

§ 1 General provisions, scope of application

(1) The following General Sales and Delivery Terms & Conditions apply exclusively to all LTA's business relationships with entrepreneurs (§ 14 BGB [German Civil Code]; hereinafter "Customer") within the meaning of § 310 Paragraph 1 BGB for the supply of equipment, filters, and spare parts in Germany, or, as the case may be, as modified by more specific terms of business, such as LTA's Special Sales and Delivery Terms & Conditions. These General Sales and Delivery Terms & Conditions do not apply to installation work; for installation work, LTA's separate installation terms & conditions apply.

In the event of any deviations between the provisions of these General Sales and Delivery Terms & Conditions and LTA's more specific terms of business, the stipulations of the more specific terms of business shall take precedence over the stipulations of these General Sales and Delivery Terms & Conditions.

(2) These General Sales and Delivery Terms & Conditions, as amended from time to time, also apply as a framework contract to future contracts with the same Customer for the sale and/or supply of equipment, filters, and spare parts in Germany without LTA needing to make reference to them in each and every individual case.

(3) These General Sales and Delivery Terms & Conditions apply exclusively. Any Customer's general terms & conditions of business that deviate from, conflict with, or supplement these General Sales and Delivery Terms & Conditions are only accepted and form part of the contract if LTA has explicitly agreed to them in writing. This is also the case if LTA, without reservation, makes deliveries in the knowledge of Customer's general terms & conditions of business that deviate from or conflict with these General Sales and Delivery Terms & Conditions.

(4) If, pursuant to these General Sales and Delivery Terms & Conditions, any legally relevant statements or notices are to be made by Customer or LTA in writing, then the expression "in writing" shall include both written form and text form (e.g. letter, fax, email). Written form within the meaning of § 126 BGB shall apply only where written form is explicitly prescribed.

(5) Individual written contractual arrangements that have been made with Customer in a particular case and that deviate from these General Sales and Delivery Terms & Conditions shall take precedence.

(6) References to the applicable provisions of relevant acts are for the purposes of clarification only. Even without such clarification, the applicable legal provisions apply unless they are directly altered or explicitly excluded in these General Sales and Delivery Terms & Conditions.

§ 2 Quotations, conclusion of the contract

(1) All LTA's quotations are subject to change and non-binding unless they are explicitly identified as binding or they contain a specific time limit for acceptance.

(2) Specifications, illustrations, drawings, photographs, and other information concerning the characteristics of the deliverable in brochures, product data sheets, other product descriptions or documents (e.g. advertising, public statements) – including those in electronic form – are only approximate and non-binding, and serve, unless otherwise explicitly agreed in writing, only to individualize the object of the contract and do not constitute, in particular, any warranty as to the properties thereof. Drawings, sketches, concepts, and other documents form a binding part of the contract only if they are explicitly identified as final documents and a binding annex to the contract.

(3) By placing an order, Customer makes a binding declaration that it wishes to acquire the ordered goods. LTA is entitled to accept an offer consisting of an order within four weeks of LTA receiving the respective order. In any event, a contract will only be formed on the basis of a written confirmation of the order, a countersignature of Customer's order, or the fulfillment and delivery of the order by LTA. The content of the contract is determined by the document containing LTA's written confirmation or, in the event of the fulfillment of the order with Customer's knowledge, the content of LTA's most recent quotation.

(4) Any agreements, side agreements, and subsequent changes, etc., between LTA and Customer are valid only if made in writing. LTA's employees are not authorized to make statements beyond the scope of the written contract.

(5) LTA reserves the right to make changes to the design or shape

during the delivery period to the extent that this does not result in a significant change in the goods or their functionality or appearance, and Customer can reasonably be expected to accept them.

(6) LTA retains the title and reserves all copyrights and other intellectual or industrial property rights to any samples, cost estimates, drawings, and other tangible and intangible information – including that in electronic form – as well as to all other documents that form part of the quotation. These documents and information may not be reproduced or disclosed to third parties without LTA's prior express written consent and must be returned to LTA immediately upon request.

(7) If, after the conclusion of the contract, Customer raises any additional requirements in respect of the ordered goods or requests any additional changes, their acceptance is subject to LTA's express written consent and the conclusion of an additional contractual agreement, in particular concerning additional remuneration and adjustment to the delivery period. In the period from the receipt of Customer's request to make a change up until the conclusion of an amending contract, LTA is entitled to discontinue further processing of the original order. Any resulting extension of the delivery period is not attributable to LTA. If LTA submits to Customer suggestions to make changes, the foregoing shall apply *mutatis mutandis*.

(8) Obvious mistakes and printing, counting, typing, and calculation errors are not binding on LTA, and Customer is not entitled to make any claims on their basis.

(9) LTA is entitled to engage, in whole or in part, a subcontractor (including, but not limited to, companies belonging to the JUNKER Group) in relation to the performance of the obligations that it has assumed vis-à-vis Customer, in relation to the production and delivery of the deliverable and/or the performance of services, without Customer's prior consent. In doing so, LTA will ensure that this does not adversely affect the performance of the obligations assumed vis-à-vis Customer or prejudice Customer's rights. LTA is responsible and liable for the acts and omissions of subcontractors appointed by LTA. The conclusion of agreements between LTA and a subcontractor will not create any contractual relationships between Customer and the subcontractor. Customer is not entitled to reject LTA's appointment of subcontractors.

(10) In order to secure Customer's payment obligations, LTA reserves the right to furnish the deliverable with technical security equipment, including, but not limited to, a protective password. Customer will merely receive a provisional and temporary password when the deliverable is installed. Customer will receive the final password once it has fully fulfilled its payment obligations resulting from the contractual relationship with LTA.

§ 3 Prices, payment, payment terms & conditions

(1) All LTA's pricing information and price lists are non-binding unless a particular price or price list is explicitly identified as binding.

(2) Unless otherwise expressly agreed in writing, prices stated are net, ex-works. Sales tax in the amount applicable as of the date of the taxable supply will be added to prices. If prices are not agreed at the time of the conclusion of the contract, LTA's prices valid on the date of the delivery will apply.

(3) If an agreed transnational supply transaction is in principle exempt from sales tax, Customer is obligated to provide LTA with the required written evidence relating to the export without undue delay; should it fail to do so, LTA is entitled to invoice Customer for the sales tax payable. If the sales tax treatment should prove to be incorrect, or if the German fiscal authorities assess it differently, Customer shall repay to LTA the sales tax assessed against LTA with supplementary consideration (interest). The following Paragraph (7), first half of the first sentence, and § 8 apply *mutatis mutandis* to the provisions of the first and second sentences of this paragraph.

(4) Shipping costs will be invoiced separately. Any additional costs, such as transport insurance, packaging, unloading, delivery, customs, fees, public charges, etc., shall be borne by Customer unless otherwise expressly agreed in writing. LTA shall be entitled to charge the customer a one-time fee of EUR 20.00 for postal and telecommunication costs (e.g. for telephone, fax, postage) incurred in connection with the execution of the contract or in case of service.

(5) Unless otherwise agreed with Customer, the purchase price is payable as follows:

- 30% of the purchase price: an advance payment payable after Customer has received a written confirmation of the order from LTA;

- 60% of the purchase price: payable upon notification that the goods are ready for dispatch or collection;

- 10% of the purchase price: payable upon final acceptance, but no later than two months after the notification of readiness for dispatch or collection if final acceptance is delayed for reasons for which LTA is not responsible.

(6) LTA is entitled to make outstanding deliveries or services subject to advance payment or the provision of securities if LTA, after the conclusion of the contract, becomes aware of circumstances that are likely to substantially impair Customer's creditworthiness and as a result of which the payment by Customer of LTA's outstanding receivables from the respective contractual relationship (including receivables from other individual orders to which the same framework contract applies) is threatened.

(7) Unless otherwise expressly agreed in writing, invoices are payable immediately upon receipt, without any deductions. The date of payment is determined by the date on which LTA has the proceeds at its disposal. Unless otherwise expressly agreed in writing, payment must be made in the same currency as that in which the respective invoice is issued.

(8) Upon expiry of the agreed payment deadline, Customer is in default without LTA being required to issue any reminder notice; if LTA issues a reminder notice, Customer is in default as of this point in time. During the period of default, default interest will be charged on the purchase price at the applicable statutory interest rate; LTA reserves the right to claim further damages caused by default, in excess of the default interest. If Customer does not fulfill its payment obligation despite being in default or fails to provide the required security upon receiving a corresponding request to do so, LTA may, within one week of Customer entering into default of payment or, as the case may be, failing to provide a security, discontinue performance or exercise a right of retention. The delivery period shall be extended accordingly. If the purchase price is to be paid in installments, the foregoing will apply *mutatis mutandis*.

(9) Payments may be made by bank transfer only. Promissory notes and checks are not accepted as fulfillment of the payment obligation.

(10) If LTA and Customer agree that Customer is obligated to negotiate a documentary letter of credit via its bank (or a bank that is acceptable to LTA), it is agreed that the opening of the letter of credit must be in accordance with the Uniform Customs and Practice for Documentary Credits, 2007 revision, ICC publication No. 600.

(11) Any and all LTA receivables become payable immediately, even in the case of an agreed payment extension, if Customer enters into default on an amount receivable by LTA, if it suspends payments or is overindebted, if an application for the opening of insolvency proceedings has been filed over Customer's assets, if insolvency proceedings have been initiated or dismissed due to a lack of assets, or if LTA becomes aware of circumstances that are likely to significantly impair Customer's creditworthiness. In such cases, LTA is entitled, at its option and after having set a grace period, to demand the return of the delivered goods, to make further deliveries subject to advance payment or the provision of securities, to claim damages, or to rescind the contract.

§ 4 Delivery period and performance period

(1) Unless otherwise expressly agreed in writing, delivery dates and delivery periods are approximate and non-binding on LTA. Transactions for delivery by a fixed period will not be agreed.

(2) Compliance by LTA with delivery periods agreed as binding is based on the presumption that all commercial and technical matters have been clarified with Customer, that Customer has fulfilled all of its obligations, such as the timely securing of its own supplies, documents, official permits or consents, tests, approvals, and compliance with the agreed payment terms, and that no retrospective changes to the order have been requested or agreed. If this is not the case, the delivery period shall be extended accordingly unless otherwise expressly agreed in writing.

(3) Compliance with the delivery period is subject to the proper and timely delivery of supplies to LTA by its own suppliers.

(4) Unless otherwise expressly agreed in writing, deliveries are ex-works at the plant in Nordrach (EXW, Incoterms 2010).

(5) The delivery period is deemed to have been met if Customer has been notified of the readiness of the goods for dispatch or collection at the latest by the expiry of the delivery period.

(6) If it is not possible to meet binding delivery periods for reasons for which LTA is not responsible (unavailability of performance), the contractually agreed dates and periods shall be extended accordingly. LTA shall inform Customer promptly of this fact and, at the same time, inform Customer of the anticipated new delivery date. If performance is also unavailable within the new delivery period, LTA is entitled to rescind the contract, in full or in part, and will reimburse Customer for the consideration provided by it. Unavailability of performance in this sense means, among other things, a failure by LTA's suppliers to deliver supplies in a timely manner in the event that LTA has concluded a congruent hedging transaction or any force majeure event such as war, terrorist attacks, import and export restrictions, labor disputes, or operational disruptions at LTA's works, or those of its suppliers, that prevent LTA, without it being at fault, from delivering the goods by the agreed date or within the agreed period. LTA's rights to rescission and termination provided by law, with the exclusion of the obligation to provide performance (for instance because performance and/or supplementary performance is impossible or unreasonable), remain unaffected thereby. Customer's rights to rescission and termination under these General Sales & Delivery Terms & Conditions also remain unaffected. Notwithstanding this, LTA is entitled, in the event of termination of the contract as a result of any force majeure event, to demand payment of the contractual performance rendered by LTA up until such point in time.

(7) If a binding delivery period is agreed and LTA enters into default in delivery, Customer is entitled, following a prior written reminder notice and the expiry of a grace period of no less than 14 days, to claim a contractual penalty for default of 0.25% for each full week of default, however in the aggregate no more than 2.5% of the net price of the deliveries affected by the default unless it is clear from the circumstances of the case, or LTA is able to demonstrate, that Customer incurred no damage or considerably less damage as a result. After the maximum contractual penalty for default has been reached, and a grace period of 14 days has been granted and expired without LTA meeting it, Customer may rescind the contract.

§ 5 Delivery of goods

(1) Unless otherwise expressly agreed in writing, the goods are deemed to have been delivered to Customer at the time that Customer is notified of their readiness for dispatch or collection. Customer may collect the goods from the plant in Nordrach (EXW, Incoterms 2010) during LTA's standard business hours.

(2) LTA is entitled to make and invoice partial deliveries unless a single (indivisible) object of the contract is to be delivered.

(3) If documents form part of LTA's scope of delivery, delivery is deemed to have been made when the complete documents have been delivered. Any claims by Customer concerning the documents delivered are governed exclusively by the provisions of Sections 9 and 11 of these General Sales and Delivery Terms & Conditions.

(4) If the delivery has been negotiated subject to Customer's approval (e.g. pre-acceptance) and this or the delivery itself are delayed for reasons for which Customer is responsible, or if Customer is in default of acceptance on the respective due date, then, at LTA's option and regardless of any agreements to the contrary, delivery shall be deemed to have been agreed ex-works at the plant in Nordrach (EXW, Incoterms 2010) and/or the outstanding purchase price (including any sales tax) becomes payable in full immediately if Customer fails to approve the delivery or arrange for it within a period of 14 days following a written request from LTA. If this deadline is not met, LTA is also entitled to store the deliverable at Customer's risk and expense. At Customer's request, LTA will insure the goods at Customer's expense. Section 12 Paragraph (1) applies *mutatis mutandis*. The same applies to clearly definable semi-finished parts if, for reasons for which Customer is responsible (e.g. as a result of delayed delivery of supplies by Customer), there is a delay in the production of deliverable and hence a delay in the agreed delivery date.

§ 6 Export control

(1) If necessary, Customer is obligated to provide, as part of the order process, all the required information regarding the export of the goods ordered by it or their resale so that LTA is able to comply with, and apply, the provisions of the relevant legislation that are binding on LTA and to obtain any permits that may be required, etc. Any delay for which LTA is not responsible and that arises as a result of a required export control is not LTA's responsibility, and the agreed delivery period shall be extended accordingly.

(2) If, despite relevant communications from Customer, uncertainties still exist concerning the export of the goods or their end use, and these doubts are not completely removed by Customer despite inquiries from LTA, LTA is entitled to rescind the contract after the expiry of a grace period of 14 days. Customer shall have no claim to damages in such a case.

(3) If LTA incurs any damages as a result of incorrect or incomplete information provided by Customer, or if other claims are brought against LTA in this respect, or if proceedings are initiated against it by the state authorities in this context, Customer shall, upon first request, compensate LTA for all associated damages or indemnify LTA, and shall, at its own expense, support LTA in the defense against such claims or in proceedings initiated in this context.

(4) Where a permit is required for the export of LTA's goods, the contract is concluded subject to the granting of the respective permit.

§ 7 Passing of risk

(1) In the case of deliveries ex-works at the plant in Nordrach (EXW, Incoterms 2010), the risk of accidental destruction and accidental deterioration passes to Customer at the moment LTA informs Customer that the goods are ready for collection. The same applies if partial deliveries are to be made, or if LTA has committed itself to separately agreed performance (e.g. commissioning), and these deliveries or performance is still to be provided.

(2) If delivery is not ex-works at the plant in Nordrach (EXW, Incoterms 2010), the risk of accidental destruction and accidental deterioration passes on the moment of handover to the shipper, the carrier, or other person charged with the delivery. If Customer enters into default of acceptance, the risk of accidental destruction and accidental deterioration passes to Customer at the moment LTA offers to hand over the goods in question.

§ 8 Retention of title

(1) LTA retains the title to all supplied goods until Customer has paid all current and future receivables arising from the contract concluded and the ongoing business relationship, regardless of the legal grounds.

(2) Customer undertakes to handle the goods delivered subject to the retention of title with care, to insure them adequately, and to provide proof of this fact upon request. Customer hereby assigns to LTA its claims against its insurer or third parties that arise in the event of damage. LTA accepts this assignment.

(3) Prior to full payment of the secured receivables, the goods subject to the retention of title may neither be pledged to third parties nor assigned by way of security. If and to the extent that third parties have access to the goods belonging to LTA, or if there is a risk of this occurring, Customer shall immediately notify LTA thereof in writing and shall also advise third parties of the retention of title by appropriate means. Should Customer fail to comply with these obligations, it shall, upon request, provide LTA with all information necessary for, and expedient to, the exercise of its rights and shall provide it with all assistance necessary. Customer shall bear all costs that must be incurred to remove third-party access to LTA's goods that are subject to the retention of title or a lien, and to repurchase the goods if it is not possible to recover them from the respective third party.

(4) In the event of a breach of contract by Customer including, but not limited to, default in payment, LTA is entitled to rescind the contract in accordance with the statutory provisions and to demand the return of the goods on the basis of the retention of title and on the grounds of rescission.

If Purchaser fails to pay the purchase price due, LTA is entitled to exercise these rights only if a reasonable time limit for payment has been granted to Purchaser by LTA and not been met, or if the granting of such a time limit may be dispensed with by law. Any damages and costs incurred by LTA as a result of the rescission, including, but not limited to, transportation costs, shall be borne by Customer.

(5) Customer may resell and/or process the goods that are subject to the retention of title in the ordinary course of its business; this permission may be withdrawn by LTA at any time. In this context, the following provisions apply:

(a) The retention of title extends to the products resulting from the processing, mixing, or combining of LTA's goods to their total value, with LTA being considered the manufacturer thereof. If, in the case of the processing, mixing, or combining with third-party goods, a third party retains a proprietary right to them, LTA shall acquire a co-ownership interest in proportion to the invoiced values of the processed, mixed, or combined goods. In all other cases, the provisions applicable to items supplied subject to the retention of title also apply to the resulting product.

(b) Customer hereby assigns to LTA, by way of security, all receivables from third parties arising from the resale or on the basis of other legal grounds (including, but not limited to, under insurance policies and/or in tort), in full or in the amount of LTA's co-ownership interest under Point (a) above. LTA accepts the assignment. Customer's obligations set forth in Paragraph (3) above also apply in relation to the assigned receivables.

(c) Customer is entitled to collect the receivable alongside LTA. LTA undertakes to refrain from collecting the receivable as long as Customer fulfills its payment obligations to LTA and does not enter into default in payment, and provided that an application for the opening of insolvency proceedings has not been filed, such an application has not been dismissed due to a lack of assets, and Customer's ability to meet its obligations is not impaired in any other way. Should this not be the case, Customer is required to disclose to LTA upon request information on the assigned receivables and the debtors, to provide all information necessary for their collection, to supply the related documents, and to inform debtors (third parties) of the assignment(s).

(6) LTA will, at its discretion, release the security to which it is entitled, upon Customer's request, if its recoverable value exceeds the secured receivables by more than 10%.

§ 9 Warranty for defects

(1) LTA warrants that the item delivered meets the contractually agreed properties.

(2) Customer shall inspect the deliverable for defects without undue delay after its arrival at the installation site.

(3) Customer shall inform LTA of any defect in written form and without undue delay after having identified such a defect. The defect must be described in detail in the defect notification. The defect notification must be issued within ten days from the date on which Customer discovered, or could have discovered, the defect. If Customer does not inform LTA in written form of a defect within the aforementioned period, Customer loses its entitlement to a warranty claim.

(4) If minor deviations that are customary in the industry or that are usually accepted between the parties are present, the deliverable is deemed to have been delivered in accordance with the contract.

(5) LTA shall, at its option and at no cost to Customer, resupply the parts of the deliverable that were defective at the passing of risk or replace them with parts that are free of defects. LTA may rectify a defect repeatedly and, at its discretion, change its course of action from rectification to resupply.

(6) The warranty period for the deliverable is 12 months.

(7) The warranty period commences at the moment of final acceptance; if final acceptance is delayed for reasons attributable to Customer, the warranty period shall be no longer than 15 months from the date of notification of readiness for collection or dispatch, or, in the absence of such notification, from delivery. If Customer puts filters into operation prior to final acceptance, the warranty period commences on the date that Customer puts the filters into operation.

If, during the warranty period, any defect occurs and LTA remedies this defect with LTA's explicit acknowledgment of a legal obligation to do so by resupplying a defective part (i.e. new delivery) or by repairing such defect (i.e. rectification of the defect), the warranty period for the resupplied or repaired part starts to run again; however, the warranty period for the resupplied or repaired part shall be a maximum of 18 months from the final acceptance of the deliverable or, in the event that the filter is put into operation prior to final acceptance, a maximum of 18 months from the date that the filter is put into operation.

The warranty period for the parts of the deliverable that are not affected by the resupply or repair is merely suspended for as long as the deliverable is out of service due to the resupply or repair.

(8) Customer shall provide LTA with the necessary time and opportunity, after giving LTA notice, to make any repairs and replacement deliveries that LTA deems necessary. Only in emergencies of operational safety or in order to prevent disproportionately high damage, which LTA must immediately be notified of, is Customer authorized to remedy the defect itself, or to have it remedied by third parties, and to require LTA to compensate it for any necessary and reasonable expenses.

(9) Of the costs directly related to the repair or the replacement delivery, LTA shall bear – if the complaint proves to be justified – the costs for the part to be replaced including shipping costs. Furthermore, LTA shall bear the costs of removal and installation as well as the costs for the necessary provision of any fitters and assistants, including travel expenses, provided that this does not place undue burden on LTA.

(10) Customer is entitled to rescind the contract within the scope of the statutory provisions if – taking into account the exceptional cases provided for by law – LTA has been granted a reasonable period in which to undertake the repair or replacement delivery due to a defect and fails to do so. If the defect is merely insignificant and if substitute performance cannot be reasonably demanded from LTA, Customer only has the right to make a deduction from the contractual price. Further claims are governed by Section 11 of these General Sales and Delivery Terms & Conditions.

(11) LTA is liable for the fitness for use of the deliverable only if the deliverable is used by Customer under the contractually foreseeable operating conditions and otherwise used and put into operation by Customer in accordance with the contract. In particular, Customer has the following obligations: it is obligated to comply with all the provisions of the operating and maintenance manuals, and to carry out any staff training that is offered to it by LTA.

Furthermore, LTA shall not be held liable if Customer deviates from LTA's written instructions.

The warranty also does not apply in the following cases: inappropriate or improper use of the deliverable; incorrect or improper assembly, setup, installation, or commissioning by Customer and/or third parties; incorrect or negligent operation, handling, or storage; incorrectly conducted maintenance; defective repairs performed by Customer or third parties; unsuitable or contaminated or otherwise incorrect operating supplies, raw materials, or consumables for production operations; defective construction work; unsuitable foundation soil; chemical, electrochemical, or electrical influences – unless LTA is responsible for the abovementioned circumstances.

LTA's liability for defects also does not apply to normal wear and tear or to damage caused by corrosive material(s), inappropriate solvents, inappropriate operating supplies and lubricants, inappropriate raw materials, or inappropriate or defectively installed power or water supply provided these supplies are made by Customer and/or are not LTA's responsibility. Furthermore, LTA is not liable for defects resulting from a design prescribed by Customer and those resulting from alterations/modifications made to the deliverable by Customer or third parties without LTA's written consent.

(12) In the event that Customer or a third party makes an improper repair, LTA is not liable for any resulting consequences and damage. The same applies to any alterations/modifications made to the deliverable without LTA's prior consent. Third parties within the meaning of the foregoing refers to companies not belonging to the JUNKER Group.

(13) If Customer reports a defect and a defect for which LTA is liable cannot be found, LTA is entitled to invoice Customer for any costs, expenses, and damage incurred by LTA as a result of such an unjustified defect notice.

(14) With regard to products that LTA purchases from a third party (but not a company belonging to the JUNKER Group) in order to resell them to Customer, LTA assigns all warranty rights towards third party to Customer. LTA is also obligated to assume the warranty set forth in the above paragraphs in favor of Customer provided, however, that

Customer has previously attempted and failed to enforce the assigned warranty rights against the third party concerned.

§ 10 Liability for infringements of intellectual or industrial property rights

(1) LTA warrants that there are no patents or other intellectual or industrial property rights of third parties that could be applied to the deliverable within the scope of its intended use at the time of the passing of risk at the place of installation of the deliverable. The provisions of Section 9 Paragraphs (3) to (10) and Section 9 Paragraph (14) apply *mutatis mutandis*.

(2) LTA's liability is excluded if a patent or an intellectual or industrial property right of a third party is infringed because LTA has followed a design provided by Customer or an instruction issued by Customer, or because the deliverable is used in a particular way, for a particular purpose, in a particular country, or in combination with other products or other software where this fact was not disclosed to LTA at the time of the conclusion of the contract.

(3) During LTA's liability period, Customer is obligated to inform LTA, in writing and at the earliest possible opportunity, in the event that a third party asserts a patent or other intellectual or industrial property right in respect of the deliverable or brings a claim in court or out of court. Customer will provide LTA with the opportunity to respond before Customer acknowledges any claim brought by a third party in court or out of court. Customer must, on request, grant LTA the authority to conduct negotiations or legal action with the third party for its own account and at its own responsibility. Customer is liable to LTA for any damage arising from any culpable breach of the above obligations.

(4) Customer warrants that any design provided by it and any instructions issued by it will not result in LTA infringing patents or other intellectual or industrial property rights in the performance of its contractual obligations. Customer shall indemnify LTA or compensate it, on first request, for all reasonable costs and damage incurred by LTA as a result of non-compliance with these obligations.

§ 11 Liability, limitation of liability

(1) LTA shall be liable in accordance with the statutory provisions for claims for compensation for damages and costs (hereinafter referred to as "Damages" for short) incurred by Customer as a result of intentional acts or gross negligence on the part of LTA including intentional acts or gross negligence on the part of LTA's legal representatives and the persons employed by it in the performance of an obligation. If LTA culpably breaches an essential contractual obligation (an obligation which must be fulfilled to allow the proper performance of the contract, and one for which the other contracting party ordinarily relied upon its compliance and was entitled to do so), LTA is also liable in accordance with the statutory provisions.

(2) With the exception of intentional contractual breaches, LTA's liability for Damages is limited to foreseeable, typically occurring damage.

(3) LTA's liability is limited to direct material damage (damage to the delivered item itself). LTA is not liable for any indirect or consequential damage (e.g. production stoppages, loss of use, loss of profits, contractual penalties, damage to processed items, etc.).

(4) Furthermore, LTA is liable only for damage that is incurred during the warranty period for defect claims pursuant to Section 9 of these General Sales and Delivery Terms & Conditions and is reported by Customer to LTA in written form, providing a description of the defect, without undue delay after the occurrence of the respective damage.

(5) Disturbances arising from Customer's sphere of influence and resulting in problems with the output of the deliverable supplied by LTA (e.g. operating errors by Customer / failure to provide assistance resulting in filter failure / non-compliance with quality parameters) fall exclusively within Customer's area of risk and liability. Customer must ensure in good time that all conditions for proper operation of the deliverable are met at the agreed time; LTA is not liable for disturbances stemming from Customer's sphere of influence, and for defects and damage caused by Customer or personnel provided by Customer, unless such disturbances, defects, and damage are the result of incorrect instructions from LTA.

(6) If LTA provides technical information or advisory services and such information or advisory services do not fall within the scope of LTA's contractually agreed performance that it is bound to deliver, such information or advisory services are provided free of charge and with the exclusion of any liability.

(7) LTA's liability is limited to the extent of the insurance cover under the liability insurance taken out by LTA.

(8) The exclusions and limitations of liability arising from the foregoing provisions of these General Sales and Delivery Terms & Conditions do not apply to claims for Damages arising from any intentional or grossly negligent act, in the event of culpable injury to life, limb, or health, and in the case of claims under the German Product Liability Act. The exclusions and limitations of liability are also not applicable if LTA has fraudulently concealed a defect or assumed a warranty as to a particular property of the deliverable.

(9) Except as otherwise expressly provided above, LTA's liability is excluded.

(10) To the extent that LTA's liability is excluded or limited, this exclusion or limitation also applies to (i) the liability of LTA's legal representatives, holders of power of attorney, and vicarious agents, and any persons employed by it in the performance of an obligation, as well as to (ii) the liability of companies affiliated with LTA including their legal representatives, holders of power of attorney, and vicarious agents, and any persons employed by such companies in the performance of an obligation.

§ 12 Set-off, retention, assignment

(1) LTA is entitled to set off its claims against Customer's claims raised against LTA and to exercise a right of retention even if the respective claims are not yet due.

(2) Customer is entitled to set off its receivables against LTA's receivables or to exercise a right of retention only if its claims have been established with legally binding (non-appealable) effect, if they are uncontested, or if they have been acknowledged by LTA. Furthermore, Customer may exercise a right of retention only if its counterclaim is based on the same contractual relationship.

(3) Customer hereby declares that it agrees to its receivables and payables being set off by LTA. LTA may also set off its receivables and payables against the receivables and payables of companies belonging to Customer's group.

(4) Customer's claims against LTA may not be assigned without the prior written consent of LTA.

§ 13 Use of software

If the scope of delivery includes software, Customer will be granted a non-exclusive and non-transferable right to use the software including its documentation. The software is provided for use on the deliverable intended for this purpose. Use of the software on more than one system is prohibited. Customer may reproduce, edit, or translate the

software, or convert it from object code to source code, only within the permissible limits under statute (Sections 69a et seq. UrhG [German Copyright Act]). Customer undertakes not to remove any manufacturer information, including, but not limited to, copyright notices, or to alter these without LTA's prior written approval. LTA or, as the case may be, the suppliers of the respective software reserve all other rights to the software and the documentation including any copies. Sublicensing is prohibited.

§ 14 Confidentiality

Customer is obligated to treat all information, documents, documentation, drawings, sketches, and other papers, know-how, and commercial or company secrets ("Confidential Information") relating to the performance of the respective contract as strictly confidential and not to disclose or otherwise reveal Confidential Information to any third parties without LTA's express consent. LTA will similarly treat Customer's documents and papers as confidential.

§ 15 Final provisions

(1) These General Sales and Delivery Terms & Conditions and all legal relationships between the parties or their respective legal successors shall be governed exclusively by the laws of the Federal Republic of Germany, to the exclusion of the UN Convention on Contracts for the International Sale of Goods and the provisions of international private law.

(2) The place of performance is Nordrach. The exclusive courts of jurisdiction for all disputes arising from the commercial relationship between the parties are the courts in Nordrach. However, LTA is also entitled to bring an action before the courts at Customer's place of business.

(3) If any of the provisions of these General Sales and Delivery Terms & Conditions or any provisions of the contract between the parties should be or become invalid, this shall not affect the validity of the remaining provisions of these General Sales and Delivery Terms & Conditions or the respective contract. The parties undertake to replace such invalid provisions with provisions that come closest, in a legally permissible manner, to the regulations contained in the invalid provisions. The same shall apply to any gaps in the provisions. In order to fill the gaps, the parties undertake to strive to find a regulation that comes closest to what the parties would have agreed upon, considering the spirit and purpose of the contract, if they had considered that point.