

**GENERAL TERMS AND CONDITIONS (GTCs) for business customers of
Groz-Beckert Sales & Services Vietnam Company Limited**

- (1) The following general terms and conditions apply only to customers which are a business, i.e. to customers who order or obtain the goods for a commercial or self-employed commercial activity. These general terms and conditions do not apply to consumers who purchase our products for their own consumption or day-to-day activities.
- (2) The following general terms and conditions apply to the supply of goods.

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A. General terms and conditions

§ 1 Scope of application

- (1) These general terms and conditions apply to the supply of goods by **Groz-Beckert Sales & Services Vietnam Company Limited** ("GBVS").
- (2) Our relationship with the customer is governed exclusively by these general terms and conditions and the accepted order confirmation from time to time. They also apply to all future transactions, as well as to all business contacts with the customer, such as the initiation of contractual negotiations or the initiation of a contract, even if they are not expressly agreed upon or referred to again. The application of the customer's general ordering or purchasing conditions is expressly rejected.
- (3) If, in individual cases, contractual relationships are also established with persons or companies who are not themselves intended to become contracting parties, the limitations of liability in these general terms and conditions will also apply to them, provided that these general terms and conditions were included in the establishment of the contractual relationship with the third parties. This is particularly the case if the third parties were aware or already

had knowledge of these general terms and conditions when the contractual relationship was established.

- (4) Acceptance of our services and deliveries by the customer is considered as acknowledgement of the validity of these general terms and conditions.

§ 2 Conclusion of contract

- (1) Unless otherwise agreed, our offers are subject to our confirmation and non-binding.
- (2) We are not bound by an order until it has been confirmed by us in writing in the form of an order confirmation, or until we commence with the execution of the order.

§ 3 Scope of supply and performance, performance deadlines

- (1) Our written offer or our order confirmation is definitive in respect of the scope of our supply. Additional agreements and amendments require our written confirmation. If our offer or order confirmation is based on information provided by the customer (data, figures, illustrations, drawings, system requirements, etc.), our offer will only be binding if this information is correct. If it becomes apparent after conclusion of the contract that the order cannot be carried out according to the customer's specifications, we will be entitled to withdraw from the contract if and to the extent that the customer is not prepared to accept any alternative solution proposed by us and to assume any additional costs which may actually arise.
- (2) For all supplies we will be entitled to partial performance to a reasonable extent.
- (3) If we become aware of a risk of the customer's inability to meet its obligations we will be entitled to supply goods only against advance payment or security. Our right to withdraw from individual contracts already concluded remains unaffected if and insofar as the customer fails to make an advance payment or provide security within a reasonable extension period.
- (4) The delivery and performance period is agreed individually and stated on the order confirmation. If this is not the case, the delivery period will be approximately 4 calendar weeks from the date of our order confirmation. The delivery period will be regarded as having been met if the goods have been dispatched by the end of the period or if notification has been given that the goods are ready for dispatch. The commencement of the delivery period and compliance with delivery dates presupposes that the customer provides any cooperation required of it in a timely and proper manner, that it makes available all documents to be provided and makes any agreed advance payments.
- (5) We will not be in default on the occurrence of an Event of Force Majeure or other exceptional and objective circumstances beyond our control. In this case, even if we are already in default, we will still have the right to withdraw from the contract and shall not be liable for our failure to supply goods. In particular, we will not be in default in the event of delays in delivery if these are caused by incorrect or late delivery by our suppliers for which we are not responsible and which is beyond our control. In the event of

hindrances of a temporary nature, the delivery or performance deadlines will be extended or the delivery or performance dates postponed by the period of the hindrance plus a reasonable start-up period but not exceeding (i) five (5) months in respect of goods for which the delivery period is not more than twelve (12) months and (ii) eight (8) months in respect of goods for which the delivery period is more than twelve (12) months.

- (6) If we are contractually obliged to provide advance performance, we may refuse the performance incumbent upon us if, after conclusion of the contract, it becomes apparent that our claim to remuneration may be jeopardised by the customer's inability to make such payment. This is particularly the case if the payment to which we are entitled is at risk due to the customer's poor financial circumstances or if other obstacles to payment are threatened, e.g. export or import bans, war, the insolvency of suppliers or absence of the required employees due to illness.

§ 4 Prices, costs

- (1) Our prices for supplies of goods are net prices and, unless otherwise agreed in writing delivery shall be made (i) ex works or other places designated by us and informed to the customer reasonably beforehand and which further means that the customer shall bear all risk and transportation costs for transporting the goods to their final destination or (ii) in such other manner as indicated by us in our order confirmation. The prices can be taken from our offer or our order confirmation or - if no prices are stated in the offer or in the order confirmation - from our currently valid price list.
- (2) Unless agreed otherwise, expenses and travel costs will be invoiced separately. The reimbursement by the customer of travel and accommodation costs will be made on presentation of receipts in copy and deduction of the input tax amounts contained in these receipts, unless otherwise agreed in writing between the parties before the trip is carried out. The current travel and expense rates can be found in our offer or our order confirmation. If no rates are listed there, the currently valid rates can be found in our current price list.

§ 5 Terms of payment

- (1) Unless otherwise contractually agreed, our invoices relating to the supply of goods are payable without deduction within thirty (30) days of the invoice date. If we provide our supplies in part deliveries, we will have the right to demand a corresponding part of the remuneration for each part delivery.
- (2) The customer is not entitled to make deductions without express agreement.
- (3) If the registered place of business of the customer is outside Vietnam and the contractual agreement with the customer does not provide for delivery against advance payment, we will be entitled, even without a special agreement, to make our performance dependent on the provision of a documentary letter of credit in the amount of the gross performance price from a bank or savings bank licensed in the country where the customer is located in accordance with the currently applicable Uniform Customs and Practice for Documentary Credits (UCP 500) of the International Chamber of Commerce (ICC). If we do not demand the provision of such a documentary letter of credit and unless otherwise contractually

agreed, our claim will become due upon receipt of the delivery. If we provide our supplies in part deliveries, we will in any case be entitled to demand a corresponding part of the remuneration for each part delivery and, if necessary, to demand a documentary letter of credit for each part delivery.

- (4) If the customer is in default of payment from the 31st day after receipt of the invoice, it must compensate us for the damage caused by the delay, in particular late payment interest at the rate of 20% per annum on such overdue amounts which shall accrue and compound daily from the date such payment is due through and including the date of payment in full.
- (5) Payment by bill of exchange or accepted bill is only permitted by express agreement, and even then is only valid on account of payment. If additional costs are incurred as a result, these are to be borne by the customer.
- (6) Payments are to be made exclusively by the customer. Payment by third parties is inadmissible and will not have the effect of fulfilment of the customer's obligations.
- (7) If we have agreed on instalment payments, the following will apply: if the customer is more than two weeks in arrears with an instalment, either in whole or in part, the entire outstanding balance will become due for immediate payment.
- (8) Only undisputed or legally established claims can be offset against our claims for remuneration. The same applies to the exercise of a right of retention. The customer will otherwise only be entitled to exercise a right of retention if it is based on the same contractual relationship.
- (9) The assignment of claims against us by the customer requires our prior consent, which will only be refused for good cause.

§ 6 Retention of title

- (1) We reserve the title to supplied goods until full payment of all our present and future claims arising from the concluded contract and an ongoing business relationship (secured claims).
- (2) The reserved goods may neither be pledged to third parties nor transferred by way of security before full payment of the secured claims. The customer must inform us immediately in writing if and to the extent that the goods belonging to us are attached by third parties.
- (3) If the customer acts in breach of contract, in particular if the purchase price due is not paid, we will be entitled to withdraw from the contract in accordance with the statutory provisions and/or demand the return of the reserved goods. The demand for the return of the goods does not at the same time include a declaration of withdrawal; on the contrary, we will be entitled to demand only the return of the goods and to reserve the right to withdraw from the contract. If the customer does not pay the due purchase price, we may only assert these rights if we have previously unsuccessfully set the customer a reasonable deadline for payment, or if setting such a deadline is unnecessary according to statutory provisions.
- (4) The customer is entitled to resell and/or process the reserved goods in the ordinary course of business. In this case the following provisions will apply additionally.
1. The retention of title extends to the full value of the products

resulting from the processing, mixing or combination of our goods, in which case we will be considered the manufacturer. If, in the event of processing, mixing or combining of our goods with goods of third parties, the latter's right of ownership remains effective, we will acquire co-ownership in proportion to the invoice values of the processed, mixed or combined goods. In all other respects the same applies to the resulting product as to the reserved goods.

2. The customer hereby assigns to us by way of security all claims against third parties arising from the resale of the goods or products, either in full or to the amount of our possible co-ownership share in accordance with the preceding paragraph. We accept the assignment. The obligations of the customer mentioned in the above Section A. § 6 No. 2. will also apply in relation to the assigned claims.

3. In addition to us, the customer remains authorised to collect the claim. We undertake not to collect the claim as long as the customer fulfils its payment obligations to us, is not in default of payment, no application for the opening of insolvency proceedings has been made and there is no other lack of ability to pay. If this is the case, however, we can demand that the customer informs us of the assigned claims and their debtors, provides all the information necessary for collection, hands over the relevant documents and informs the debtors (third parties) of the assignment.

4. If the realisable value of the securities exceeds our claims by more than 10%, we will release securities of our choice at the customer's request.

(5) The customer must treat the reserved goods with care. At our request, the customer must sufficiently insure the reserved goods at its own expense against fire, water and theft at their replacement value. If maintenance and inspection work becomes necessary, the customer must carry it out in good time at its own expense.

§ 7 Obligations of the customer to cooperate

(1) The customer must support us and our employees to a reasonable, customary extent.

(2) Concrete further obligations to cooperate may result from the annexes to our order confirmation or our offer.

§ 8 Liability for defects and general liability

(1) The limitation period for claims due to defects in our supplies is three (3) months from the expiry date of the warranty period. The warranty period for defects of the goods is one (1) year. After expiry of this year, we may in particular also refuse to be liable for the defect without the customer having any claims against us for reduction of the purchase price, withdrawal from the contract or compensation. This limitation period does not apply to claims for damages other than those for refused subsequent performance and generally not to claims in the case of fraudulent concealment of a defect.

(2) Claims by the customer due to defects in goods to be provided by us are subject to the following provisions:

1. If the supplied goods are defective, we may initially choose whether to be liable for the defect by eliminating the defect (rectification of defects) or by supplying a defect-free item

(replacement delivery).

2. We are entitled to make the supplementary performance dependent on payment by the customer of the due purchase price. However, the customer will be entitled to retain a part of the purchase price which is reasonable in relation to the defect.

3. The customer must give us the time and opportunity necessary for the supplementary performance owed, in particular to hand over the goods complained of for inspection purposes. In the event of a replacement delivery, the customer must return the defective item to us.

4. We will be entitled to carry out the rectification of defects on the customer's premises.

5. We will bear the expenses required for the purpose of inspection and remedy for supplying defective goods, in particular transport, travel, labour and material costs, provided that a defect actually exists.

6. In the case of the supply of goods, the following also applies:

If the customer has installed the defective goods into or attached to another product in accordance with their type and intended use, we will be obliged, within the framework of remedy for supplying defective goods, to reimburse the customer for the necessary expenses for the removal of the defective goods and the installation or attachment of the repaired or delivered defect-free product.

7. The customer will bear the expenses for rectification of defects or subsequent delivery that arise because the purchased goods have after delivery been taken to a location other than the customer's registered office or business location.

8. If the customer's request for the rectification of defects turns out to be unjustified, we can require the customer to reimburse us for the costs incurred.

(3) The customer's claims for defects, in particular the claims for remedy for supplying defective goods, withdrawal from the contract, reduction in price and compensation for damages, presuppose that the customer has complied with its obligations to examine and report defects herein. If a defect is revealed during the examination or later, these must be reported to us immediately in text form (e.g. letter, fax, e-mail or in the customer portal under <https://my.groz-beckert.com>). The report will be considered immediate if it is made within ten (10) days of the discovery of the defect, with timely dispatch of the report being sufficient to comply with the deadline. Irrespective of this obligation to inspect and report defects, the customer must report obvious defects (including incorrect and short delivery) in text form (e.g. letter, fax, e-mail or in the customer portal under <https://my.groz-beckert.com>) within ten (10) days of delivery, in which case timely dispatch of the report is sufficient to meet the deadline. If the customer neglects the proper inspection and/or reporting of defects, our liability for the unreported defect will be excluded. This will not apply if we have fraudulently concealed the defect.

(4) The customer can only demand compensation:

1. for damage resulting

- from an intentional or grossly negligent breach of duty on our

part or

- from an intentional or grossly negligent breach by one of our legal representatives, executives or vicarious agents

of obligations that are not essential to the contract (cardinal obligations) and are not main or secondary obligations in connection with defects in our deliveries.

2. from damage resulting from the intentional or negligent breach of essential contractual obligations (cardinal obligations) on our part, on the part of one of our legal representatives, executive employees or vicarious agents. Essential contractual obligations (cardinal obligations) within the meaning of the above subsections (4) 1. and 2. are obligations whose fulfilment is essential for the proper execution of the contract and on whose compliance the customer can normally rely.
 3. Furthermore, we will be liable for damage due to the negligent or intentional breach of obligations in the case of deficiencies in our supplies (subsequent performance or secondary obligations) and
 4. for any damage that falls within the scope of a warranty (commitment) or a guarantee of quality or durability expressly given by us.
- (5) In the event of a simple negligent breach of an essential contractual obligation, the amount of liability will be limited to the damage typically to be expected and foreseeable for us at the time of conclusion of the contract, provided that due care was exercised.
- (6) Claims for damages by the customer in the event of a simple negligent breach of a material contractual obligation will become statute-barred one year after the statutory limitation period begins. Excluded from this is damage in the case of injury to life, limb or health.
- (7) Claims for damages against us arising from mandatory statutory liability, and from injury to life, limb or health are not affected by the above provisions of this § 8 and exist to the extent permitted by law from time to time within the statutory time limits.
- (8) If third parties are commissioned or involved in the initiation or settlement of the contractual relationship between the parties, the above-mentioned warranty and liability limitations will also apply to such third parties.

§ 9 Industrial property rights, tools, models and moulds

- (1) If we manufacture according to drawings, models or samples or specifications of the customer, the customer must ensure that industrial property rights of third parties are not infringed by this. Before placing an order with us, the customer is obliged to ascertain whether the products it has ordered infringe the property rights of third parties. In this respect, the customer must indemnify us against any claims by third parties, unless it is not responsible for the infringement of the property rights. If the customer is prohibited from manufacturing or supplying by a third party with reference to an industrial property right belonging to it, we will be entitled, without examining the legal situation, to stop work and demand reimbursement of the costs incurred.
- (2) If we make tools, moulds, models or similar items for the purpose of providing the delivery, we will retain title to them. This will also apply if we demand partial remuneration from the customer for such

production. If we invoice the customer for such items in full and the customer pays for the manufacture of such items in full, ownership will pass to the customer.

§ 10 Miscellaneous provisions Event of Force Majeure, Place of performance, place of jurisdiction, applicable law, data processing, severability clause

- (1) If the performance of any obligation of us or the customer should be prevented or delayed by an event of force majeure (“**Event of Force Majeure**”), such as fire, natural disaster, war, rebellion, sabotage, embargo, epidemic, act of God, or act, rule, regulation, order or directive of any governmental authority or the order of any court of competent jurisdiction, that relevant party’s duty to perform their obligations affected by the Event of Force Majeure shall be suspended for a period equal to the delay directly resulting from the occurrence of such event, provided such event is without the fault of and beyond the reasonable control of the relevant party invoking force majeure. In the Event of Force Majeure, the relevant party invoking force majeure shall not be responsible for any damage, increased costs or loss which the other party may sustain by reason of such a failure or delay of performance. In the event either the customer or us wishes to invoke force majeure, the relevant party shall, within seven (7) days after the occurrence of the Event of Force Majeure has become known to such party, send written notice thereof to the other party. The party affected by force majeure shall take appropriate measures to minimise or remove the effects of force majeure and, within the shortest possible time, attempt to resume performance of its obligations affected by the Event of Force Majeure.
- (2) If any provision in these general terms and conditions or a provision within the framework of other agreements is or becomes invalid, the validity of all other provisions or agreements will not be affected.
- (3) The contractual and other legal relationships with our customers are governed by Vietnamese law to the exclusion of the UN Convention on Contracts for the International Sale of Goods.
- (4) Any dispute arising out of, or in connection with these terms, including any question regarding the existence, validity or termination of the contract between the customer and us, shall be referred to and finally resolved by arbitration at the Vietnam International Arbitration Centre at the Vietnam Chamber of Commerce and Industry in accordance with its Rules of Arbitration for the time being in force, which rules are deemed to be incorporated in this clause. The seat of the arbitration shall be in Vietnam.

B. Special terms and conditions for the supply of goods

§ 1 Scope of application

The following special conditions for the supply of goods apply in addition to the general conditions under Section A. for all contracts with the customer for the supply of goods.

§ 2 Scope of services

- (1) Transport insurance for goods to be shipped will only be taken out

upon express request. The transport insurance is then taken out in the name and for the account of the customer.

- (2) Our obligations cover the transfer of ownership and surrender of the object of purchase. The assembly, installation or configuration of the object of purchase is not part of the obligation, unless this has been expressly agreed.

§ 3 Supplementary provisions for the supply of software

- (1) Delivery and scope of supply

The software, including programme corrections, is delivered in the form of an object code on a standard data carrier or online as a download from a website. The scope of delivery also includes application documentation. Unless otherwise agreed between the customer and us, the application documentation can be provided at our discretion either as an operating manual or on a data carrier. A transfer of the source code of the software is not part of the obligation.

- (2) Rights of use to the software

1. The respective licensing conditions of the software apply to the granting of rights of use to the software.

2. Unless otherwise agreed between us and the customer, the customer will receive a simple right of use for the software supplied, unlimited in time. In the absence of other agreements, the right of use entitles the purchaser to use the software on a single PC (single user licence) or to use the software on a machine or server, provided that it is ensured that the use of the software / access to the software per licence is only permitted to one user or the agreed number of users at the same time.

3. Further rights, in particular for reproduction beyond the extent required for contractual use, are not granted. With the exception of the right to correct errors, the customer is not entitled to make changes to the software. The right to correction of errors by the customer only applies if the correction of errors was previously refused by us or has failed. The making of a backup copy of the software by the customer as well as the duplication within the scope of the usual data backup to ensure the intended operation of the software is permitted.

4. For any programme corrections provided the customer is granted the rights of use to which he is entitled for the original programme version.

5. Labelling of the software, in particular copyright notices, trademarks, serial numbers or similar may not be removed, changed or made unrecognizable.

§ 4 Supplementary warranty provisions for the supply of software

- (1) We will also meet our obligation to remedy defects by providing updates with an automatic installation routine for download and by offering the customer telephone support to solve any installation problems that may arise.

- (2) If we are not in a position to remedy a defect or make a subsequent delivery free of defects, we will provide the customer with workarounds. Such workarounds will be considered as supplementary performance, provided that they do not lead to a significant impairment of the functionality or processes of the software. Workarounds are temporary solutions to an error or

malfunction without interfering with the source code.

- (3) If necessary, in the event of reworking the user documentation will also be adapted.

Valid from: June 2020