

GENERAL TERMS AND CONDITIONS FOR SERVICES



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1. Scope of application, subject matter of the contract
 - 1.1 The following General Terms and Conditions (“**GTC**”) shall apply to all services requested by the customer (“**Customer**”) and rendered by redi Group GmbH, Elisabeth-Selbert-Straße 15, 40764 Langenfeld (“**Service Provider**”). They shall also apply to all future business transactions between the Customer and the Service Provider in the version valid at the time the contract is concluded, even if their applicability is not expressly agreed again.
 - 1.2 Subject matter of the contract shall be the provision of services by the Service Provider in the field of quality management. Details on the specific provision of the service shall be set out in the contract individually concluded between the parties on the services to be rendered (“**Individual Contract**”).
 - 1.3 Any terms and conditions of the Customer that are in conflict with or differ from these GTC shall not become subject matter of the contract, even if the Service Provider does not expressly object to them.
 - 1.4 The parties agree that the place of performance shall be determined by the Customer. The Customer shall reimburse the Service Provider for travel expenses according to item 6.
 - 1.5 This contract shall be a contract for services. In addition to the regulations of this contract, Sections 611 et seq. *BGB* [German Civil Code] shall apply.
2. Order placement, conclusion of contract

Unless agreed otherwise, all of the Service Provider’s offers shall be binding. Confirmation of an offer by the Customer shall be deemed a placement of a binding order for the provision of the offered services, i.e. the Individual Contract is concluded.
3. Service Provider’s obligations
 - 3.1 The Service Provider undertakes to render all services with reasonable care and according to the state of the art recognized at the time the contract is concluded. The Service Provider shall not accept any responsibility for success. The services shall be remunerated according to the time the Service Provider dedicated to rendering its service as set out in item 5. Unless agreed otherwise, the Service Provider shall be free to choose the service period and the means to be used for providing the services.
 - 3.2 If the Service Provider realizes that the specifications according to the Individual Contract or the Customer’s instructions are faulty, it shall inform the Customer about this and about the consequences that can be identified. The Customer shall then decide on the desired type of performance. Any extension of the Service Provider’s (performance) obligations shall be subject to a written agreement according to items 9 and 17.1.
4. Performance organization
 - 4.1 The Service Provider shall generally render the services through its own personnel; however, it may commission third parties (e.g. subcontractors) with the performance, where required.
 - 4.2 If the Service Provider uses its own personnel to carry out the tasks, the following shall be complied with:
 - 4.2.1 Unless agreed otherwise, the Service Provider shall be responsible for organizing the service to be rendered by the Service Provider, and particularly for selecting and allocating tasks to its own personnel.
 - 4.2.2 Only the Service Provider shall be entitled to give instructions to its personnel. The Service Provider shall inform the Customer about the operational organization and other operational conditions where required and upon request.
 - 4.2.3 The parties shall ensure that the Service Provider’s personnel is not integrated into the Customer’s operation. If services are rendered in the Customer’s business premises, the following shall apply in particular:
 - (a) The Customer shall not give the personnel any instructions with regard to execution (manner of execution);
 - (b) The Customer shall not include the personnel in the holiday, sickness or substitute lists;
 - (c) The Customer shall not issue any individual certificate or job description to the personnel;
 - (d) The Customer shall neither admonish nor issue a written warning to the personnel;
 - (e) The Customer shall neither include the personnel in a general phone list nor assign the personnel its own e-mail address that is not specifically marked as “external”;
 - (f) The Customer shall not invite the personnel to attend general meetings. The personnel may only be involved by the Customer in exceptional cases, with regard to specific topics and in an advisory capacity;
 - (g) The Customer shall not grant any special or additional benefits that are obtained by employees of the Customer (discounted food from the cafeteria, company medical officer, travel department, etc.);
 - (h) The Customer may at most provide a temporary badge specifically marked as “external”.
 - 4.2.4 If services are rendered in the Customer’s business premises, it shall be obliged to create the necessary conditions for performance by the Service Provider. Specific provisions may be agreed upon in the Individual Contract. The Service Provider shall monitor the compliance with all occupational health and safety requirements for its employees. For this purpose, the Customer shall grant the Service Provider a right to access the premises.

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5. Remuneration

- 5.1 Unless agreed otherwise, remuneration shall be due for payment within fourteen [14] days after the invoice date, unless the Customer has not received the invoice within five [5] days after the invoice date. In the latter case, remuneration shall be paid within ten [10] days after the invoice was received. All invoice amounts shall be payable without any deduction of cash discount.
- 5.2 The statutory value added tax is not included in the remuneration and shall be paid by the Customer in addition.
- 5.3 The Service Provider shall receive the hourly and/or daily rates defined in the Individual Contract for its activity.
- 5.4 The agreed hourly rates shall cover the mere performances, the work equipment expressly to be provided by the Service Provider according to the Individual Contract, and the standard documents such as order confirmation, work areas, order modification forms (where applicable), and invoices. Work equipment other than the work equipment expressly agreed in the Individual Contract shall be provided by the Customer.
- 5.5 Shift interruptions shall be charged in full amount according to the number of hours per day agreed in the Individual Contract. If unit prices are offered, the periods as from the interruption and/or downtimes up to the number of hours per day agreed in the Individual Contract shall be charged in full amount at the hourly rate agreed in the Individual Contract.
- 5.6 Unless agreed otherwise, the Service Provider shall bill each remuneration retroactively on a weekly or monthly basis.
- 5.7 The Service Provider has the right to sell the receivables to a third party.
- 5.8 If the Customer is in default the one claim, all other claims against the Customer can be made due. If the Customer is in default of payment, the customer has to bear all fees, costs and expenses incurred in connection with any legal prosecution against him outside of Germany.

6. Reimbursement of expenses

- 6.1 In addition to the remuneration according to item 5 the Customer shall reimburse the Service Provider for the necessary and proven expenses for travels, accommodations, telephone and postage that arise in the fulfillment of its tasks as defined in this contract.
- 6.2 The Service Provider shall bill any expenses incurred by it on a weekly or monthly basis. Evidence shall be submitted upon request.

7. Term and termination

- 7.1 The contract shall end upon the expiry of the term set out in the Individual Contract, unless the parties exercise a renewal option according to the Individual Contract, or have agreed otherwise.
- 7.2 The right to terminate for cause for compelling reason shall remain unaffected.
- 7.3 Any termination shall be made in writing.

8. Customer's duties to cooperate

- 8.1 The Customer shall provide the Service Provider with the goods to be inspected, sorted or repaired in due time. If other services in the field of quality management are to be rendered, all information or work equipment required for rendering the service shall be provided in due time.
- 8.2 Item 5.4 shall apply to work equipment.
- 8.3 The Customer shall be obliged to back up its data stock at least once a day in a machine-readable form.
- 8.4 Moreover, the Customer shall be obliged to cooperate if this is included in the duties governed in these GTC and in the Individual Contract, particularly in the specifications, or if cooperation is required for performing the work.
- 8.5 All information the Service Provider needs from the Customer for the planning and performance shall be provided by the Customer in due time even without a separate request.
- 8.6 The Customer shall actively participate in the investigation and elimination of any disruptions.

9. Changes in performance

- 9.1 The Customer may request the modification of the content and scope of the works. This shall particularly also apply to parts that had already been inspected and delivered.
- 9.2 The Service Provider shall determine the time delays and additional expenses caused by the desired modifications, and the parties shall agree on a corresponding contract adjustment. If the parties cannot reach an agreement, the contract shall continue to apply without changes.
- 9.3 All service adjustments shall be stipulated in a written additional agreement according to item 17.1 before execution is started; the additional remuneration and any changes to the time schedule shall be set out in such additional agreement.

10. Warranty

The Service Provider shall not accept any responsibility for success and shall therefore not be liable for any defects in its service. There shall not be any official acceptance of the services. The Service Provider shall merely undertake to use suitable personnel for rendering the service, and to prove such suitability to the Customer upon request.

11. Liability

- 11.1 The Service Provider shall be liable without limitation for damages arising from injury to life, body or health that are based on intentional or negligent breach of duty by the Service Provider. The Service Provider shall also be liable for other losses that are based on intentional or grossly negligent breach of duty by the Service Provider.
- 11.2 The Service Provider shall only accept limited liability for the foreseeable damage typical for this type of con-

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- tract if damage occurs on the basis of a simple negligent breach of such duties that are essential for the reasonable and correct contract execution and on the fulfillment of which the Customer relies and may rely (cardinal obligations).
- 11.3 Other claims for damages shall be excluded.
- 11.4 This item 11 shall apply to any claim asserted against the Service Provider by the Customer irrespective of the legal ground, particularly to liability based on contractual liability and tort.
- 11.5 To the extent that the liability of the Service Provider is limited or excluded according to this item 11, such limitations or exclusions shall also apply to the personal liability of the Service Provider's employees, legal representatives and vicarious agents.
- ## 12. Force majeure
- 12.1 None of the contractual parties shall be responsible for the non-fulfillment of its contractual duties if such non-fulfillment is based on circumstances beyond the respective party's reasonable control (force majeure). Force majeure shall particularly include: (a) fire, (b) natural disasters such as flood, storm, etc., (c) general shortage of raw materials or non-procurable machines or materials, (d) decisions by the legislator or governments, embargos, (e) strike, lock-out or other labor disputes (concerning both own and external employees), (f) seizure.
- 12.2 This regulation shall apply to all contractual obligations; however, force majeure cannot be stated as a reason for delay in payment.
- 12.3 If performance is prevented according to item 12.1 over a period of more than two months, both contractual parties shall be entitled to terminate the contract in writing.
- ## 13. Lien
- 13.1 Based on its receivables resulting from the contract, the contractor shall be entitled to a contractual lien on the items it gained possession of based on the contract.
- 13.2 The contractual lien may also be claimed based on receivables from works carried out earlier in the business relationship, spare part supplies and other services.
- ## 14. Enticement of employees
- 14.1 If the Customer entices employees of the Service Provider away and hires them itself, the Service Provider shall be entitled to charge an intermediary commission as follows:
- 14.1.1 If an employee is enticed away within the first 3 months of the contract, 25 % of the annual gross earnings of the employee in question plus VAT;
- 14.1.2 If an employee is enticed away in the period between the 4th and 6th month of the contract, 20 % of the annual gross earnings of the employee in question plus VAT;
- 14.1.3 If an employee is enticed away in the period between the 7th and 9th month of the contract, 15 % of the annual gross earnings of the employee in question plus VAT;
- 14.1.4 If an employee is enticed away from the 10th month of the contract, 10 % of the annual gross earnings of the employee in question plus VAT.
- 14.2 If the Customer hires an employee of the Service Provider, it shall be assumed that this is a case as defined in item 14.1.
- ## 15. Confidentiality obligation
- 15.1 The parties undertake to keep strictly confidential all information and/or knowledge that needs to be kept confidential regarding business and operational internal information about the other party and/or its business partners of any kind that are not intended for the general public and that are made accessible or are otherwise disclosed to the parties in connection with this contract, and not to disclose such information or knowledge to third parties during the term of the contract and three years after its termination.
- 15.2 This obligation shall not apply if the receiving party proves that this information (i) has been known to it prior to its cooperation with the other party; (ii) has been disclosed by authorized third parties for non-confidential use; or (iii) has become known without violating this item 15.
- 15.3 For every culpable violation of this confidentiality obligation, the contractor shall be entitled to claim a contractual penalty in the amount of EUR 1,000.00 (in words: one thousand Euros). Any further claims for damages of the Contractor shall remain unaffected.
- ## 16. Offsetting, right of retention, assignment
- 16.1 Any rights of retention or rights to refuse performance of the Customer shall be excluded. This shall not apply to claims that are undisputed, established as final and absolute or ready for decision.
- 16.2 The Customer's right to offset against claims of the Service Provider shall be excluded. This shall not apply if the Customer offsets against a claim that is undisputed, established as final and absolute or ready for decision.
- 16.3 Any transfer of rights and obligations arising from this contract or of the contract itself to third parties shall be subject to the other contractual party's prior written consent. However, the Service Provider may transfer rights and obligations arising from this contract as well as the contract itself without the Customer's consent to an affiliated enterprise according to Sections 15 et seq. AktG [Stock Corporation Act]. Section 354a HGB [German Commercial Code] shall remain unaffected.
- ## 17. Final provisions
- 17.1 Collateral agreements to this contract have not been made. Supplements and/or modifications to these GTC, including supplements and/or modifications to this item 17.1, shall be made in writing.
- 17.2 The Service Provider shall be entitled to modify the applicable GTC. Such modifications shall be announced to the Customer in writing in advance (including the period for objection) and take effect, unless the Customer

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objects to them within two (2) weeks after it has received the prior announcement.

- 17.3 Exclusive place of jurisdiction for all disputes arising between the parties from and in connection with the contract shall be the Service Provider's registered office, or at the Service Provider's discretion, the Customer's registered office.
- 17.4 Should any provision of these GTC be or become invalid in whole or in part or not include a necessary regulation, this shall not affect the validity of the remaining provisions. The parties shall immediately replace any invalid provision with a valid provision the content of which comes closest to the content of the invalid provision, to the extent legally permitted, and which corresponds to the parties' economic interest in the invalid provision as closely as possible.
- 17.5 German law excluding its conflict of laws provisions shall apply exclusively to the contractual parties.