

1 Validity and conclusion of contract

- 1.1 These conditions apply for all deliveries and services for non- marine installations to which we bind ourselves by contract, unless otherwise stated in the offer and the confirmation of order. Within the context of ongoing business connections, the conditions shall also apply for future transactions, even if these conditions are no longer expressly agreed upon. In addition, our price list in its respective relevant version shall apply. In case of orders restricted to services our GENERAL CONDITIONS for Repair-, Maintenance- and Service Contracts as well as for Installations and Conversions of SAACKE GmbH (SAACKE SERVICE CONDITIONS SSC) are applicable. These GTC apply subordinately and supplemental. Marine installations and delivery of spare parts for marine and off-shore purposes are governed by General Terms and Conditions for the supply and installation of Marine Products and Spare Parts (Marine GTC) Issue 1/2020.
- 1.2 Subject to individual contractual agreements, exclusively the provisions as stated in 1.1 shall become applicable. Other provisions shall not become subject terms of contract, even if not expressly contradicted by us.
- 1.3 Our offers are subject to change. In any case, they shall expire 45 days after the date of offer. Offers shall be effective for the country where the enquiring party, respectively the purchaser is domiciled. The enquiring party, respectively purchaser shall account for all disadvantages and liabilities resulting from the use of the delivery item outside this country. A contract shall only become effective by means of our order confirmation in writing. The scope of our services shall be finally determined by our written order confirmation and its written attachments. Subsidiary agreements and modifications shall only become effective upon our written confirmation thereof. In the event that no confirmation of order is issued, the agreement shall be deemed to be concluded on the basis of the order as well as these general terms and conditions, if we commence execution of the order.
- 1.4 Concerning our fulfilment of contract regarding the parts of delivery which are subject to national export regulations, we express the reservation that we are issued the necessary authorisations.
- 1.5 Documents submitted by us or any information given by us, such as illustrations, drawings, declarations of weight or measurements shall only be binding if we expressly declare them to be part of the contract or expressly refer to them.
- 1.6 We reserve our propriety rights and copyrights regarding samples, preliminary estimates of costs, drawings, documentations and similar information, material or non-material – also in electronic form. They may not be made accessible to third parties without our prior written consent.
- 1.7 Written form can neither be replaced by simple electronic form nor by qualified electronic form.
- 1.8 These general terms and conditions are not intended for the use by consumers.

2 Prices and payment

- 2.1 Our prices are applicable ex works plus package costs and turnover tax (VAT) in the respective statutory rate.
- a) For deliveries within the European Union, the purchaser shall submit his VAT registration number in due time before the contractual delivery date agreed upon, in order to prove his exemption from turnover tax. In the event of failure to completely deliver this information in due time, we reserve ourselves the right to charge the respective statutory turnover tax.
- b) For deliveries outside the European Union, we are entitled to subsequently charge the statutory turnover tax, if the purchaser fails to send us proof of export within a month after the respective shipment.
- 2.2 Preliminary estimates of costs shall only be binding, if they are made in written form.
- 2.3 Unless otherwise agreed upon, the purchaser shall execute payments as follows:
- a) If the purchaser is domiciled within the Federal Republic of Germany: 1/3 as payment on account after receipt of the order confirmation.
1/3 after delivery of the main parts, respectively ready-for-shipment note, the residual amount within a month after passing of the risk.
- b) if the purchaser is domiciled outside the Federal Republic of Germany: 1/3 as payment on account after receipt of the order confirmation.
2/3 by means of an irrevocable letter of credit to be opened with us as beneficiary stating Bremen as place of payment. This letter of credit shall be payable on presentation of shipping documents, respectively storage depot receipt and commercial invoice, if the shipment is delayed due to circumstances we are not responsible for.
- 2.4 Assemblies, repairs and other services shall be charged based on the respective cost rates in force, which we shall submit upon request. For work outside the normal working times, surcharges shall apply. Travel times and waiting times shall be deemed to be working time.
- 2.5 Payments shall be made to one of our accounts without deductions of any kind.
- 2.6 The purchaser can only discharge by way of counterclaim or execute a right of retention by cause of an undisputed or legally effective counterclaim and to the amount thereof.
- 2.7 Payments by the purchaser shall become payable upon receipt of our invoice and shall be payable within 10 calendar days after receipt.

3 Export Regulations

- 3.1 In case the purchaser intends to (re-)export merchandise or products purchased from us he is obliged to obtain all required permissions and to comply with all relevant (re-) export regulations, especially the provisions of the German Foreign Trade and Payments Act and of the Foreign Trade and Payments ordinance and/or of the applicable export regulation law as well as the Dual-Use Regulation and any applicable foreign regulations as e.g. the USEx- and Import Provisions. The (re-)export of merchandise either in its original condition or as part of another product which is violating the regulations mentioned above is explicitly forbidden.
- 3.2 We do not guarantee or warrant the compliance of our products sold or delivered inside Germany with any export regulations and are neither liable for material deficiencies nor any deficiency in title or in law established therefrom.
- 3.3 The purchaser is obliged to obtain advice and informations independently on applicable regulations and provisions. Irrespectively whether or not the purchaser advises us on the final destination of the products he has to obtain all necessary permissions of the competent (Export control) authorities on its own before he decides to export the goods. We are not obliged to give advice, informations or cooperation in this respect.
- 3.4 In case the purchaser is in possession of a special permission to export our products and/or services even as part of a new product case he has to advise us immediately on any change of circumstances which may or has influence on the permission. The purchaser is obligated to inform us immediately if the use, (re)sale, Import or Export of our products becomes subject to export control regulations or any relief or simplifications have been refused, suspended or withdrawn.
- 3.5 The purchaser is going to advise us immediately if he has been included into the Denied Parties List of the American Bureau of Industry and Security (BIS) or any similar list. If the activities of the Purchaser are also of military relevance the purchaser is obliged to entertain a valid Export/Import Compliance program in the meaning of the ITAR regulations (International Traffic in Arms Regulations) and to register with the United States Office of Defense Trade Controls unless the purchaser has been exempted according to part 12.1. of the ITAR:
- 3.6
- 3.7 The purchaser is obliged to indemnify us, our managing directors, employees, vicarious agents from all claims and liabilities which have been caused to us by violating the obligations hereunder by himself, his legal representatives, employees, vicarious agents, suppliers or subcontractors.
- 3.8 In case the goods or products are (re) sold to any third party the purchaser is obliged to pass on the preceding obligations completely. The purchaser is liable to full extent for any non-compliance with applicable law by any third party. The purchaser has to advise us immediately in case he becomes aware of any infringement or violation of regulations in connection with the export of our products or any end products of which our products are a part or have been further developed into.

4 Delivery, passing of risk, acceptance

- 4.1 The obligation to deliver covers deliveries and services confirmed by us in writing. In the event that the delivery item has to be in agreement with a specific purpose on the part of the purchaser, this earmarking for a special purpose and the requirements the delivery item has to comply with in order to serve the specific purpose, shall be expressly and comprehensively stated in the order by the purchaser and confirmed by us. We are only obligated to comply with foreign regulations concerning packaging, weighing and customs, if the purchaser gives us detailed information thereof in due time. Resulting additional expenses shall be born by the purchaser.
- 4.2 We reserve ourselves the right to make reasonable partial deliveries and issue partial invoices.
- 4.3 Deliveries shall be made ex works, meaning our plant in Bremen and/or our plant in Zagreb (Croatia) (“place of production”), unless otherwise agreed upon.
- 4.4 As far as an acceptance is to take place, this shall be decisive for the passing of risk. In the event that the purchaser is in charge of the transport of the goods from the place of production to the place of appropriation, the purchaser shall bear the risk for the duration of the transport.
- 4.5 The provisions concerning the passing of risk shall also apply, if partial deliveries are made or if we are committed to performing further services.
- 4.6 In the event that the delivery, respectively taking delivery of goods is delayed or does not take place due to circumstances, which are not attributable to us or we are not responsible for, the risk shall pass to the purchaser on the date of notice of dispatch, respectively notice of readiness to take delivery. We commit ourselves to take out insurance policies requested by the purchaser at the purchaser’s cost. If the collection of the goods and/or the delivery of the goods is delayed due to circumstances for which we are not responsible, SAACKE is entitled to charge storage costs.
- 4.7 The purchaser is not entitled to refuse acceptance of the delivery due to unsubstantial defects or quantity deviations, notwithstanding the purchaser’s rights resulting from section 11.

5. Product Safety Information

- 5.1 All products marketed by us meet the requirements of all relevant European guidelines and the German Product Safety Act (ProdSG) in the version dated 1 December 2011 as well as all associated legal regulations and ordinances. Thus the SAACKE products
 - 5.1.1 meet the required basic health and safety protection requirements;
 - 5.1.2 are based on technical documentation which is prepared by and available from SAACKE;
 - 5.1.3 are supplied along with the required information and operating/assembly instructions;
 - 5.1.4 have undergone the applicable conformity assessment procedure;
 - 5.1.5 have, if legally required, a properly applied CE label.

5.2 Complete and incomplete machines

We would nevertheless like to address the following:

For complete machines delivered by us (consisting at a minimum of a burner with ignition system, fuel supply system, combustion air fan, automatic firing sequence controller and flame detection system) which are marketed within the scope of application of the EU Machinery Directive, we provide a Declaration of Conformity in accordance with the directive 2006/42/EU (Machinery Directive) and operating instructions (including assembly instructions) in the official EU language of the respective country in which the equipment is being sold.

For incomplete machines (in which at least one of the aforementioned components is missing), we provide a Declaration of Incorporation in accordance with the directive 2006/42/EU (Machinery Directive) in the official EU language of the respective country in which the equipment is being sold, and assembly instructions in the official EU language which the manufacturer of the complete machine will accept.

5.3 Burners with CE type examination which are supplied as incomplete machines upon request of the Purchaser meet the type examination requirements if the firing plant is completed with the components specified in the SAACKE equipment lists. The applications must meet the specifications in the operating instructions and/or planning documents.

5.4 Assembly of machines

5.4.1 The term "assembly of machines" is being used for products/machines which work together and/or the connection of incomplete machines to form a unit, where this unit operates as a single entity from a safety point of view. The CE label is applied to these in accordance with the Machinery Directive.

5.4.2 Further plant components may be within the scope of application of other European directives such as the directive 2014/68/EU (Pressure Equipment Directive). It is the responsibility of the Purchaser / plant authorities to ensure that, prior to commissioning, the entire plant is inspected by a notified body or specially qualified persons to ensure conformity with the relevant European guidelines and standards. We have no obligations in this regard. The Purchaser / plant authorities bear overall responsibility for the safety of the complete heat generating plant.

5.5 Installation site in potentially explosive / not potentially explosive areas

The supplied burners or firing plants are normally designed to be set up in areas which are not potentially explosive. Setup in a potentially explosive environment must be arranged with us in advance by way of a written agreement.

- 5.6 The gas valve trains and potentially required fittings supplied by SAACKE can be considered to be substantially leak-proof on account of their design and testing, insofar as they are operated within the technical specifications. Insofar as they are operated properly and the rooms are naturally ventilated, the gas valve trains can be excluded as the potential cause of an explosive atmosphere. In the course of the certified quality management system in accordance with DIN EN ISO 9001:2008, We perform and document all testing required by the directive 2014/68/EU (Pressure Equipment Directive) prior to delivery. Therefore the directive 2014/34/EU in accordance with the ATEX guidelines 3.7.2 and 3.8 is not applicable for plants tested in this way. A further prerequisite is that the installation and testing of the complete plant is carried out in accordance with the respective applicable standards (DIN EN 12953-7, Section 4.2, and/or DIN EN 12952-8, Section 4.3, and/or DIN EN 746-2, Section 5.2.1) and regular maintenance is performed to verify and ensure that the plant remains leak-proof.
- 5.7 Time of placing on the market
The product safety regulations in accordance with public law are only met at the time of placing on the market. This is understood to be the time of delivery or, for plants, completion of test operation and handover for operation under the sole responsibility of the plant authorities. The internal risk assessment in accordance with DIN EN ISO 12100 can be viewed at our head office. The operating instructions refer to residual risks determined in the course of the risk assessment. These residual risks must be taken into account by the plant authority of a firing plant / heat generating plant in the course of the hazard assessment in accordance with § 3 of the Industrial Safety Regulations (Betriebssicherheitsverordnung - 'BetrSichV').
- 5.8 Subsequent modifications
Any subsequent modifications to our products may compromise product safety and result in the product no longer complying with the product safety requirements in accordance with public law. If the plant authorities or the responsible approval agency imposes conditions which are required on a plant specific basis and weren't foreseeable, then the corresponding additional performances shall be ordered separately as additional items and will be billed separately by us.
- 5.9 Subsequent modifications
Any subsequent modifications to our products may compromise product safety and result in the product no longer complying with the product safety requirements in accordance with public law. If the plant authorities or the responsible approval agency imposes conditions which are required on a plant specific basis and weren't foreseeable, then the corresponding additional performances shall be ordered separately as additional items and will be billed separately by us.

6 Force majeure

6.1 Definition of force majeure / notifications

- 1) In cases of force majeure, the affected contract party shall immediately inform the other party of the occurrence in writing after obtaining knowledge thereof, if possible within 15 days. Thereby the party shall describe the occurrence in detail and state which contractual obligations it can therefore not fulfil or only fulfil with delay. The affected contract party shall not be responsible for the delay or impossibility resulting thereof.
- 2) All unforeseeable occurrences or occurrences, which lie outside the contract parties' sphere of influence and cannot be prevented from influencing the fulfilment of contract by reasonable efforts on the part of the contract parties, shall be deemed to be force majeure in terms of this contract. This includes, among others, war (declared or not declared), warlike circumstances, riot, revolution, rebellion, military or civil coup d'état, uprising, civil commotion, violence, blockade, embargo, governmental orders, sabotage, slowdown strike, lockout, epidemic, fire, floods, storm tide, typhoon, hurricane or other storms with the extent of a catastrophe, earth quake, land slide, lightning, general lack of working material, heavy transport accidents, spoiled work or reproduction of important parts of the plant for reasons not within the entrepreneur's sphere of influence as long as this leads to extended delivery deadlines.
- 3) In addition, also mass diseases (e.g. pandemics) shall be deemed to be force majeure, if more than 50% of the employees directly involved in the production of the parts or goods to be delivered, respectively directly involved in the rendering of services, fall ill.

6.2 Legal consequences of force majeure

In the event that circumstances due to force majeure hamper the completion of goods and parts for the plant or the fulfilment of services, or the work has to be interrupted due to this cause, and we inform our contract partner as soon as possible, at the latest within 15 days after occurrence of the obstruction or interruption of our request to extend the completion deadline as well as other deadlines, an appropriate prolongation shall be granted. The duration shall be agreed upon by us and the contract partner.

7 Retention of title

7.1 The title to delivery items shall only be transferred to the purchaser after complete payment.

As far as the validity of retention of title is subject to special conditions or special formalities in the country of destination, the purchaser shall be responsible for compliance there - with.

7.2 Before the transfer of title, the purchaser may neither pledge nor provide the delivery item as security. In the event of levy of execution, distraint or other orders by third parties, the purchaser shall immediately inform us thereof.

- 7.3 In the event of non-contractual behaviour on the part of the purchaser, especially in case of default on payment, we are entitled to take the delivery item back after sending a dunning notice. The purchaser is obligated to return the delivery item. Neither the exercise of the right of retention nor the attachment of the delivery item by us, shall be deemed to be a withdrawal from the contract.
- 7.4 An application for the opening of insolvency proceedings to liquidate the purchaser's assets entitles us to withdraw from the contract and demand the immediate return of the delivery item.
- 7.5 If the purchaser is domiciled in the Federal Republic of Germany, in addition the following shall apply:
- a) We reserve our proprietary rights to the delivery item until all our claims towards the purchaser resulting from the current business relation have been settled.
 - b) The purchaser is entitled to resell delivery items which are subject to title of retention in the normal course of business. He shall resell the delivery items with retention of title, unless the complete amount is immediately paid by the third-party purchaser. In the event of the purchaser's default in payment, the entitlement to resale is inapplicable. In order to secure our receivables, the purchaser here with assigns us his claims resulting from a re-sale or any other cause in law. In the event of processing of items which are subject to retention of title and joint-ownership resulting thereof, the assignment shall only cover the part of the claim corresponding our co-ownership.
 - c) The purchaser shall remain entitled to the collection of the claims assigned to us as long as he contractually fulfils his obligations to payment towards us. We can at any time demand that the purchaser notifies us of the assigned claims and their debtors, gives us all the information necessary for collection, submits the corresponding documents and informs the debtor of the assignment.
 - d) The processing of objects which are subject to retention of title shall always be conducted by the orderer for our benefit. In the event that the objects which are subject to retention of title are processed together with other objects to which we hold no title, we shall acquire co-ownership to the new object. The relation of co-ownership corresponds with the relation of the invoice values of the object which is subject to retention of title and the other processed objects at the time of processing. If our goods are processed with other movable goods and therefore make up a new unitary object and this new object is considered to be the main object, it is deemed to be agreed upon that the purchaser transfers proportionate co-ownership to us, as long as he owns the main object. The purchaser safe keeps the property or partial property for us. Further, the same regulations as for objects which are subject to retention of title shall apply for objects resulting from processing or joining of objects.
 - e) We commit ourselves to release securities provided in as far as their invoice value exceeds our out- standing (residual) claims by more than 10 % not only temporarily.

8 Purchaser's obligation to co-operate

- 8.1 The purchaser is responsible for bearing, respectively providing at his own expense and risk in due time:
- a) Helpers, such as unskilled workers and skilled workers in the number considered necessary by the supplier. These helpers shall be at the disposal of the supplier's skilled workers for the entire duration of the assembly and commissioning of the facility as well as its supervision and shall follow their instructions. The purchaser shall be solely liable for these persons and releases the supplier from all claims resulting thereof.
 - b) All earthmoving and work concerning foundation, construction and scaffolding, including the building material necessary therefore;
 - c) The equipment and implements required for the assembly and commissioning of the plant;
 - d) Heatings, lighting and power, including the fittings required;
 - e) Dry and lockable premises in immediate proximity of the working place suitable for the storage of machine parts, materials and tools;
 - f) Lockable rooms which can be heated suitable as common rooms for the skilled workers, with lighting and sanitary facilities;
 - g) Damage payments for tools and skilled workers' personal belongings, which are stolen;
 - h) Appropriate storage of parts delivered on the building site, respectively assembly site and liability for possible losses. Our skilled workers are insured in the employer's liability insurance association by us. The purchaser shall be responsible for the compulsory insurance of staff provided by him;
 - i) Our staff is entitled to use the purchaser's telephone or fax machine at the purchaser's expense for urgent communication with the head office.
- 8.2 Upon commencement of the assembly, all necessary assembly parts and auxiliary materials shall be available on the premises. Further, all preparatory work shall be completed, so the assembly can commence and be executed without delay.

9 Term of delivery

- 9.1 All statements we make on the duration of works shall be approximately decisive only. If, by way of an exception, a fixed delivery deadline has been agreed upon, the prerequisites for meeting this deadline are that all commercial and technical questions between us and the purchaser have been clarified before-hand and the purchaser has fulfilled all obligations incumbent upon him. If this is not the case, the delivery term shall be prolonged adequately.
- 9.2 The meeting of a delivery term shall be subject to correct and punctual deliveries by our own suppliers.
- 9.3 The delivery term shall be deemed to have been met, if readiness for shipment has been signalled before its expiry. As far as an acceptance is to take place, the acceptance date shall be decisive, alternatively our notice of readiness for acceptance.
- 9.4 If delivery terms are not met due to force majeure, industrial action, delayed receipt of governmental authorisations or other occurrences outside our sphere of influence, the delivery term shall be prolonged adequately.

This shall also apply in the event of an already existing delay. We shall inform the purchaser of the commencement and end of such occurrences as early as possible.

- 9.5 In case the dispatch, respectively acceptance of the delivery item is delayed for reasons the purchaser is responsible for, he shall be charged with the costs resulting from the delay. These shall especially include waiting times and further travels required by the skilled workers also if an all-inclusive price had been agreed upon for the work. Further this shall also include costs, which would normally have been at the expense of our company due to contractual agreements. Provided that assembly delays and/or additional costs, which were not caused by us (e. g. short supply of skilled workers and helpers) occur during all-inclusive assemblies, the purchaser shall bear the additional costs resulting therefrom. The calculation shall be based on our price list applicable at the time of assembly. If, with our consent, the purchaser provides our assembly staff with material and helpers, for which we are to bear the costs, a detailed record thereof shall be confirmed by the assembly staff. Only documents confirmed in this way can be considered in a later settlement of accounts.

We reserve ourselves the right to assert further damages resulting from delays the purchaser is responsible for.

The same shall apply if the purchaser does not open a letter of credit by the date agreed upon.

- 9.6 We reserve ourselves the right to designate the delivery item for other purposes, respectively deliver with an adequately prolonged delivery term, if an appropriate deadline was set and the purchaser allowed it to expire fruitlessly.

10 Delay in delivery, impossibility

10.1 In the event of partial impossibility, the purchaser can only withdraw from the contract if the partial performance is verifiably of no interest to the purchaser. If this is not the case, the purchaser shall pay the contractual price for the partial performance. For the rest, section 10 shall apply.

If impossibility or incapability occurs during a delay in acceptance or by fault of the purchaser, he remains obligated to consideration.

10.2 If none of the contract partners are responsible for the impossibility, we are entitled to receive payment relating the performed work.

10.3 If we are behind schedule and the purchaser suffers damages therefrom, he is entitled to demand compensation for the delay in a lumpsum. From the time we received the claim in written form, this delay compensation shall amount to 0,5 % for each complete week of delay, but at the most a maximum of 5 % of the value of the part of the total delivery, which cannot be used in due time or in the way contractually agreed upon due to the delay.

10.4 The purchaser is entitled to withdraw from the contract within the statutory provisions, if taking the statutory exceptions into consideration – we allow an adequate period of grace for performance, set during our delay, to expire fruitlessly.

10.5 Further claims due to delayed delivery shall exclusively result from section 13..

11 Acceptance

11.1 In the event of a required acceptance and pure contracts for services, our products shall be deemed to be accepted two weeks after our notification that the work is ready for acceptance, unless the purchaser states existing substantial defects in writing within this period of time.

11.2 The purchaser is only entitled to refuse acceptance, if the defect makes the usual and/or the contractually intended purpose of the plant impossible and/or decreases its value significantly. In the event that the plant has defects, which do not justify the refusal of acceptance, the acceptance shall take place under the reserve that the defects are removed.

11.3 Refusals of acceptance, objections against the acceptance or reserves concerning the acceptance shall be served immediately in writing, stating and describing the defect.

12 Warranty

12.1 In the event of defects in quality and title, we warrant as follows:

Immediately after receipt, the purchaser shall examine our delivery item with regard to possible defects. Provided that defects are detected upon receipt or later within the warranty period, we shall be immediately notified of said defects. §§ 377, 378 German Commercial Code shall apply.

Defects in quality

- a) At our own discretion we shall deliver replacement or repair all performances proving to have a defect, which is verifiably due to circumstances existing before the passing of risk as stated in section 3 of these general terms and conditions.

The purchaser shall notify us of defects immediately and in writing, stating and describing the defect. We reserve ourselves the right of property to parts changed by replacement.

- b) No warranty is given especially for damages due to the following reasons, for which fault cannot be attributed to us: Wear and tear, improperly conducted interference or repair works on the part of the purchaser or third parties, unsuitable or improper use, faulty operation, assembly or repair, faulty or negligent treatment, improper maintenance, the use of inappropriate equipment/alternative materials, bad construction work, inappropriate building ground, bad ambient conditions unknown to us, chemical, electrochemical or electrical effects and changes to the delivery item, which were conducted without our consent.
- c) In order to conduct the repair, respectively replacement, which *ex aequo et bono* seems necessary to us, the purchaser has to give us the required time and opportunity. Otherwise we are released from the liability and warranty for consequences resulting there- from. Only in urgent cases of danger to the safety of operation, respectively in order to prevent disproportionately large damages, the purchaser has the right to remove the defect himself or through a third party and demand compensation of the resulting expenses from us. In this case, we shall be informed immediately.
- d) If the complaint is justified, we shall bear the direct costs of the repair and, in the event of a replacement, the costs for the replacement part as well as the forwarding charges. For places of delivery or assembly outside the Federal Republic of Germany, the total costs to be born by us shall be limited to the amount of the order value.
- e) In case culpable contributory negligence concerning the defects can be attributed to the purchaser, especially due to non-observance of his obligation to prevent damages or minimise losses, we shall be entitled to claim for damages in relation to the purchaser's contributory negligence, if a repair takes place.

- f) At his own option, the purchaser is entitled to withdraw from the contract, if – taking the statutory exceptions into consideration – we allow an adequate period of grace for repair or replacement due to defects in quality, to expire fruitlessly. In the event of an insubstantial defect, the purchaser is only entitled to reducing the contract price. Otherwise, the right to reduce the contract price shall be excluded. For assemblies, repairs and other services, section 15.8. shall apply in place of section 10.1.f.

Defects in title

- g) In the event that the use of the delivery item leads to the infringement of industrial property rights or copy rights within the time limits stated in section 14, we shall on principle obtain the right for the purchaser to further use the item. Otherwise we shall modify the delivery item in a way that the industrial property right infringement no longer exists. In case this is not possible under economically reasonable circumstances or within a reasonable time limit, the parties are entitled to withdraw from the contract. Within the time limits, we shall indemnify the purchaser from uncontested or legally ascertained claims by the respective holder of the industrial property right.
- h) Warranty for defects in title in terms of section 10.1.g. is final only under reserve of section 11 for cases of infringements of industrial property rights or copy rights.

It only exists, if

- The purchaser immediately notifies us in writing, stating and describing the asserted infringements of industrial property or copy rights.
- The purchaser supports us in fending off the asserted claims to a reasonable extent, respectively enables us to conduct modification measures in terms of section 10.1.g.
- we reserve ourselves all defence measures, including extrajudicial remedies.
- the defect in title is not based upon a directive by the purchaser.
- the infringement was not caused by the fact that the purchaser modified the delivery item arbitrarily or used it in a non-contractual way.

12.2 All further warranty claims (especially compensation for damages to other than the delivery item itself) shall exclusively be determined in terms with sections 13.

13 Liability

13.1 We shall only assume liability, also in case of damages resulting from neglect of duty during contract negotiations, independent of the legal grounds, (especially also concerning damages to other than the delivery item itself), due to the following reasons:

- intent
- culpable breach of essential contractual obligations
- culpable damage to life, body or health
- defects which we maliciously concealed or if we guaranteed the absence of said defect.
- defects, if liability for damages to persons and property, that is privately used objects, in terms of German Product Liability Act applies.

13.2 In case of breach of essential contractual obligations, we shall also be liable in the event of gross negligence on the part of non-executive employees as well as in cases of slight negligence. In the event of slight negligence, the liability shall be limited to the contractually usual, reasonably predictable damage.

13.3 Our liability for the deletion of data is limited to the expenses, which would have been necessary for their restoration, if the purchaser had saved them in a proper way.

13.4 Compensation for pure economic loss shall be appropriately limited in line with the general principles of equity and faith, as for example in the case of disproportionality of order value and amount of damages.

13.5 Further liability for whatever legal ground – especially concerning damages to other than the delivery item itself, shall be excluded.

13.6 We shall not be liable for the consequences of defects, for which we do not warrant as stated in section 12.1.b.

14 Claims from insurance contracts

As far as we as co-insured party have direct claims against the purchaser's insurance company with regard to the delivery item, the purchaser herewith gives his consent to us asserting these claims.

15 Software

- 15.1 Concerning software products by other suppliers, which are included in the delivery scope, these suppliers' general terms and conditions shall prevail. If these are not at hand, we will send them to the purchaser upon request.
- 15.2 Our conditions shall apply in addition to other suppliers' general terms and conditions, sections 13.3. to 13.5. shall apply analogically. In case other suppliers' general terms and conditions prove to be invalid, our conditions shall apply.
- 15.3 The purchaser is permanently granted a simple, non-exclusive right of use and enjoyment to our software products. The granting of sublicenses is not admissible.
- 15.4 On principle, we are not obligated to surrender the source codes the software products are based on.
- 15.5 The purchaser may only process our software products to the statutorily admissible extent. The purchaser may neither remove manufacturer information especially copyright remarks nor change it without our prior written consent.

16 Limitation of actions

- 16.1 The purchaser's warranty claims become statute-barred within 12 months after the passing of risk.
- 16.2 The purchaser's warranty claims due to defects on constructions, respectively due to work that has the aim of performing planning and supervision services for constructions, become statute-barred within 5 years after passing of risk.
- 16.3 In the event of intentional or malicious behavior as well as for claims resulting from the German Product Liability Act, the statutory regulations shall apply.
- 16.4 All the purchaser's other claims – for whatever legal ground – shall become statute-barred within 12 months after passing of risk.
- 16.5 The commencement of the limitation of action results from the statutory regulations. A suspension of the period of limitation by means of negotiation or other – non-judicial – measures shall not occur.

17 Assemblies, repairs and other services

For assemblies, repairs and other services, in addition the following shall apply:

- 17.1 The purchaser shall inform our staff of existing safety regulations and risks at his own expense and take all measures necessary for the protection of persons and objects at the working place.
- 17.2 The purchaser shall, to the necessary extent, support our staff in the execution of their work at his own expense and provide the contractually required assistance, as for example the preparation of the building site, provision of tools and hoisting devices, provision of water and electricity etc.
- 17.3 The purchaser's assistance shall ensure that our work can commence immediately after the arrival of our staff and can be conducted without delay until the acceptance.
- 17.4 In the event that the purchaser fails to meet his obligations, we are entitled, but not obligated, to execute the activities incumbent upon the purchaser ourselves and at his own expense.
- 17.5 In case a repair cannot be conducted for reasons we are not responsible for, our already performed services as well as the expenses incurred shall be settled by the purchaser.
- 17.6 Parts, which were exchanged by replacement, become our property.
- 17.7 In the event that the goods and services are destroyed or have deteriorated before acceptance, the orderer shall reimburse us with the price, less saved expenses.
- 17.8 Only repair deadlines which have been confirmed by us in writing, shall be binding.
- 17.9 With regard to assemblies, repairs and other services, the purchaser is entitled to abatement within the statutory regulations, if – taking the statutory exceptions into consideration – we allow an appropriate period of grace for performance, which is set during a delay on our part, to expire fruitlessly. The right to abatement also applies in other cases where the removal of defects fails. The purchaser is only entitled to withdraw from the contract, if a repair is verifiably without interest to the purchaser in spite of abatement.

18 Avoiding vibration problems

18.1 All dynamic systems are affected by vibrations. This also applies to all boiler and thermal process applications that are operated with fan burners. In order to minimize unwanted vibrations and pulsations in the system, the following points must be taken into account:

- All relevant components (e.g. boiler rear panels, reversing chamber doors, flue gas collector, economizers) as well as air or flue gas ducts, must be built rigid and stable and equipped with sufficient supports.
- The vibrating parts of the system must be designed in such a way that they have a dampening (vibration absorbing) effect. Low natural frequencies must be avoided.
- Air and flue gas systems must be designed in such a way as to avoid flow separation (dead zones) and turbulent flows.
 - In the case of bends, the inner radius must be dimensioned sufficiently.
 - If necessary, guide vanes must be used to improve the flow.
 - The total divergent angle of diffusers should not exceed 9°, the maximum divergent angle of tapers should not exceed 20°.
 - A steady flow must be ensured
 - DIN EN 1505 must be observed when designing the system.
 - The recommendations of the BDH Info Sheet NR. 32 should be followed.
- The proper use of compensators will prevent vibrations from being transmitted.
- Flue gas-side sound emissions must be reduced, if necessary by using flue gas silencers.

18.2 SAACKE is a systems manufacturer and not a supplier of the entire plant. An overall vibration analysis is not part of an order. If vibrations occur, it shall be checked whether the above requirements have been met. As long as this is not ensured, it is assumed that the scope of supply of SAACKE cannot be held responsible for the vibrations and that the vibrations are being caused by the Purchaser or by third parties. The Purchaser's obligation to prove any defect in the scope of delivery remains unaffected.

19 General provisions

19.1 Concerning the sale of used goods, we exclude any warranty on our part, unless we are imperatively liable due to statutory regulations.

19.2 All taxes, fees and duties in connection with the performance outside the Federal Republic of Germany shall be born by the purchaser. Should the situation arise, the purchaser shall reimburse our expenses for said costs.

19.3 We store personal data in compliance with the statutory regulations.

19.4 We do not compensate costs for the backhaul of packaging.

19.5 The purchaser shall be responsible for obtaining the authorisations and/or export or import papers necessary for the use of the products at his own expense.

19.6. Place of fulfilment and performance of the purchaser's obligations towards us shall be Bremen.

19.6 If individual provisions of these General Terms and Conditions or the contract should be or become entirely or partially invalid, the other provisions shall remain unaffected thereof.

20 No Russia clause

20.1 The Purchaser shall not sell, export or re-export, directly or indirectly, to the Russian Federation or for use in the Russian Federation any goods supplied under or in connection with this Agreement that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014.

20.2 The Purchaser shall undertake its best efforts to ensure that the purpose of paragraph (20.1) is not frustrated by any third parties further down the commercial chain, including by possible resellers.

20.3 The Purchaser shall set up and maintain an adequate monitoring mechanism to detect conduct by any third parties further down the commercial chain, including by possible resellers, that would frustrate the purpose of paragraph (20.1).

20.4 Any violation of paragraphs (20.1), (20.2) or (20.3) shall constitute a material breach of an essential element of this Agreement, and SAACKE shall be entitled to seek appropriate remedies, including, but not limited to:

- a) termination of this Agreement; and
- b) insofar as the Purchaser can be accused of at least negligence in the breach of one of the obligations specified (20.1), (20.2) or (20.3), a penalty of 5% of the total value of this Agreement or price of the goods exported, whichever is higher.
- c) If a material breach of paragraphs (20.1), (20.2) or (20.3) is noted from the Purchaser or their third-country counterpart, SAACKE shall be entitled to claim all losses arising from this breach from the Purchaser or their third-country counterpart

20.5 The Purchaser shall immediately inform SAACKE about any problems in applying paragraphs (20.1), (20.2) or (20.3), including any relevant activities by third parties that could frustrate the purpose of paragraph (20.1). The Purchaser shall make available to SAACKE information concerning compliance with the obligations under paragraph (20.1), (20.2) and (20.3) within two weeks of the simple request of such information.



DELIVERY AND ASSEMBLY CONDITIONS of SAACKE GmbH (- SAACKE GTC -)

Version 11/2022

21 Applicable law, place of jurisdiction

- 21.1 Place of jurisdiction for all disputes arising from the contract relationship shall be at our head office in Bremen. We reserve ourselves the right to take action at the purchaser's statutory place of jurisdiction.
- 21.2 The law of the Federal Republic of Germany shall apply, excluding all conflict-of-laws rules and the United Nations Conventions on Contracts for the International Sale of Goods (CISG).