

# General terms and conditions of LINAK GmbH

## 1. Application

**1.1** All deliveries of products ("Products") by LINAK GmbH, An der Berufsschule 7, D-63667 Nidda ("LINAK") to a purchaser ("Purchaser") shall be governed by these General Terms and Conditions (the "General Terms and Conditions"), to the extent that they are not waived in writing by LINAK. The acceptance of the Purchaser's order is subject to the explicit condition that the Purchaser agrees to these terms and conditions. No additions or amendments to the General Terms and Conditions will be binding on LINAK unless LINAK expressly agrees to them in writing.

**1.2** The international trade terms specified in "Incoterms 2020" shall apply between LINAK and the Purchaser.

## 2. Ordering

**2.1** No final sale or supply agreement shall exist between LINAK and the Purchaser until LINAK has confirmed acceptance of the order by means of an order confirmation or other express written confirmation.

**2.2** Quotations, pro forma invoices and other correspondence are not binding on LINAK.

**2.3** Cancellations or amendments to orders are only effective if confirmed by LINAK in writing. In the event of cancellations or changes, the Purchaser shall reimburse LINAK for all reasonable costs incurred in connection with the cancellation or change.

## 3. Terms of Delivery

**3.1** All deliveries by LINAK shall be FCA Nidda, Germany (Incoterms 2020). The Purchaser shall bear all risks for loss, damage or delay that may arise from transport. In the absence of any agreement to the contrary, transport shall be performed using the means LINAK deems best without any liability for LINAK.

**3.2** LINAK undertakes to take appropriate measures to deliver on time. LINAK is entitled to make partial deliveries, provided these are reasonable for the Purchaser. In the event that there is an unexpected delay in delivery, LINAK will be entitled to postpone the delivery by up to 30 days without this delay entitling the Purchaser to cancel the order.

## 4. Taxes and duty

**4.1** In addition to the purchase price, the Purchaser shall pay any and all costs such as taxes, tariffs, customs duties or costs in connection with the approval of the Products.

## 5. Prices

**5.1** LINAK reserves the right to change prices until the final order confirmation has been issued.

**5.2** If there are changes to LINAK's underlying costs, particularly for worker salaries, materials, raw materials, transportation or energy, related to the Products after the final order confirmation has been issued also including changes in exchange rate, by at least 5%, LINAK shall be authorised to adjust prices. The price adjustment will be made in accordance with calculation by LINAK purpose of which is to maintain the calculated profit. LINAK will inform the Purchaser of the price adjustment without delay and provide written reasoning for such adjustments when possible. Where the change in the underlying costs is caused by circumstances for which LINAK is responsible, and where this contradicts the principle of diligent business practices, the price increase will not be applied. If the price increase is over 10%, the Purchaser shall have the option to cancel the contract concerned free of charge for two weeks following receipt of the notification from LINAK. The cancellation must be made in writing. LINAK is not obliged to take measures or seek measures with the objective of reducing prices.

## 6. Terms of Payment

**6.1** Payment shall be made no later than at the time of delivery FCA Nidda, Germany (Incoterms 2020), unless otherwise agreed in writing.

**6.2** In case of late payment, LINAK shall be entitled to charge the Purchaser for all reasonable costs in connection with legal and other measures to collect the payment.

**6.3** From the default date, LINAK shall be entitled to charge a lump sum of EUR 40.00 plus interest at a rate of 9 percentage points above the respective base rate p.a. plus statutory VAT, unless LINAK can prove that the damage caused by the delay exceeds this.

**6.4** The Purchaser shall not be entitled to withhold any payments in respect of alleged claims against LINAK unless such claims have been accepted by LINAK in writing beforehand or has been established by a court of law.

**6.5** If the Purchaser fails to accept deliveries or partial deliveries that are ready for delivery on an agreed date, the Purchaser shall pay for the Products as if delivery had taken place, unless otherwise agreed.

## 7. Retention of Title

**7.1** The Products delivered to the Purchaser ("Reserved Products") will remain the property of LINAK until full payment of all outstanding debt arising out of the business relationship with LINAK. The Purchaser undertakes to treat the Reserved Products with due care.

**7.2** Any treatment or processing of the Reserved Products will be carried out for LINAK as manufacturer pursuant to the definition of Section 950 BGB (German Civil Code), without any obligation on the part of LINAK. Even though the Purchaser has started to use or process the Products or started

incorporating the Products in its own application the Products shall be deemed to be Reserved Products. If the Reserved Products are processed, combined or incorporated by the Purchaser with products from another source to form a new product or combined product, LINAK will be entitled to co-ownership in the new or combined product in proportion to the invoice value of the Reserved Products to the invoice values of the new or combined products. The co-ownership share shall be considered as Reserved Products. This applies accordingly if an item belonging to the Purchaser is to be regarded as the main item within the meaning of Section 947 BGB.

**7.3** The Purchaser shall be entitled to resell the Reserved Products in the ordinary course of business and subject to retention of title, provided that it is ensured that its claims arising from the resale are transferred to LINAK. In the event of processing, combining or incorporating with other products, the transfer of claims to LINAK will only apply in proportion to the invoice values. If the transferred claim is included in a current account, the Purchaser hereby assigns to LINAK a part of the balance corresponding to the amount of this claim, including the final balance from the current account. LINAK hereby accepts the above transfers of claims.

**7.4** The security to which LINAK is entitled on the basis of transfers in advance will be released at the request of the Purchaser to the extent that the realisable value of the security exceeds the claim to be secured by more than 20%.

**7.5** Pledging or transferring ownership to Reserved Products is not permitted. The above Clause 7 will apply mutatis mutandis to claims by the Purchaser against an insurance company.

## 8. Protection of intellectual property

**8.1** LINAK reserves all rights to its Products and their design. The Products may not be copied or made available to third parties for the purpose of copying the Products. All drawings and descriptions sent to the Purchaser shall remain the property of LINAK and may not be copied, disclosed or made available to third parties without the prior written consent of LINAK.

**8.2** In the event of a breach of provision 8.1, the Customer will pay compensation for any loss resulting from the unlawful copying, as well as all costs related to the legal and non-legal pursuit of LINAK's rights.

**8.3** In the case of development project should any third party makes a claim against LINAK for infringement of intellectual property rights or copyrights, such as patents, registered designs, trademarks or similar rights, the Purchaser will indemnify LINAK against all costs arising therefrom, whether they be legal costs, court costs, claims for damages or other costs, if the infringement of third party intellectual property rights results from the specifications and requirements of the Purchaser.

## 9. Embedded Software

**9.1** If Products are supplied with embedded software, LINAK will provide the Purchaser with a non-exclusive software licence in the form of the right of use for the software exclusively for the purposes set out in the applicable Product specifications. Aside from this, the Purchaser does not receive any rights in the form of licenses, patents, copyrights, trademarks or other proprietary rights in connection with such software. The Purchaser will not obtain any rights to the software source codes, nor shall the Purchaser attempt to gain access to such source codes.

**9.2** If Products are delivered with embedded software, the Purchaser will be responsible for keeping the software up-to-date after delivery by installing necessary updates offered by LINAK.

## 10. Technical Changes and Approvals

**10.1** LINAK reserves the right to make technical or other changes to the Products without prior notice, including Products already ordered, when this can be done without changing the agreed technical specifications.

**10.2** LINAK is not be liable for absence or misinterpretation of information in catalogues or other written material produced by LINAK.

**10.3** The Purchaser shall be fully liable for its application, use and operation of any Product, irrespective of whether such application, use or operation has been approved by LINAK. It is the responsibility of the Purchaser to ensure that the agreed technical specifications meet the performance criteria defined by the Purchaser for its application. LINAK cannot assess the effects of all conditions under which the Products are operated. This includes, among other things, the suspension for the actuator, vibration, the load curve, exposure to outside elements such as temperature and moisture, the duration and frequency of use, safety, etc. The suitability of Products and the Product performance under these variable conditions can only be verified by testing. The responsibility for these tests and validation lies solely with the Purchaser. This includes, but is not limited to, the testing of the Products in the Purchaser's application and ensuring the suitability of the Products when connecting the Products with the Customer's or third parties components. Under no circumstances may the Products be used in aircraft or in connection with nuclear energy.

**10.4** The Purchaser undertakes to apply for all necessary national and international approvals for all applications in which the Products are used.

## 11. Complaints

**11.1** If the Purchaser asserts claims based on defects of the delivered Products, it must immediately make a complaint to LINAK.

**11.2** The Purchaser shall inspect consignments immediately upon receipt for defects, damage or faults and other deviations from the agreement. If the Purchaser wishes to lodge a complaint, it must do so within 5 days of receipt

of the Product if the relevant defects could have been detected during the inspection of the delivered Products by the Purchaser upon delivery. Section 377 of HGB (German Commercial Code) also applies to contracts for labour and materials.

**11.3** LINAK is not liable for any damage or loss occurring during transport. In such cases, claims must be made to the respective transport agent.

## 12. Cost-free Repairs and Replacement

**12.1** LINAK will, at its own discretion, repair or replace Products that are found to be defective at the time of delivery, e.g. due to faulty manufacture, design and/or materials, or refund the purchase price if the legal requirements are met, provided that the Purchaser makes its claims to LINAK within 18 months after the production date indicated on the Product label, unless otherwise agreed ("Claim Period"). If LINAK supplies batteries as part of the Product, the Claim Period for these batteries according to this clause is 12 months from the production date stated on the Product label.

**12.2** If the Purchaser discovers defects within the Claim Period, the Purchaser shall inform LINAK of such alleged defects in writing and send the Product to LINAK or to another address specified by LINAK. Freight and insurance are initially paid by the sender. A description of the reasons for the return must be enclosed with the shipment. If LINAK accepts that the Product is defective and the Purchaser has complained within the Claim Period, LINAK will return the product to the Purchaser free of charge after replacement or repair. LINAK will reimburse the Purchaser for freight costs incurred by the Purchaser in sending the defective Product to LINAK's place of business, but only if LINAK has approved the method of dispatch and costs in writing prior to dispatch the Product. If however LINAK determines that the Product is not defective, LINAK may return the Product to the Purchaser at the Purchaser's expense and risk and charge the Purchaser for the time and materials used in examining the allegedly defective Product.

**12.3** Return or repair according to this clause will under no circumstances be performed outside LINAK's place of business, unless otherwise agreed with LINAK. Under no circumstances will LINAK remove, replace or remount Products that have been incorporated into other products not manufactured by LINAK.

**12.4** Excluded from cost-free repair and replacement are Products supplied with embedded software where complaints arise from (i) the combination of Products with hardware or software not manufactured by LINAK; (ii) the Purchaser's specifications being different from the agreed written specifications; (iii) nonconformity not discovered by LINAK during release and quality testing nor by Purchaser during Purchaser's quality testing and approval; (iv) failure to update such software as necessary; and (v) modifications of Products, other than modifications carried out by LINAK or expressly agreed upon by LINAK in writing.

**12.5** In case of defects in software covered by clause 12.4, the Purchaser's sole remedy and LINAK's aggregated liability shall be limited to LINAK providing and/or replacing any defective parts in the Products by supplying new software components to the Purchaser. LINAK shall not be responsible for the replacement of the Purchaser's products or parts of products, including but not limited to any kind of field updates.

**12.6** LINAK does not extend any warranty, whether written, express or implied, as to the merchantability of the product or fitness for a particular purpose, unless otherwise expressly agreed in writing.

**12.7** The Products will not be deemed to be defective if the complaint results from the fact that the Purchaser has used the products improperly in any way, not in accordance with industry standards and practices or not in accordance with any instructions provided by LINAK. Furthermore, LINAK does not accept any liability for wear and tear or for Products that have been subject to violent treatment or inadequate maintenance.

## 13. Product Liability

**13.1** LINAK shall only be liable to the Purchaser for damage caused by the Product to real estate or movable property, or for damage to the end products manufactured by the Purchaser or products that form a single unit with the products of the Purchaser, insofar as LINAK is liable pursuant to Section 14. LINAK shall not be liable if circumstances indicate that the Product did not have the defect which caused the damage at the time when LINAK first delivered the Product. In all other respects, Section 1 Paragraph 2 and 3 of the German Product Liability Act applies.

**13.2** The Purchase shall indemnify LINAK to the extent that LINAK is liable vis-à-vis third parties for any damage or loss for which LINAK is not liable vis-à-vis the Purchaser pursuant the above section 13.1.

**13.3** The Customer will indemnify and hold LINAK harmless for any claim for damages arising from any damage caused by the use or operation of the Products due to improper repair, maintenance or inappropriate operation of the Products by the Purchaser due to the Purchaser's failure to adequately train its staff in the use of the Products or to comply with applicable law or regulations, or due to any other reason.

**13.4** If a claim for damages as described in this section is made against LINAK or the Purchaser by a third party, the defendant party will immediately inform the other party in writing of such claim. The Purchaser shall appear before the court/arbitration court examining claims for damages against LINAK on the basis of damage allegedly caused by the Product.

## 14. Limitation of Liability

**14.1** If LINAK, LINAK's legal representatives, employees or vicarious agents intentionally or grossly negligently breach an obligation, regardless of the nature and on whatever legal grounds, in particular arising from the contractual relationship or in case of intentional or grossly negligent commission of an unlawful act, LINAK will be liable to the Purchaser for the resulting damage in accordance with the statutory provisions

**14.2** If LINAK, LINAK's legal representatives, employees or vicarious agents only breach an obligation due to simple negligence of any kind and on any legal

grounds whatsoever, in particular arising from the contractual relationship or in the event of an unlawful act committed through simple negligence, claims for damages against LINAK by the Purchaser will be excluded, except in the case of a simple negligent breach of an essential contractual obligation. In this instance LINAK's aggregated liability is limited to the foreseeable damage customary for the contract type. An essential contractual obligation pursuant to this section is an obligation necessary for proper enforcement of the contract and the compliance of which the Purchaser regularly relies and may rely on.

**14.3** The above exclusion or limitations of liability will not apply in the event of injury to life, body or health caused by LINAK, nor in the event of fraudulent concealment of a defect by LINAK. Further it shall not apply if a guarantee of quality has not been fulfilled nor to liability subject to the German Product Liability Act.

**14.4** The statutory rules governing the burden of proof remain unaffected by the above provisions.

## 15. Provision and language of assembly and operating instructions

**15.1** Where it must be supplied, LINAK will provide the Purchaser with instructions, in particular assembly and operating instructions, in English only, regardless of where the Purchaser uses or sells LINAK Products. Instructions will be provided to the Purchaser on digital format. Upon Purchaser's requests, LINAK will also supply the instructions in hard copy

**15.2** The Purchaser is aware that the instructions, in particular the operating instructions, may have to be enclosed in the official language(s) of the EU member state in which the Products are sold and/or used.

**15.3** In such a case, the Purchaser shall be obliged to have these instructions translated at its own expense by an authorised translator, with sufficient technical competencies, into the official language(s) of the EU Member State in which the Products are sold or used. If the Purchaser breaches this obligation, he must fully indemnify LINAK from all resulting claims by third parties or authorities, unless the Purchaser is not responsible for the breach of duty in the case of fault-based liability.

## 16. Export Control

**16.1** The Purchaser acknowledges that LINAK is required to comply with applicable export/import laws and regulations in connection with the sale, export, import, transfer, assignment, disposal and use of the Products. The Purchaser agrees that the Products will not at any time be directly or indirectly used, exported, re-exported, imported, sold, transferred, assigned or otherwise disposed of in a manner that would result in a violation of export/import laws and regulations.

## 17. Protection of Personal Data

**17.1** LINAK processes contact and invoice data in connection with the handling of sales enquiries from the Purchaser. Personal information processed by LINAK may be shared with other LINAK Group companies. Personal data will not be disclosed to third parties, other than data processors who process the data on behalf of LINAK based on a data processor agreement. Further information can be found in LINAK's Privacy Policy which can be found in English at [www.linak.com](http://www.linak.com).

## 18. Force Majeure

**18.1** LINAK is entitled to cancel or suspend orders for Products and will not be liable for non-delivery, incorrect or delayed delivery, which partly or wholly is caused by circumstances beyond LINAK's control, including but not limited to: Riots, civil unrest, war, terrorism, health emergencies, epidemics, pandemics or related official restrictions, fire, insurrection, requisition, seizure, embargo, defects or delays in delivery by sub-suppliers, strikes, slowdowns and lockouts, lack of transportation, shortage of goods and insufficient energy supply. Any of Purchaser's contractual rights are suspended or become void in any such circumstance referred to in this section. Purchaser is not entitled to any kind of damages or to make claim whatsoever in case of cancellation or delayed delivery due to such circumstances.

## 19. Confidentiality

**19.1** The Purchaser shall keep strictly secret and not disclose to any third party any confidential information received through doing business with LINAK.

## 20. Partial Invalidity

**20.1** If one or more of the terms in these General Terms and Conditions or any part of a terms is deemed invalid, unenforceable, illegal or inoperable, the validity, enforceability, legality or operability of all other terms will not be affected or impaired by this.

## 21. Applicable Law and Jurisdiction

**21.1** Any disagreements or legal disputes between LINAK and the Purchaser shall be settled by the laws of the Federal Republic of Germany without regard to its conflict of laws rules and excluding the United Nations Convention on Contracts for the International Sale of Goods.

**21.2** Unless LINAK agrees in writing to arbitration, in which case the arbitration shall take place in Frankfurt am Main, Germany, Frankfurt am Main will be the exclusive place of jurisdiction.

Effective as of: 1 October 2020

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