

General Terms And Conditions Of Sale And Delivery of Kern-Liebers (India) Pvt. Ltd.

I. Scope

1. *These general terms and conditions of sale and delivery apply to sale of all products by **Kern-Liebers (India) Pvt. Ltd.**, based in Tumkur, India (hereinafter the "**Seller**") with respect to any order placed by buyer (hereinafter the "**Buyer**" or "**contract partner**") and accepted by Seller in writing.*
2. *All deliveries, services and offers provided by the seller are subject exclusively to these general terms and conditions of sale and delivery. These are an integral part of all contracts and agreements concluded by the seller with his contract partners with regard to goods or services offered by him. They also apply to all future deliveries, services or offers to the Buyer, even if they are not agreed again separately.*
3. *The terms and conditions of the buyer or third parties are not applied, even if the seller does not separately dispute their application in individual cases. Even if cases where the seller makes reference to a letter that contains or makes reference to the terms and conditions of the buyer or a third party, no agreement with the application of those terms and conditions is implied.*
4. *These terms and conditions shall be binding on all parties and any additional terms and condition shall not be binding unless expressly agreed by the Seller in writing. Buyer's acceptance of the Products and/or Services from Seller shall be deemed to constitute acceptance of the terms and conditions contained herein.*

II. Offer and conclusion of contract

1. *The placing of an order by buyer and acceptance by way of written order of confirmation either in writing or by email by Kern-Liebers (India) Pvt. Ltd., shall constitute the customer's agreement to our conditions.*
2. *The legal relationship between seller and buyer is governed exclusively by the agreement concluded by the two parties, including these general terms and conditions of sale and delivery.*
3. *Specifications provided by the seller with regard to the object of a delivery or service (e.g. weights, dimensions, practical values, capacity, tolerances and technical data) and representations of these specifications (e.g. drawings and illustrations) are only approximate, unless their usability for the contractually agreed purpose requires an exact specification. They provide no guarantee of quality characteristics, and instead represent descriptions or characterizations of the goods or services. Provided they do not affect usability for the contractually agreed purpose, commercial deviations and deviations that result from legal requirements or that represent technical improvements, as well as the replacement of components by equivalent parts, are permitted.*

4. *The seller reserves ownership or copyright with regard to all offers and cost estimates submitted by him, as well as drawings, illustrations, calculations, brochures, catalogues, models, tools, and other documents and additional resources made available to the buyer. Without the express consent of the seller, the buyer may not make these materials available to third parties, either as such or in terms of their content, may not disclose them, and may not use or reproduce them internally or through third parties. At the request of the seller, the buyer must return these materials in full and destroy any copies that may have been made if they are no longer required by him in the ordinary course of business or if negotiations do not lead to the conclusion of a contract.*
5. *Seller shall not entertain any order cancellation post order acknowledgement/ confirmation. Order cancellation should be mutually agreed and damages will be chargeable in case of acceptance by Seller.*

III. Prices, payment and price adjustment

1. *Prices are valid for the specific goods and services listed in the order confirmations. Additional or special services are charged separately. Prices are in INR ex works. Unless agreed otherwise, Sellers price do not include Goods and Service Tax (GST), Insurance Cost, Transportation Cost, packaging cost or any other similar taxes, duties, levies or charges, as applicable for the time being, in any jurisdiction levied in connection with the sale of Goods to Buyer shall be for Buyers account and same shall be added to each invoice or separately invoiced by Seller to Buyer.*
2. *In cases where the agreed prices are based on the seller's list prices and the delivery is scheduled for more than four months after conclusion of contract, the seller's list prices at the time of delivery apply (less any agreed percentage or fixed discount in each case).*
3. *Invoices are payable within fourteen days without any deduction, unless otherwise agreed in writing. The date of payment is determined by the date of receipt by the seller. Cheques are considered payment only after redemption. If the buyer fails to pay by the due date, the amounts outstanding from the due date will be charged interest in the amount of 5% per annum. The assertion of claims for higher interest rates and additional damages remain unaffected in the event of default. If Buyer fails to make payment when it is due, Seller reserves the right to change or suspend or cancel performance under any or all purchase orders or agreements. In the event of default by Buyer, Seller shall be entitled to costs, fees, and expenses, including but not limited to recovery of attorney fees, court costs and fees, and collections costs etc.*
4. *The seller is entitled to deliver outstanding goods or services only against advance payment or the provision of a security if circumstances become known to him after conclusion of the contract which are likely to significantly reduce the creditworthiness of the buyer, and which endanger payment by the buyer of the seller's outstanding claims arising from the respective contractual relationship (including other individual orders to which the same framework agreement applies).*

5. *In the event of a substantial change in wage, material or energy costs or any other costs for contracts with a term of more than 12 months and in indefinite contracts, each party is entitled to a reasonable adjustment of the price to take account of these factors.*

IV. Delivery, delivery time and delay

1. *All deliveries are made ex works place of shipment. Unless otherwise agreed in these general terms and conditions of sale and delivery, the interpretation of any commercial terms agreed between the parties shall be with reference to Incoterms 2023.*
2. *Within a tolerance of plus/minus 10% of the total order quantity, production-related and industry standard excess or short deliveries are permitted. The total price is adjusted accordingly. Seller shall not be liable for any delays, loss or damage in transit.*
3. *The periods and dates announced by the seller for the delivery of goods and services are approximate in all cases, unless a fixed period or a fixed date has been expressly promised or agreed. If shipment has been agreed, delivery periods and dates are with reference to the date of handover to the carrier, freight forwarder or any other third party commissioned to provide transportation.*
4. *The seller may – without prejudice to his rights in the event of default on the part of the Buyer – require Buyer an extension of the delivery and performance dates or postponement of the delivery and performance dates by the period in which the Buyer fails to fulfil his contractual obligations to the seller. The same applies in the event that agents of the seller specified by the Buyer fail to properly meet their contractual obligations.*
5. *If for any reason Buyer fails to accept delivery of any of the Goods on the date fixed pursuant to Seller's notice that the Goods have been delivered at the Delivery Point, or if Seller is unable to deliver the Goods at the Delivery Point on such date because Buyer has not provided appropriate instructions, documents, licences or authorizations:*
 - (i) *risk of loss to the Goods shall pass to Buyer;*
 - (ii) *the Goods shall be deemed to have been delivered; and*
 - (iii) *Seller, at its option, may store the Goods until Buyer picks them up, whereupon Buyer shall be liable for all related costs and expenses (including, without limitation, storage and insurance)*
6. *In addition, the seller is liable for delayed delivery in accordance with the legal provisions, taking the limitations established in these general terms and conditions of sale and delivery into account. If the expected loss or damage caused by delay exceeds 20% of the value of the quantity affected by the delay in delivery, the buyer is obliged to immediately seek an appropriate covering purchase or to accept the covering purchase options identified by us, at the same time withdrawing from the contract for the quantity affected by the delay in delivery. The seller must reimburse the proven additional costs for the cover purchase, otherwise the liability of the seller for any proven loss or damage caused by delay is limited to the value of the affected quantity or – if this amount is higher – to INR 50,000 per case of delay in delivery.*

7. *Seller shall be liable for defects other than to the delivery item, for whatever legal reasons, only in case of intent, gross negligence of bodies or executives, culpable violation of life, body, health, defects whose presence was not disclosed by Seller maliciously or their absence guaranteed by Seller, as well as in case of delivery item defects to the extent as liability is provided under the product liability law for personal injury and property damage in relation to privately used items.*
8. *In case of culpable violation of essential contractual obligations, Seller shall be liable also in case of gross negligence of non-executive personnel and cases of ordinary negligence; in the latter case liability shall be limited to contract-typical, reasonably foreseeable damage. Any further claims shall be excluded.*
9. *The seller is not liable for impossibility of delivery or for delays in delivery caused by force majeure or by other unforeseeable events for which the seller is not responsible (including for example disruptions to operations of any kind, any type of natural calamities, endemic, pandemic Government restrictions, difficulty in obtaining materials or energy, transport delays, strikes, lawful lockouts, shortages of manpower, energy or raw materials, difficulty in obtaining necessary regulatory approvals, regulatory measures or missing, incorrect or late delivery by its own suppliers). If such events render delivery or performance by the seller significantly more difficult or impossible and the hindrance is not only temporary, the seller is entitled to withdraw from the contract. For hindrances of a temporary nature, the delivery or performance periods are extended or the delivery or performance dates are postponed by the period for which the hindrance persists plus a reasonable start-up period. If the buyer cannot be reasonably expected to accept the delivery or performance as a result of the delay, he may withdraw from the contract upon immediate written notice to the seller.*
10. *The seller is entitled to make partial deliveries if the partial delivery is usable for the buyer for the purpose agreed in the contract, if delivery of the remaining goods ordered is ensured, and if the buyer does not incur any significant additional overhead.*
11. *If the seller is delayed in providing a delivery or performance or if a delivery or performance proves impossible, for whatever reason, the seller's liability for damages is limited pursuant to section IX of these general terms and conditions of sale and delivery.*

V. Long-term contracts and delivery call-offs

1. *Unless otherwise agreed, indefinite contracts may be terminated by the seller with a notice period of 3 months to the end of the month.*
2. *Where a binding order quantity is not agreed, the basis used for the seller's cost estimate is always the contract partner's expected, non-binding order amount (target amount) for a specified period. If the contractor purchases less than the target amount, the seller is entitled to increase the unit price accordingly.*
3. *For delivery on call contracts, binding quantities must be notified to the seller using call-offs in good time before the delivery date unless otherwise agreed. The contract partner must ensure that a reasonable period for the procurement of raw materials by the seller is taken into account.*

4. *Additional costs arising from a delayed call-off or subsequent changes by the contract partner to a call-off with regard to either time or quantity are charged to the contract partner, with the cost estimate determined by the seller.*

VI. Place of fulfilment, shipping, packaging, transfer of risk, acceptance

1. *Unless otherwise specified, the place of performance for all obligations arising from the contractual relationship is the place of business of the seller. If the seller has undertaken to provide installation, the place of performance is the location at which the installation is to be carried out.*
2. *The shipping method and packaging are subject to the reasonable discretion of the seller.*
3. *The transfer of risk to the buyer takes place at the latest upon handover (defined as the start of loading) of the article of sale to the carrier, freight forwarder or other third party commissioned for the shipment. This also applies to partial deliveries or in the event that the seller has undertaken to provide other services (such as shipping or installation). If delivery or transfer is delayed due to circumstances for which the buyer is responsible, the risk is transferred to the buyer from the day on which the article of sale is ready for shipment and the seller has notified the buyer that this is the case.*
4. *Storage costs after the transfer of risk are borne by the buyer.*
5. *The consignment will be insured by the seller against theft, breakage, transport, fire and water damage or other insurable risks only at the express request of the buyer and at his expense.*
6. *If acceptance is to take place, the purchased goods are deemed accepted when the delivery is completed and, if the seller has undertaken to provide installation, when the installation is completed, when the seller has notified the buyer of this with reference to deemed acceptance as defined in this section VI clause 6 and requested acceptance from the buyer, when fourteen working days have elapsed since the delivery or installation or the buyer has begun to use the purchased goods (for example started operating the delivered system) and in this case when seven working days have elapsed since delivery or installation and the buyer has refrained from making acceptance within this period for any reason other than a defect notified to the seller which renders use of the purchased goods impossible or substantially impairs it.*

VII. Warranty, defects

1. *The condition of the article of sale must correspond to that which has been agreed between the parties, in particular the agreed specifications and drawings. The decisive factor here is the time of transfer of risk. If the article of sale is based on drawings provided by the buyer, the buyer retains responsibility for the drawing, particularly in cases where the content of the drawing is unclear or can be understood from an expert perspective in a manner other than that intended by the buyer.*
2. *The warranty period is one year from the date of delivery or, if acceptance is required, from the date of acceptance, unless the law provides for a shorter warranty period or no warranty*

period. Notwithstanding this, the statutory warranty periods are applied to claims for culpable injury to life, body or health and, where there is no evidence of ordinary negligence, to fault-based claims for compensation for property damage or financial loss. The buyer must provide the seller with an opportunity to inspect the rejected articles of sale.

3. *The delivered goods must be carefully inspected by the buyer or a third party appointed by him immediately upon delivery. They are deemed approved if the seller is not in receipt of a written notice of defects regarding obvious defects or other defects detected in the course of an immediate, thorough inspection within five working days of delivery of the article of sale, or otherwise within five working days of the discovery of the defect or any earlier period in which the defect was apparent to the buyer during normal use of the article of sale without any further inspection. At the request of the seller, the rejected article of sale must be returned carriage paid to the seller. In the event that the complaint is justified, the seller reimburses the cost of the shipping route with the most favourable terms. However, this does not apply if the costs increase because the article of sale is located at a place other than the place of intended use.*
4. *If acceptance of the goods or an initial sample inspection has been agreed by the Buyer, any defects notified thereafter will not be entertained.*
5. *In cases of material defects of the goods supplied, the seller is entitled and obliged to make an initial choice between repair or replacement within a reasonable period. In the event of failure, i.e. impossibility, unacceptability, refusal or undue delay in repair or replacement, the buyer may withdraw from the contract or reduce the purchase price accordingly.*
6. *If a defect is the fault of the seller, the buyer may demand compensation in accordance with the conditions laid out in section IX.*
7. *In the event of defects in components made by other manufacturers that cannot be eliminated by the seller for licensing or practical reasons, the seller may, at his own discretion, assert his warranty claims against the manufacturers and suppliers on behalf of the buyer or assign them to the buyer. Warranty claims against the seller for such defects under other conditions and in accordance with these general terms and conditions of sale and delivery only apply if legal enforcement of the above-mentioned claims against the manufacturers and suppliers was unsuccessful or has no prospect of success, for example due to insolvency. The period of limitation for the warranty claims of the buyer against the seller shall be suspended for the duration of the legal dispute.*
8. *The warranty is void if the buyer modifies the article of sale or has it modified by a third party without the consent of the seller, thereby rendering the defects impossible or unreasonably difficult to rectify. In all cases, the buyer bears any additional costs for correction of the defect resulting from the modification.*
9. *Any deliveries of used goods agreed on a case-by-case basis with the buyer are subject to the exclusion of any liability for material defects.*

10. *Legal rights of recourse by the buyer against the seller exist only insofar as the buyer has not made any agreements with customers which go beyond the scope of statutory claims for defects.*

VIII. Property rights

1. *The seller guarantees in accordance with the provisions of this section VIII that the article of sale is free of industrial property rights or copyrights of third parties in the country of manufacture. This warranty is expressly not provided outside the country of manufacture. The preceding sentence does not apply and the seller provides no warranty with regard to the property rights of third parties if and to the extent that the seller has manufactured the article of sale to drawings, models or other equivalent descriptions or specifications provided by the buyer, and is unaware that in doing so it is infringing third party property rights.*
2. *Each contract partner will notify the other contract partner immediately in writing in the event that any claims of infringement of such rights are asserted.*
3. *In the event that the article of sale infringes an industrial property right or copyright of a third party exclusively in the country of manufacture, giving rise to a warranty obligation of the seller, the seller will modify or replace the article of sale at his own discretion and at his own expense to ensure that no rights of third parties are infringed, while also ensuring that the article of sale continues to fulfil the contractually agreed functions, or provide the buyer with the right of use through the conclusion of a license agreement. If this cannot be achieved within a reasonable period, the buyer is entitled to withdraw from the contract or reduce the purchase price accordingly. Any claims for damages asserted by the buyer are subject to the limitations laid out in section IX of these general terms and conditions of sale and delivery.*
4. *In the event of infringements by products made by other manufacturers and supplied by the seller, the seller will, at his own discretion, assert his claims against the manufacturers and suppliers on behalf of the buyer or assign them to the buyer. In such cases, claims against the seller are subject to the provisions of this section VIII, and then only if such claims are in accordance with statutory provisions and the legal enforcement of the above-mentioned claims against the manufacturers and suppliers was unsuccessful or has no prospect of success, for example due to insolvency.*

IX. Liability

1. *The seller is liable for damages or reimbursement of expenses in accordance with the legal provisions, taking the limitations established in these general terms and conditions of sale and delivery into account.*
2. *To the extent that fault can be established in each case, the seller's liability for damages, regardless of the legal basis, but due in particular to impossibility, delay, incorrect or defective delivery, breach of contract, breach of obligations in contract negotiations and tort, is subject to the limitations laid out in these general terms and conditions of sale and delivery.*
3. *The seller is not liable for ordinary negligence on the part of its bodies, legal representatives, employees or other agents insofar as there is no infringement of essential contractual obligations. Essential contractual obligations are primarily the obligation to provide delivery*

and installation of the article of sale on time and free of significant defects, as well as the consulting, protection and due care obligations required to enable the buyer to use the article of sale as agreed in the contract or to ensure protection of the buyer's staff from death or injury or protection of the Buyer's property from significant damage.

- 4. To the extent that the seller is liable for damages on the merits, this liability is limited to damages foreseen by the seller on conclusion of the contract as a possible consequence of an infringement of contract, or that should have been foreseen through the proper application of due diligence. In addition, indirect and consequential damage resulting from defects in the article of sale are only eligible for compensation if such damage is typically to be expected during normal operation of the article of sale for its intended use.*
- 5. In the event of ordinary negligence, the liability of the seller for damage to property and financial loss is limited to an amount of INR 1 million per case of damage, even in cases of infringement of essential contractual obligations.*
- 6. The aforementioned liability exclusions and limitations apply to the same extent to the benefit of the bodies, legal representatives, employees and other agents of the seller.*
- 7. To the extent that the seller provides technical information and that such information or advice is not part of the seller's contractually agreed scope of performance, it is provided free of charge and to the exclusion of any liability.*
- 8. The limitations laid out in this section IX and these general terms and conditions of sale and delivery do not apply to the seller's liability for willful or grossly negligent conduct, for guaranteed characteristics, for injury to life, body or health, or under the Product Liability Act.*

X. Retention of title

- 1. The retention of title serves to secure all existing current and future claims by the seller against the buyer arising from the existing supply relationship between the contract partners (including current account balance claims limited to this supply relationship).*
- 2. The goods delivered by the seller to the buyer remain the property of the seller until full payment of all secured claims. These goods, and goods in their place covered by retention of title under this clause, are referred to below as goods subject to retention.*
- 3. The buyer holds the goods subject to retention in safe custody for the seller.*
- 4. The buyer is entitled to process and sell the goods subject to retention in the ordinary course of business until the occurrence of an enforcement event (clause 9). Pledging and assignment as security are not permitted.*
- 5. If the goods subject to retention are processed by the buyer, it is agreed that the processing is done on behalf of and for the account of the seller as the manufacturer, and that the seller immediately acquires ownership or – if the processing is of materials from several owners or if the value of the processed property is higher than the value of the goods subject to retention – co-ownership (fractional ownership) of the newly created property in the ratio of the value*

of the goods subject to retention to the value of the newly created property. In the event that no such acquisition of ownership by the seller is intended, the buyer first transfers his future ownership or co-ownership – in the aforementioned ratio – of the newly created property to the seller as security. If the goods subject to retention are combined with other properties into a single property or mixed inseparably, and if one of the other properties may be regarded as the main property, and if the main property is under the ownership of the seller, the seller transfers co-ownership of the single property to the buyer in the ratio referred to in clause 1.

- 6. In the event of resale of the goods subject to retention, the buyer immediately assigns as security the resulting claim against the purchaser to the seller – in the ratio of the seller's ownership in the event of co-ownership of the goods subject to retention. The same applies to other claims which take the place of the goods subject to retention or otherwise arising with respect to the goods subject to retention, such as for example insurance claims or tort claims for loss or destruction. The seller grants the buyer the revocable authority to collect the claims assigned to the seller in his own name. The seller may revoke this collection authorization only in the event of an enforcement event.*
- 7. In the event that the goods are subject to claims by third parties, in particular through seizure, the buyer will inform them without delay that the goods subject to retention are the property of the seller and inform the seller of this in order to enable the enforcement of the seller's property rights. If the third party is not in a position to reimburse the seller for judicial or extrajudicial costs arising in this context, the buyer is liable to the seller for them.*
- 8. On request and at its own discretion, the seller will release the goods subject to retention, and property or claims in their place, if their value exceeds the amount of the secured claims by more than 30%.*
- 9. If the seller withdraws from the contract as a result of a breach by the buyer – in particular default of payment – he is entitled to reclaim the goods subject to retention (enforcement event).*

XI. Governing Law and Jurisdiction

- 1. Agreement of Sale of Goods/Products shall be governed by and interpreted in accordance with the Laws of India. Courts of Bengaluru shall have exclusive jurisdiction on all the matters.*
- 2. In case of any difference or disputes arises between the parties in connection with this agreement of Sale of Goods, then the parties shall make all possible efforts to settle the same amicably. However, in case a dispute cannot be settled amicably within a period 30 days, then the same shall be settled by way of arbitration in accordance with the arbitration rules of Indian Arbitration and Conciliation Act, 1996 including any amendments thereof Place of arbitration shall be Bengaluru, India. All the proceedings of arbitration shall be conducted in English language. The cost of the arbitration shall be borne by both the parties.*

XII. Compliance with Laws and Standards:

Seller makes no promise or representation of any kind that the goods/products shall conform to any law, statute, regulation, code, standard etc., unless expressly stated in Sellers Confirmation or in any Specification. Buyer acknowledges that the use of goods may be subject to requirements or limitations under laws and standards. Buyer shall be exclusively responsible for ensuring the compliances with all applicable laws and standard associated

with intended use of the goods and further to ensure to obtain the necessary approvals, permits or clearances for such use.

XIII. Miscellaneous

- 1. It shall always be the duty of Buyer to treat the agreement/contract and other related information provided by Seller as strictly Confidential. Further, Buyer shall not use the trademarks/designs of the Seller without prior written approval of Seller.*
- 2. If any provisions of the contract/agreement or these terms and conditions of sale becomes invalid or unenforceable, the remaining provisions shall continue to be full force and effect.*
- 3. Any waiver of any term of the contract/agreement or these terms and conditions shall not be treated as a waiver of any future breach of such term.*
- 4. Failure by either party at any time to require performance by the other party or to claim a breach of any term of this Contract shall not be construed as a waiver of any right under this Contract shall not affect any subsequent breach, shall not affect the effectiveness of this Contract or any part thereof, and shall not prejudice either party as regards any subsequent action.*