A final acceptance procedure log will be produced for the final acceptance procedure and this must be signed by the customer and by Zippel or their representatives. This log must contain information to the effect that the final acceptance procedure has been carried out or that it was carried out with reservations or that the customer refused the acceptance procedure. In both the last two cases the defects found must be listed in detail in the acceptance procedure log. After these defects have been rectified the acceptance procedure shall be deemed to have been completed.

9.2.1 The customer must not refuse to accept the system and sign the acceptance procedure log as a result of minor defects, particularly those which do not have major adverse effects on the function of the goods. Zippel shall rectify such defects without delay.

9.2.2 In the event of serious defects, the customer shall provide Zippel with an opportunity to rectify them within a reasonable extended deadline. An inspection of the defects will then be conducted.

9.2.3 The acceptance procedure shall be deemed to have been completed if the customer or its representative does not attend the acceptance procedure tests despite having been notified about them or the acceptance procedure is not carried out on the planned date for reasons which are not the responsibility of Zippel or the customer refuses to sign an acceptance procedure log or as soon as the customer commissions the goods or approves them tacitly by some other means or the customer refuses to accept the goods without being entitled to do so.

9.3 Zippel reserves the right to have any defects checked by an independent expert third party to ensure that the defects are justified. The result of such checks must be accepted by both parties.

§ 10 Warranty

10.1 The warranty shall be for a period of twelve months unless otherwise agreed.

10.2 The warranty period shall commence on the date on which the system is commissioned unless otherwise agreed.

10.3 If the operating or servicing instructions provided by Zippel are not followed, modifications are made to the goods or individual units of the goods, parts are replaced or consumables used which do not meet the original specification or have not been approved by Zippel in writing, the warranty shall be voided if the customer cannot provide a suitably substantiated statement to the claim that these circumstances were responsible for causing the defect in the first place. The same shall apply in the event of the incorrect or unsuitable use of the goods, incorrect operation or excessive loads.

10.4 The customer must report in writing any obvious defects to Zippel's After-Sales Service Department without delay but at the latest within two weeks of the receipt of the goods. Defects which cannot be discovered even by means of a careful inspection within this period must be reported to Zippel in writing immediately after their discovery with as precise a description of the defect as possible. Warranty claims by the customer assume in principle that it has correctly met its inspection and complaint reporting duties in accordance with § 377 of the German Commercial Code.

10.5 In all cases Zippel shall be entitled to retrospective fulfilment. If this retrospective fulfilment is not successful within a reasonable period of time the customer may, at its discretion, demand a reduction of the purchase price or withdraw from the contract. In the event of a minor contract infringement, particularly in the event of minor, in other words negligible defects, the customer shall not be entitled to withdraw from the contract.

10.5.1 If the customer chooses to withdraw from the contract as a result of a legal or material defect after an attempt at retrospective fulfilment has failed, it shall not be entitled to claim any compensation as a result of the defect.

10.5.2 The warranty shall not extend to wearing parts such as seals and gaskets.

10.5.3 Warranty claims shall not be accrued on the basis of circumstances which are not our responsibility, such as natural wear and tear, excessive loads, the use of unsuitable media and replacement materials, chemical, electrochemical or electrical influences.

10.5.4 If the goods are not located at the site of their intended use, the customer shall pay any additional costs for the rework. These shall particularly include higher transport or travelling expenses.

10.5.5 The customer must grant Zippel the required time and opportunity to rectify the defects at its discretion. If it refuses to do so, Zippel shall be exempt from its liability for the defects. The method used to rectify justified defects shall be at our discretion.

10.5.6 Only in urgent cases where there is a risk to operational safety about which Zippel must be notified without delay or with the prior written consent of Zippel shall the customer be entitled to rectify the defects itself or have them rectified by a third party and then to demand reasonable reimbursements of its costs from Zippel.

10.5.7 Other claims on the part of the customer against Zippel and its representatives shall be excluded, particularly claims for compensation for damage which is not suffered by the goods themselves. This shall not apply to liability based on intent or gross negligence.

10.5.8 If Zippel takes action on the basis of an error report or a defect notification without the customer having verified that a defect actually exists, Zippel may demand payment of its expenses.

10.6 Warranty claims shall not be accrued in the event of negligible differences from the agreed properties and/or in the event of negligible restrictions on usage. Liability for normal wear and tear shall be excluded.

10.7 The above paragraphs contain full details of the warranty for the products and exclude all other warranty claims of any kind.

10.8 If used materials or used goods are supplied with the agreement of the customer, a warranty shall only be provided by Zippel if this has been expressly agreed in writing.

10.9 If the customer supplies Zippel with raw materials or goods to machine, Zippel's warranty shall exclusively apply to the suitability of the work completed by Zippel.

10.10 Zippel's warranty shall not extend to defects which are wholly or partly due to any official regulations relating to the type or quality of the materials used.

10.11 Information relating to properties or durability of goods shall only be regarded as guarantees if they are expressly described as such. The same shall apply to the acceptance of a purchasing risk.

§ 11 Infringement of intellectual property rights owned by third parties

11.1 Zippel shall exempt the customer and its purchasers from claims arising from the infringement of copyrights, trademarks or patents unless the design of the goods supplied originated from the customer or the technical design and/or the construction of the goods was heavily influenced by the customer. The amount of this exemption obligation shall be limited to the typical claims from this type of infringement. Additional conditions for the exemption include that Zippel is allowed to conduct the lawsuit and that the claimed infringement is exclusively due to the design of the goods before they have been connected or used with other products.

11.2 Zippel shall, at its discretion, be entitled to exempt itself from the obligations described in section 1) by either

11.2.1 purchasing the required licenses to the allegedly infringed patents (for a limited period of five years) or

11.2.2 modifying the system for the purchaser or supplying modified goods or parts thereof which, when used to replace the infringing goods or its parts eliminate the infringement claim relating to the goods as a whole.

11.3 If the goods are not located at the site of their intended use or at the original consignee address, the customer shall pay any additional costs for rectifying the infringement. These shall particularly include higher transport or travelling expenses.

§ 12 Liability

Zippel cannot accept liability in the following cases:

12.1 In the event of simple negligence on the part of its organs, legal representatives, employees or other agents

12.2 In the event of gross negligence on the part of its non-management employees or other agents as long as this does not involve a breach of major contract duties. The duty to supply and install the goods promptly and without defects and also duties of advice, protection and care which enable the customer to use the goods as specified in the contract or protect the customer's and third parties' personnel from death or injury or protect the customer's property from major damage are all regarded as major contract duties. Liability under the Product Liability Law relating to death, injury or health impairment and for malicious actions shall not be affected by this.

12.3 Compensation for the breach of a major contract duty shall be limited to the foreseeable typical damage which may occur unless malice or gross negligence has occurred and as long as no liability is accepted for death, injury or health impairment or from guarantees that have been provided. In this respect, these compensation claims shall become statute-barred in 12 months.

12.4 If Zippel is liable for compensation, this compensation shall be limited to damages which Zippel could have regarded as possible consequences of a breach of the contract when the contract was concluded or, taking into account the circumstances which it was aware of or which it should have been aware of, should have foreseen if a normal level of care had been exercised. Indirect damage and consequential damage which is the result of defects of the goods shall also only be suitable for compensation if such damage could be expected if the goods are used in a typical manner for their intended purpose. However, Zippel shall under no circumstances accept liability for any lost profit and for loss of production.

12.5 Claims for compensation for the loss of stored data shall be excluded if the damage would not have occurred if the data had been backed up correctly.

12.6 The restrictions described above in § 12 Para. 1 to 3 shall apply as and where appropriate to expenses claims on the part of the customer.

12.7 Any liability on the part of Zippel shall in any event be restricted in terms of the amount to the amount of the agreed payment or the purchase price for the order in hand.

§ 13 Confidentiality

Unless expressly agreed to the contrary in writing, the information supplied to Zippel with purchase orders shall not be regarded as confidential.

§ 14 Applicable law, place of jurisdiction, partial invalidity

14.1 The laws of the Federal Republic of Germany shall apply to these terms of business and for all legal relationships between the customer and Zippel with the exclusion of the United Nations Convention on Contracts for the International Sale of Goods dated 11 April 1980 (CISG).



14.2 To the extent that Zippel is a business in the sense of the Commercial Code, a legal entity under public law or a special fund under public law, Munich shall be the exclusive place of jurisdiction for all disputes arising directly from the contractual relationship. Zippel shall also be entitled to lodge a lawsuit at the customer's registered office.

14.3 If a provision of these terms of business or a provision set out in other agreements should be or become invalid, this shall not affect the validity of all the other provisions or agreements. Invalid provisions shall be replaced by valid provisions which come as close as possible to the intended commercial aim of the invalid provision.

Zippel GmbH (status as of August 2020)