

General Terms of Sale and Delivery

1. General

- 1.1 These terms form the basis for all supplies and services by GRG Europe GmbH or GRG America LLC (each hereinafter referred to as the "Supplier") along with any separate contractual agreements.
If the contents of the offer are in contradiction with these Terms of Sale and Delivery, then the contents of the offer apply.
If the Buyer's purchasing terms and conditions deviate from the Supplier's terms, these are hereby objected to and do not become part of the contract.
An agreement comes into existence upon written order confirmation by the Supplier unless agreed otherwise.

- 1.2 The Supplier retains ownership of and copyright in cost estimates, drawings and similar information of a physical or non-physical type, including information provided in electronic form. They may not be made available to third parties. The Supplier undertakes not to make information and documents identified by the Buyer as confidential available to third parties without the Buyer's express authorization.

2. Prices and Payment

- 2.1 Unless agreed otherwise, the prices are ex works including loading (EXW according to Incoterms 2020), but excluding packaging, unloading and transport insurance.
Value-added tax – if it has to be paid – is to be charged in addition in accordance with the statutory provisions.
- 2.2 Standard payment terms:
30% advance payment after entry into contract
60% upon notice of readiness for dispatch
10% upon final acceptance, however, not later than 3 months after delivery

All payments 14 days net.

A different method of payment may alter the pricing unless otherwise negotiated and agreed upon. Insignificant faults that do not have an adverse effect on the functioning do not entitle the Buyer to reduce the invoice amounts. Withholding payments or set-off against any counterclaims by the Buyer which have been contested by the Supplier is not permissible. In particular, delivering the operating manual/technical documentation later on does not confer an entitlement to reduce or withhold the payment.
The Supplier is entitled to invoice for partial deliveries by means of partial invoices.

3. Delivery Period and Delay in Delivery

- 3.1 The delivery period arises from the agreements between the contractual parties.
In order for the Supplier to comply with the agreed delivery period, all commercial and technical questions must have been clarified between the contractual parties and the Buyer must have fulfilled all obligations such as obtaining the required official certificates or permits or making an advance payment.
If this is not the case, the delivery period is prolonged accordingly. This does not apply if the Supplier is responsible for the delay.
- 3.2 Compliance with the delivery period is subject to the Supplier being properly supplied in due time, insofar as the Supplier has entered into corresponding covering transactions in a timely manner. The delivery period is correspondingly prolonged if the Supplier despite timely coverage transactions is not supplied itself, is not supplied correctly itself, or is not supplied in a timely manner itself, and other coverage purchases are unreasonable or have not worked, or if it is not possible for the Supplier or its own supplier(s) to make timely delivery for reasons which arise after entry into contract or were not known to the Supplier or which are not within its sphere of influence, such as strike, lock-out, non-culpable business interruptions, including at suppliers of the Supplier (e.g. tool breakage), supplier blockades, operational shutdowns, refusal of import or export license, other sovereign interventions, as well as circumstances going beyond this which are to be regarded as

force majeure. Thus, the Supplier does not bear the procurement risk in this context.

The Supplier will announce any foreseeable delays as soon as possible.

- 3.3 If contractual obligations cannot be fulfilled on time or otherwise in accordance with the contract due to the effects of force majeure, e.g. war or riots, strike or lockout, natural disasters or fire, epidemics or quarantine, government measures or similar circumstances, the respective party will be released from compliance with these obligations to the extent of the effect or will be entitled to postpone the performance of its services for the duration of the impediment and a reasonable lead time. The parties will inform each other immediately about cases of force majeure in order to coordinate further action.
- 3.4 The delivery period is deemed to have been complied with if the delivery item has left the Supplier's factory or if its readiness for shipment has been announced by the time it expires. If an acceptance is scheduled, the date of acceptance is decisive or, alternatively, the announcement that the delivery item is ready to be accepted - with the exception of a justified refusal of acceptance.
- 3.5 If shipping or acceptance of the delivery item is delayed for reasons the Buyer is responsible for, the Buyer will be charged for the costs incurred due to the delay, beginning one month after notification of readiness for shipment or acceptance.
- 3.6 The Buyer may rescind the contract without notice if the Supplier is definitely unable to effect performance in full before the transfer of risk.
- 3.7 If the Supplier is in default and if this results in damage to the Buyer, then the Buyer's claims are determined pursuant to law, but applying the limitations of liability pursuant to section 9 of these General Terms of Sale and Delivery. Flat-rate compensation or penalties require a separate agreement.

4. Foundation

- 4.1 The machine is installed on foundations.
- 4.2 Technical planning, construction and inspection (acceptance) of such foundations is not part of the Supplier's scope of supplies and services. The Supplier will only provide details as to the surface of the foundations, not, however, details as to the outer dimensions (length, width, depth). The Supplier recommends that these dimensions and technical details be determined by a company which specialises in machine tool foundations, taking into account the local floor conditions and the Supplier's data (weight, loads, cutting forces, permissible deformation, etc.). Professional planning and proper execution of the foundations are exclusively the Buyer's responsibility.

5. Installation and Commissioning

- 5.1 The assembly conditions which are customary in machine tool building apply to installation and commissioning work (ECE conditions).
- 5.2 In addition, the Buyer is responsible for providing technical support at its own expense, in particular:
- Provision of the required, suitable assistant workers (especially metalworkers, electricians, other assistant workers) for the necessary time and in adequate numbers for the assembly.
 - Execution of all earthworks, construction and foundations work, including the supply of the necessary building materials.
 - Provision of the necessary appliances and tools (e.g. lifting gear including operating personnel, materials required for hanging up) and the necessary consumables (scaffolding wood, wedges, supports, cement, plaster and sealing material, lubricants, etc.).

- Provision of the required power supplies (electricity, compressed air, water including the necessary connections).
- Provision of dry and lockable rooms for storing the tools of the Supplier's assembly personnel.
- Transport of the assembly parts to the place of installation, protection of the place of installation and of the materials against any kind of harmful influence, and cleaning of the place of installation.
- Provision of all auxiliary means and equipment on time in order to guarantee that assembly can be realised without interruptions. Timely provision of personnel for execution and confirmation of acceptance.

5.3 This technical support by the Buyer must ensure that assembly can start immediately after the Supplier's assembly personnel has arrived on site and can be carried out without delay until final acceptance. If special plans or instructions are required from the Supplier, these will be provided by the Supplier in a timely manner.

5.4 If the start and/or execution of the work is delayed due to the fact that these prerequisites have not been fulfilled, then the additional expenditure will be charged in addition.

5.5 The Supplier does not take out assembly insurance (object insurance for damage to the machine or machinery ordered). Insurance coverage only includes damage caused in the course of assembly culpably by the Supplier, excluding the delivery item itself, in the framework of the Supplier's business third-party liability insurance (see section 9 "Liability and Compensation").

6. Transfer of Risk, and Official Acceptance

6.1 The risk is transferred to the Buyer when the delivery item has left the Supplier's factory even if partial deliveries are made or if the Supplier has assumed other services such as shipping costs or delivery and installation. If pursuant to the agreements between the Supplier and the Buyer acceptance is to take place, the date of acceptance is decisive for the transfer of risk. Acceptance must be carried out without undue delay on the date of official acceptance or alternatively after the Supplier's notification of readiness for official acceptance. The Buyer may not refuse official acceptance if there is a non-essential defect.

6.2 If shipment or official acceptance is delayed or does not occur due to circumstances not attributable to the Supplier, the risk shall be transferred to the Buyer from the day of notification of readiness for shipment or official acceptance. The Supplier undertakes to take out the insurance policies requested by the Buyer, at the Buyer's expense.

6.3 Partial deliveries are permitted to the extent that they are reasonable for the Buyer.

7. Acceptance

7.1 Necessity
Acceptances are only required insofar as this is agreed between the Supplier and the Buyer separately (for example in the offer or the order confirmation) or if law governing contracts for work and services is applicable due to the contractually agreed services (§ 633 ff of the BGB).

7.2 Provisional acceptance
Provisional acceptance is carried out at the Supplier's factory before delivery of the machine. The following procedure is regarded as agreed if no other stipulations are contained in the offer:

- Checking the external dimensions
- c. 2 hours' idle run test with little disturbance
- Machining of customer's components pursuant to the offer
- Preparation of the acceptance report

7.2 Final acceptance
Final acceptance is carried out at the Buyer's factory immediately after completion of installation and commissioning work. The following procedure is regarded as agreed if no other stipulations are contained in the offer:

- c. 2 hours' idle run test with little disturbance and or otherwise negotiated between the Buyer and Supplier

- Machining of customer's components pursuant to the offer
- Preparation of the acceptance report

The Buyer must fulfil the following conditions in order to guarantee perfect machine operation and machining results:

- Safe foundations sufficiently robust foundations
- Vibrations of any kind must be excluded
- Provision of sufficient measuring capacity without waiting times pursuant to prior agreement

8. Warranty

The warranty period starts upon delivery at the Buyer's factory or – insofar as agreed upon – upon acceptance.

8.1 In line with statutory regulations, the Supplier warrants that the equipment to be delivered corresponds to the current technical state of the art and that it fulfils the standards applicable for equipment of this type at the time of delivery.

8.2 In line with statutory regulations, the Supplier warrants the high quality of the materials used for the production of the equipment, perfect workmanship and a high quality of technical equipment and assembly.

8.3 In line with statutory regulations, the Supplier warrants that the equipment to be delivered fully corresponds to the technical specifications and that the overall supplies and services meet the terms of the contract entered into.

8.4 The warranty period for the delivery item is 12 months from the warranty commencement, however no longer than 18 months from date of notification of readiness for acceptance following commissioning, unless the Product Liability Act or other legislation, particularly § 436 paragraph 1, number 2 of the BGB (buildings and items for buildings), § 445b of the BGB (recourse claims in the supply chain) or § 634a paragraph 1, number 2 of the BGB (construction defects) prescribe longer periods. The time-barring of claims due to liability for damage and loss arising out of death, personal injury or damage to health which is due to a negligent or intentional breach of obligation by the Supplier or a legal representative or vicarious agent of the Supplier, and for other damage and loss which is due to an intentional or grossly negligent breach of obligation by the Supplier or a legal representative or vicarious agent of the Supplier, is determined in accordance with the statutory provisions.

8.5 There is no warranty for parts which are subject to normal physical wear and are classified as wear parts in the documentation. Also excluded from warranty are parts and elements which have to be replaced due to faulty operation. Within the warranty period, any extensions, relocations, replacements and other modifications (including software) of the machines and systems may only be carried out by or with the agreement of the Supplier. In the event of modifications carried out by third parties without the Supplier's written approval, the Supplier may refuse the warranty with immediate effect.

9. Liability and Compensation

9.1 Insofar as nothing to the contrary is stipulated in sections 9.3 and 9.4 hereof, the Buyer's claims due to material defects or defects in title – regardless of the legal reason – are hereby excluded. The Supplier is not liable for damage which has not arisen to the item supplied itself. In particular, the Supplier is not liable for lost profit or other pecuniary loss suffered by the Buyer.

9.2 Insofar as nothing to the contrary is stipulated in sections 9.3 and 9.4 hereof, the Buyer's claims due to breach of an obligation arising out of the contractual relationship are hereby excluded.

9.3 The foregoing liability exemptions (sections 9.1 and 9.2 hereof) do not apply insofar as the Supplier has mandatory statutory liability, for example (1) pursuant to the Product Liability Act, (2) due to loss of life, personal injury or damage to health which is due to a negligent or intentional breach of obligation by the Supplier or a legal representative or a vicarious agent of the Supplier, (3) insofar as the cause of damage or loss is due to intentional behaviour or gross negligence by the Supplier or a

- legal representative or a vicarious agent of the Supplier, (4) if the Buyer asserts rights due to a defect under a guarantee of quality or the specific duration of a quality, (5) the Supplier negligently breaches an essential contractual obligation which is what makes performance of the contract possible at all and on whose compliance the Buyer may usually rely (cardinal obligation), (6) recourse claims in the supply chain pursuant to § 445a of the BGB are concerned.
- 9.4 Insofar as the Supplier breaches a cardinal obligation, the compensation obligation is limited to the contract-typical, foreseeable damage and loss, insofar as no intentional behaviour or gross negligence is present or the Supplier is liable due to loss of life, personal injury or damage to health.
- 10. Prolonged Retention of Title**
- 10.1 The delivery item remains the Supplier's property until all of the claims which the Supplier has against the Buyer on account of the business relationship has been fulfilled.
- 10.2 During the existence of the retention of title, the Buyer may neither pledge the delivery item nor assign it as security. The delivery item may only be resold by resellers if this occurs in the course of ordinary business dealings and only on the condition that the Buyer receives payment of the equivalent value of the delivery item. Moreover, the Buyer must agree with the customer that title only passes to the customer once the latter has fulfilled this payment obligation.
- 10.3 The Buyer is allowed to process the delivery item or to mix or combine it with other objects. The processing, mixing or combination (hereinafter jointly referred to as "processing" and with regard to the delivery item as "processed") takes place on behalf of the Supplier; the resulting object is referred to as "new goods". The Buyer stores the new goods for the Supplier with the diligence of a prudent merchant. If processing is carried out with items not belonging to the Supplier, the Supplier acquires joint title to the new goods based on the proportion of the value of the processed, mixed or combined delivery item to the value of the other processed goods at the time of processing. If the Buyer acquires sole ownership of the new goods, the Supplier and the Buyer agree that the Buyer will grant the Supplier co-ownership of the new goods in the ratio of the value of the processed delivery item to the value of the other processed goods at the time of processing.
- 10.4 In the event of the sale of the delivery item or the new goods, the Buyer assigns all claims against the customer arising from the resale, including all subsidiary rights, by way of security, to the Supplier, without further specific declarations to this effect being required. The assignment includes any and all balance claims. The assignment, however, only applies to the amount corresponding to the price of the delivery item invoiced by the Supplier. The share of the claim assigned to the Supplier shall have satisfaction priority.
- 10.5 If the Buyer combines the delivery item or the new goods with real estate or movable property, the Buyer also assigns its claim which is due to it as payment for the combination, including all subsidiary rights, by way of security, to the Supplier, in the ratio of the value of the delivery item or the new goods to the value of the other combined goods at the time of combination, without further specific declarations to this effect being required.
- 10.6 The Buyer is entitled to collect the claims assigned pursuant to these provisions (retention of title) until such authorization is revoked. The Buyer must forward all payments made in respect of the assigned claims to the Supplier without undue delay up to the amount of the secured claim. If there is an important reason, in particular in the event of default in payment, cessation of payment, commencement of insolvency proceedings, bill-of-exchange protest or justified indications of over indebtedness or impending insolvency on the part of the Buyer, the Supplier is entitled to revoke the Buyer's collection authorization. Moreover, the Supplier is entitled, after prior announcement and subject to compliance with a reasonable notice period, to disclose the assignment of title, to exploit the assigned claims, and to request disclosure of the assignment of title by the Buyer to the customer.
- 10.7 If the Supplier is able to prove a justified interest, the Buyer must provide the Supplier with any information required by the Supplier to assert its rights against the customer, and to supply the required documents.
- 10.8 The Buyer must inform the Supplier without undue delay about any pledges, confiscations or other disposals or interventions by third parties.
- 10.9 If the realizable value of all of the Supplier's security interests exceeds the value of all secured claims by more than 10%, the Supplier will release a corresponding part of the security interests if so, requested by the Buyer; the Supplier has the right to choose between various security interests for release.
- 10.10 Should the Buyer fail to fulfil the contractual obligations, in particular in the event of default in payment, the Supplier will be entitled to demand the return of the delivery item or the new goods without giving prior notice and to rescind the contract; the Buyer will be obliged to surrender such goods.
- 11. Applicable Law and Place of Jurisdiction**
- 11.1 The substantive law of the Federal Republic of Germany applies unless otherwise agreed and as far as permissible under the law of the country in which the work is carried out. The provisions of the Vienna UN Convention (CISG) do not apply.
- 11.2 All disputes arising out of or in connection with contracts subject to these Terms and Conditions are to be decided by the state courts having authority for the Supplier's respective headquarters.
- 12. Validity of Offer**
- 12.1 Offers by the Supplier are valid for 30 days from the date of issue of the offer.
- 12.2 The Supplier reserves the right to carry out design modifications which are useful for technical progress and do not adversely influence the function of the system.
- 12.3 If the contents of the offer are deviated from these Terms of Sale and Delivery, then the contents of the offer apply.