

I GENERAL TERMS OF DELIVERY

1 SCOPE

- 1.1 All deliveries and services of HYDRO Systems GmbH & Co. KG and of affiliated companies of HYDRO Systems GmbH & Co. KG (in the following collectively referred to as "HYDRO") are based exclusively on these General Terms of Delivery. The General Terms of Delivery are - where applicable - modified and supplemented by more specific terms and conditions, such as the Special Terms of Service for service and maintenance work (item II), the Special Lease Conditions for lease agreements (item III) or any separate contractual agreements. In the event of any discrepancies between the provisions of these General Terms of Delivery and the more specific terms and conditions of HYDRO, the provisions of the more specific terms and conditions shall take precedence over those of these General Terms of Delivery. HYDRO repudiates adverse or deviating terms and conditions of the contractual partner unless HYDRO expressly agreed to their validity.
- 1.2 The General Terms of Delivery only apply to merchants ("Kaufleute"), governmental entities or special estates under public law. The General Terms of Delivery do in particular not apply to natural persons concluding the contract for a purpose that is neither related to their commercial nor their independent professional activity ("consumers").
- 1.3 The General Terms of Delivery shall also apply in their current version for all future orders without the need for further specific reference.

2 OFFERS, CONCLUSION OF CONTRACT, PRICES

- 2.1 Offers by HYDRO are non-binding, unless explicitly designated as binding.
- 2.2 In the case of offers designated as binding, a contract is concluded when the offer is accepted by the contractual partner within the period of validity of the offer. After expiry of this period, HYDRO shall no longer be bound by the offer. Furthermore, orders only become part of the contract upon confirmation by HYDRO. HYDRO reserves the right to refuse orders or demand securities.
- 2.3 Illustrations, drawings, sketches and other documents exclusively remain in the property of HYDRO. Without written consent by HYDRO, the contractual partner may not copy, reproduce, give or disclose them to third parties. Contraventions oblige the offender to pay damages. At HYDRO's request, all above-mentioned documents have to be returned or destroyed immediately.
- 2.4 In the absence of a special agreement, prices apply ex works or ex warehouse plus packaging, shipping and insurance as well as the respective statutory value added tax.

- 2.5 If subsequent technical changes requested by the contractual partner or the OEM responsible for the technical specification result in additional expenses for HYDRO, these additional expenses shall be reimbursed separately.
- 2.6 In the event of written cancellation of the order by the contractual partner, all expenditures incurred up to the date of receipt of the cancellation shall be reimbursed.

3 DELIVERY, SHIPPING AND TRANSFER OF RISK

- 3.1 All consignments will be shipped on the account and at the risk of the contractual partner.
- 3.2 With regard to deliveries, the risk is transferred to the contractual partner at the time point the delivery leaves HYDRO's factory or warehouse. This also applies if HYDRO delivers carriage paid and if partial deliveries are made.
- 3.3 If the contractual partner demands partial deliveries and performance, they have to bear any additional costs.

4 PAYMENTS

- 4.1 The payment terms agreed upon with the contractual partner shall apply.
- 4.2 Cheques are only accepted upon special agreement on account of performance and are not regarded as payment until credited unconditionally. Bills of exchange are not accepted except when otherwise stipulated.
- 4.3 A payment that does not cover the repayment of liabilities shall be used for repayment in the following order, unless a different provision covering repayment has been defined by the contractual partner: costs, interest, older principal claim(s).
- 4.4 If the contractual partner defaults on payment, HYDRO are authorized to charge default interest amounting to 9 percentage points p.a. above the base rate as of the time the contractual partner falls into arrears. The contractual parties are at liberty to provide proof of higher or significantly lower actual damages. HYDRO's rights arising from items 5.5 and 5.6 remain unaffected.
- 4.5 The right to offset or the right of retention are only permitted on the basis of the contractual partner's legal claims that HYDRO have recognized, not disputed, which are ready for decision or which have been established by final judgement. Furthermore, the contractual partner shall only be entitled to execute their right of retention insofar as their counter-claim is based on the same contractual relationship.

5. DELIVERY DATE, LACK OF ABILITY TO PAY, DEFAULT OF ACCEPTANCE

- 5.1 If a delivery period has been agreed, this period shall not commence until the documents to be procured by the contractual partner have been provided and the technical questions to be

answered by the contractual partner and the desired design details to be specified by them have been clarified in full.

- 5.2 The delivery period is considered to be met if the circumstances bringing about the transfer of risk as per item 3 have occurred.
- 5.3 The delivery period shall be reasonably extended - even in case of a delay - if events of force majeure arise and all unforeseeable impediments arising after the conclusion of the contract, which HYDRO are not responsible for, provided that such impediments provably have an influence on the rendering of the services owed. This also applies if these circumstances occur at sub-suppliers'. HYDRO will inform the contractual partner as soon as possible of the beginning and end of such impediments. If the obstruction lasts more than three months or if it is certain that it will take more than three months, both the contractual partner and HYDRO can rescind the contract.
- 5.4 If, after entering into the contract, it becomes evident that HYDRO's payment claim is jeopardized due to the contractual partner's lack of ability to pay, HYDRO are authorized to refuse performance and any activities in preparation of the performance. The right to refuse performance is inapplicable if the payment is effected or if security is provided for the payment. HYDRO can set an appropriate deadline for the contractual partner to make the payment/provide security. After the deadline has passed to no avail, HYDRO are authorized to rescind the contract.
- 5.5 If the contractual partner is in default of acceptance of the delivery items or is in arrears with the payment, HYDRO can - after the expiry of a reasonable and legally required grace period, without results, set by HYDRO - rescind the contract and/or demand compensation instead of performance. In the event of an assertion of the claim for compensation, HYDRO can - without requiring proof - demand compensation – amounting to 20% of the purchase price to settle the loss of profit insofar as the delivery item is from series or standardized production, or – amounting to 100% of the purchase price insofar as the delivery item is a product made to the contractual partner's specification and if HYDRO have incurred the expenditures required for the establishment of the readiness for delivery.
- 5.6 The contractual parties are at liberty to provide proof that the actual damage is higher or significantly lower. The statutory rules for determining the compensation for damages shall also remain unaffected insofar as HYDRO have fulfilled the contract to the full. If the contractual partner is in default of acceptance, HYDRO are also authorized to charge the expenditures incurred, in particular the storage costs. If stored in HYDRO's own premises, the local storage costs will be charged.

6 RETENTION OF TITLE

- 6.1 HYDRO retain title to the delivered items until all claims and also future claims (including accessory claims such as costs for bills of exchange, interest) from the business relationship with the contractual partner have been paid in full. If a current account has been agreed with the

contractual partner, the retention of title exists until the recognized balance has been settled in full. On acceptance of a cheque or bill of exchange, the same shall not be considered fulfilled until the cheque or bill of exchange has been honored and HYDRO can dispose of the amount without any risk of recourse. If payment on the basis of a cheque/bill of exchange procedure is agreed upon with the contractual partner, the retention of title also extends to the contractual partner's honoring of the bill of exchange issued by HYDRO and does not expire when HYDRO credit the cheque received.

- 6.2 The contractual partner may process and sell the goods in the due course of business, but may neither pledge nor assign them by way of security.
- 6.3 The contractual partner is obliged to handle the goods subject to retention of title with care and to adequately insure them at their own expense against theft, destruction and damage. If the goods are pledged, seized, damaged or get lost, the contractual partner has to inform HYDRO immediately. The contractual partner bears all costs which have to be incurred to cancel a pledge and, if necessary, to replace the delivery items, in particular within the scope of third-party counterclaim proceedings, unless they can be collected by a third party.
- 6.4 If the contractual partner is in arrears with a substantial part of the liabilities, HYDRO are authorized to temporarily withdraw the goods subject to retention of title. Exercising the right to withdraw does not represent a rescission of the contract, unless HYDRO explicitly declared the rescission. The right to withdraw does not extend to goods that have already been paid for. The contractual partner bears the costs arising from exercising the right to withdraw (in particular for transport and storage) if HYDRO threatened with the withdrawal within in a reasonable period. HYDRO are authorized to turn to account the goods subject to retention of title that have been withdrawn and to satisfy HYDRO from these proceeds, insofar as HYDRO threatened with the recovery beforehand. HYDRO has to set a reasonable time limit for the contractual partner to fulfil their duties.
- 6.5 The contractual partner herewith assigns to HYDRO all claims with regard to the purchase price, compensation for work or other claims (including the recognized balance from a current account arrangement or in the case of insolvency of the contractual partner's business partner to the then existing "casual balance") regarding the goods subject to retention of title that arise from resale, reprocessing or for any other legal reason (e.g. in an insurance claim, in the event of unauthorized action) to the amount of the invoice value (including value added tax) of the goods subject to retention of title; HYDRO accepts the assignment. HYDRO revocably empower the contractual partner to collect the claims assigned to HYDRO on their own behalf for the account of HYDRO. This collecting power can only be revoked if the contractual partner fails to fulfil the payment obligations properly. At HYDRO's request, the contractual partner has to provide the information on the assigned claims required for a collection, make available the respective documents and announce the assignment to the debtor. The assignment of a claim as per clause 1 serves the purpose of securing all claims - even future claims - from the business relationship with the contractual partner.

- 6.6 Any processing or modification of the delivery items by the contractual partner shall be carried out for HYDRO. If the delivery item is processed together with other items not belonging to HYDRO, HYDRO acquire co-ownership of the new item in proportion of the value of the delivery item to the other processed items at the time of processing. As for the rest, the same applies to the new item resulting from the processing as applies to the delivered item subject to retention of title.
- 6.7 If the delivery item is combined with other items not belonging to HYDRO to obtain a uniform item and if HYDRO's ownership expires as a result of this, it is herewith agreed that the contractual partner's ownership of the uniform item will be transferred to HYDRO pro rata (i.e. in proportion of the value of the delivery item to the other combined items at the time they are combined). The contractual partner stores HYDRO's co-ownership free of charge. As for the rest, the same applies to the new item resulting from the combination as applies to the delivered item subject to retention of title.
- 6.8 If the realizable value of the securities granted by HYDRO in accordance with the aforementioned provisions does not only temporarily exceed HYDRO's claims against the contractual partner by more than 10%, HYDRO will release their own choice of securities in this respect at the contractual partner's request. If HYDRO, when using the collateral, have to pay value added tax arising from a taxable delivery by the contractual partner to HYDRO, the aforementioned coverage limit of 110% increases by the respective VAT amount.

7 NOTICE OF DEFECTS, RIGHTS IN CASE OF MATERIAL DEFECTS

- 7.1 In the event of a purchase or a contract for the delivery of movable property to be produced or manufactured, the contractual partner must report defects of any kind - except for latent defects - immediately after delivery; otherwise the goods shall be deemed approved. Latent defects must be reported in writing immediately upon their detection; otherwise the goods shall be deemed approved, even in view of these defects.
- 7.2 The limitation period for claims for material defects is – two years in cases of deliberate action and gross negligence and in case of an injury to life, body or health which HYDRO are responsible for, – otherwise one year.
- 7.3 Second-hand machines are sold without any liability for defects whatsoever. HYDRO's liability in cases of deliberate action and gross negligence and in case of an injury to life, body or health which HYDRO are responsible for, remains unaffected thereby, i.e. in these cases HYDRO are liable in accordance with the legal provisions.
- 7.4 Warrantee rights can only arise if the delivered item has a defect at the time of transfer of risk. In such a case, the contractual partner can demand supplementary performance. HYDRO can opt for either supplementary performance by remedying the defect (rectification of defects) or delivery of a flawless item (replacement). If supplementary performance fails or if the reasonable time limit for supplementary performance to be set by the contractual partner expires without results or renders unnecessary pursuant to legal provisions, the contractual

partner can rescind the contract or reduce the purchase price, at their option. After the second unsuccessful attempt, supplementary performance is deemed to have failed unless provided otherwise, in particular with regard to the type of item or defect or other circumstances.

- 7.5 Warrantee rights do not arise in the case of normal wear and tear, in particular on wear parts, or if damages or malfunctions are caused to the delivery item which are attributable to improper use, insufficient care or the use of unsuitable operating conditions. Likewise, no warrantee rights arise if the contractual partner does not properly carry out the prescribed inspections and maintenance or does not have them carried out properly unless the contractual partner proves that the damage is not attributable to this.
- 7.6 HYDRO are only liable for damages based on material defects of the delivery item within the limits mentioned in item 8.

8 LIABILITY

- 8.1 HYDRO are liable as defined in the provisions of the Product Liability Act and in cases of inability and impossibility which HYDRO are responsible for. HYDRO are also liable for damages according to the statutory provisions in cases of

- deliberate action,
- gross negligence,
- provision of a guarantee,
- fraudulent concealment of a defect, and
- injury to life, body and health which HYDRO are responsible for.

If HYDRO otherwise breach a material contractual duty or a cardinal duty with simple negligence, i.e. duties the fulfilment of which make the proper performance of the contract possible in the first place and the fulfilment of which the contractual partner may regularly rely on as well as duties the breach of which endanger the attainment of the purpose of the contract, HYDRO's liability to pay damages is limited to the foreseeable damage typical for the contract. This also applies with regard to a loss of profit or other financial losses.

- 8.2 Insofar as HYDRO's liability is excluded or limited due to the aforementioned provisions, this shall also apply to the personal liability of HYDRO's staff, employees, personnel, representatives and vicarious agents.

9 IMPORT/EXPORT CONTROLS

- 9.1 This contract does not oblige HYDRO to deliver if the fulfilment of the contract conflicts with the relevant applicable laws, administrative provisions or regulations, which HYDRO at least negligently took no account of at the time the contract was concluded. This applies with regard to import or export controls, including all relevant US and other sanctions legislation or required approvals of authorities, permits or licenses in connection with the export or import of the delivery item, which HYDRO, their suppliers or a third party commissioned by HYDRO require for the fulfilment of the contract, are not granted or are revoked. The same shall apply if the applicable laws, administrative provisions or regulations change or are issued after the contract

was concluded and HYDRO, their suppliers or a third party commissioned by HYDRO are prevented from executing an order or the execution of the order results in an unreasonable liability risk for HYDRO.

10 ASSIGNMENT

HYDRO is entitled to assign claims that arose from its business relationships. HYDRO is also entitled to hand the relating data on to the assignee provided that the assignee undertakes to keep the same confidentiality as HYDRO.

11 PLACE OF JURISDICTION

The courts at HYDRO's place of business in Biberach/Baden are responsible for all disputes of the parties to the contract arising from any kind of business - even for disputes about bills of exchange and cheques. HYDRO is also entitled to take the contractual partner to court at the contractual partner's place of business.

12 APPLICABLE LAW

Unless otherwise agreed in the contract, the contract is subject to German substantive law. The applicability of the UN Convention on Contracts for the International Sale of Goods shall be excluded.

Biberach, 1st November 2024

II SPECIAL SERVICE CONDITIONS

1 SCOPE

These Special Service Conditions apply to leases of HYDRO Systems GmbH & Co. KG and of affiliated companies HYDRO Systems GmbH & Co. KG (hereinafter uniformly referred to as "HYDRO") and supplement HYDRO's General Terms of Delivery (item I). The special conditions apply within the framework of delivery or independent commissioning, training or repair contracts. In the event of any discrepancies between the provisions of these Special Service Conditions and the General Terms of Delivery (item I), these Special Service Conditions shall take precedence, otherwise the provisions of the General Terms of Delivery (item I) shall apply.

2 OFFERS

For repair contracts, the offer is submitted in the form of a cost estimate after HYDRO has inspected the goods to be repaired. The actual costs incurred during the repair may differ from the cost estimate. The contractual partner will be informed of any deviations without delay. The offer shall be accepted in writing by the contractual partner within a period of two weeks from the date of issue of the cost estimate; after this period, HYDRO shall no longer be bound by the offer.

3 DELIVERY

The goods to be repaired shall be delivered to and collected from the specified HYDRO service location by the contractual partner at its own expense and risk.

4 REPAIRS

4.1 Repairs are carried out exclusively on the basis of the manufacturer's specifications and are performed by qualified specialists.

4.2 If the inspection of the goods to be repaired reveals that the goods are irreparable, the contractual partner shall be notified accordingly. As specified by the contractual partner, the goods shall either be disposed of at the contractual partner's expense or made available for collection by the contractual partner in an unprocessed state. In these cases, HYDRO will charge a processing fee.

5 SERVICES ON SITE

5.1 When providing services at the premises of the contractual partner, the contractual partner shall comply with the existing statutory, regulatory and professional association regulations and orders for occupational safety and shall take measures to prevent accidents and to protect personnel and property of HYDRO. If these measures require special personal protective

equipment, this shall be provided to HYDRO's personnel. HYDRO shall notify the contractual partner in due time of any minimum requirements that go beyond this.

5.2 Should safety requirements to be fulfilled by the contractual partner not be met and not be rectified within a reasonable period despite written notification, HYDRO may cease work, withdraw its personnel from the service assignment and terminate the contract. All costs incurred by HYDRO indirectly or directly due to the suspension or interruption of the service assignment for reasons for which the contractual partner is responsible shall be charged to the contractual partner.

5.3 The contractual partner must provide the standard tools required for the service work and support HYDRO's service personnel in carrying out the work. All preliminary work before the start of the service work must be sufficiently advanced by the contractual partner so that the service work can be started as agreed and carried out without interruption. All access routes must be freely accessible. For installation/commissioning, the necessary supplies and other accessories for starting work must be available at the installation site.

5.4 If the service work is delayed due to circumstances for which HYDRO is not responsible, the contractual partner shall bear the reasonable costs incurred for waiting time and any additional traveling of HYDRO or the service personnel. The contractual partner shall reimburse HYDRO for any additional expenses incurred as a result of a lack of preparation or support on the part of the contractual partner.

5.5 If the devices or tools provided by HYDRO are damaged or lost without HYDRO being at fault while they are in the possession of the contractual partner, the contractual partner is obliged to compensate for this damage. Damage due to normal wear and tear is not covered.

5.6 The contractual partner shall immediately provide HYDRO with written confirmation that the service has been completed. If the service work is charged at cost, the contractual partner shall provide certification of the duration of the working hours.

5.7 HYDRO shall be entitled to use third parties (service partners) and to award subcontracts in order to provide the services for which HYDRO is responsible. Service partners shall be specialist companies selected by HYDRO.

6 UNREALIZABLE SERVICE WORK

The services provided for the purpose of providing a cost estimate, as well as any further costs incurred and to be proven (time spent troubleshooting is considered working time), will be charged to the contractual partner if the service cannot be performed for reasons for which HYDRO is not responsible, in particular due to

- the fact that the fault that was the subject of the complaint did not occur during the inspection,

- the unavailability of spare parts,
- the contractual partner having culpably missed the agreed deadline,
- the contract being terminated during performance.

7 INSURANCE

- 7.1 During the period of service performance at HYDRO's plant, as well as during the delivery and removal for which the contractual partner is responsible, there shall be no insurance protection. The contractual partner shall ensure that the existing insurance protection for the service object is maintained, e.g. with regard to fire, tap water, storm and machine breakdown insurance.
- 7.2 New goods that are delivered to the contractual partner, installed on site and then tested on site by HYDRO are to be fully independently insured by the contractual partner for the period from the transfer of risk.

8 ACCEPTANCE

The contractual partner is obliged to accept the services as soon as they have been notified of their completion and any contractually agreed testing has taken place. The work performed is to be confirmed by both contractual parties in the service report. If the contractual partner deems the service to be incomplete or improperly performed, HYDRO shall be notified of this in writing and without delay, or a note to this effect shall be made in the service report. If the service proves to be non-conforming, HYDRO shall be obliged to rectify the defect. This does not apply if the defect is insignificant for the interests of the contractual partner or is due to a circumstance that is attributable to the contractual partner. The contractual partner may not refuse acceptance if there is an insignificant defect.

If acceptance is delayed through no fault of HYDRO, acceptance shall be deemed to have taken place one week after notification of completion of the service.

Upon acceptance, HYDRO's liability for visible defects shall lapse, unless the contractual partner has reserved the right to claim for a specific defect.

9 PRICES

Unless expressly agreed otherwise, the services provided by HYDRO and any materials required shall be invoiced on the basis of time and actual expenditure. In addition to the agreed remuneration, all necessary ancillary costs such as, in particular, travel expenses, costs for the transportation of tools and personal luggage as well as allowances shall be paid by the contractual partner, unless expressly agreed otherwise.

10 RIGHTS IN CASE OF MATERIAL DEFECTS

- 10.1 In the case of repairs, claims for material defects shall only apply to the replaced spare parts or the services performed.



GENERAL TERMS AND CONDITIONS of HYDRO Systems GmbH & Co. KG OF 11/01/2024

10.2 The right to claim for material defects shall lapse in the event of improper installation of the spare parts by the contractual partner or installation by unauthorized personnel.

Biberach, 1st November 2024

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III SPECIAL LEASE CONDITIONS

1 SCOPE

These Special Lease Conditions apply to leases of HYDRO Systems GmbH & Co. KG and of affiliated companies of HYDRO Systems GmbH & Co. KG (hereinafter uniformly referred to as "HYDRO") and supplement HYDRO's General Terms of Delivery (item I). The special lease conditions apply within the framework of supply, service or independent lease agreements. In the event of any discrepancies between the provisions of these Special Lease Conditions and the General Terms of Delivery (item I), these Special Lease Conditions shall take precedence, otherwise the provisions of the General Terms of Delivery (item I) shall apply.

2 DELIVERY, HANDOVER, DELAY

- 2.1 Unless otherwise agreed, the leased items shall be delivered ex works within the period agreed in the lease agreement after conclusion of the contract, plus any transportation and packaging costs incurred. HYDRO shall notify the contractual partner of the shipment of the leased items immediately after shipment. Compliance with the delivery date requires the timely fulfillment of contractual obligations by the contractual partner. Otherwise, the delivery date shall be postponed by a reasonable period of time, in any case by the period of the contractual partner's delay. The delivery date shall also be postponed by a reasonable period of time in the event of labor disputes, in particular strikes and lockouts, and in cases of force majeure.
- 2.2 If the contractual partner refuses to accept the leased items or is otherwise in default, they shall bear the additional costs incurred as a result, in particular transportation, packaging, insurance and storage costs. They are also obliged to pay the lease fee from this date. If the handover of the leased items is delayed at the request of the contractual partner, the above provisions shall apply accordingly.

3 ASSEMBLY, COMMISSIONING

The assembly and commissioning of leased items and corresponding training are generally not covered by the lease agreements concluded in accordance with these terms and conditions and must be additionally commissioned by the contractual partner.

4 TREATMENT OF THE LEASED OBJECT

- 4.1 The contractual partner is obliged not to damage, alter, remove or make unrecognizable the signs, numbers or other markings attached to the leased items by HYDRO.
- 4.2 The contractual partner is obliged to protect the leased items from overuse in every way and to ensure that they are used as intended and in the proper manner. The leased items may only be operated by personnel who have read HYDRO's maintenance, care and operating instructions and follow them accordingly.

- 4.3 The contractual partner is obliged to observe and comply with all legal and administrative regulations associated with the possession, use or maintenance of the leased items. These include, in particular, accident prevention and occupational health and safety regulations.
- 4.4 The contractual partner is obliged to pay any public-law fees, contributions and other charges levied during the term of the contract on the basis of the lease, possession and/or use. This also applies to the costs of examinations stipulated by the authorities. In the event of non-payment, HYDRO shall be entitled to demand reimbursement from the contractual partner.
- 4.5 The contractual partner is obliged to handle and operate the leased object properly and in accordance with the operating instructions. The contractual partner may not modify or convert the leased object. The contractual partner is obliged to store the leased object in a dry place on their premises. The contractual partner is responsible for and bears all costs incurred in connection with any necessary maintenance or repair of the leased object during the lease period.

5 OWNERSHIP, SUBLEASING, ACCESS

- 5.1 The leased items shall remain the property of HYDRO for the duration of the lease. If the leased items are attached to a property or incorporated into a building or structure, this is only done for a temporary purpose with the intention of separation at the end of the lease.
- 5.2 The leased items owned by HYDRO must always be clearly marked as HYDRO's property.
- 5.3 In the event of dispositions, seizures, attachments, etc., regardless of whether these are made at the instigation of an authority or a private party, the contractual partner shall immediately inform HYDRO verbally and in writing of the ownership situation and shall also immediately notify HYDRO, handing over all necessary documents. The contractual partner shall also inform HYDRO immediately if a forced sale and/or forced administration has been applied for with regard to the premises on which the leased items are located. The contractual partner shall bear the costs for all measures to remedy such interventions.
- 5.4 The transfer of the contractual partner's rights and obligations under this lease agreement, as well as the subleasing or other transfer of use to third parties, requires HYDRO's prior written consent. The leased items may not be pledged or transferred by way of security.
- 5.5 Upon request, the contractual partner shall grant HYDRO or their authorized representatives access to the installation site of the leased items at any time during normal business hours in order to inspect the use and operational readiness of the leased items. HYDRO shall bear the costs of the inspection, with the exception of the costs incurred by the contractual partner itself.
- 5.6 In the event of accidents, theft or defects or damage occurring during the lease period, HYDRO shall be notified immediately, but at the latest within five (5) working days.

6 MODIFICATION OF THE LEASED ITEMS

Modifications to the leased items, in particular attachments and installations, as well as the connection with other items may only be carried out with HYDRO's prior written consent. Notwithstanding such consent, HYDRO may demand that the original condition of the leased items be restored at the contractual partner's expense upon termination of the lease, unless the parties have agreed otherwise at the time of HYDRO's consent.

7 DEFECTS, LIABILITY, DAMAGES

- 7.1 If defects occur which significantly reduce the usability of the leased items and for which the contractual partner is not responsible, the contractual partner shall be entitled to have the defect remedied within a reasonable period of time from notification of the defect or - at HYDRO's discretion - to receive a replacement item. HYDRO shall remedy all damage arising despite proper use, provided that the contractual partner has demonstrably fulfilled its maintenance obligations. If the rectification of defects fails, the contractual partner shall be entitled to extraordinary termination. Reduction claims and claims for damages by the contractual partner are excluded if the defect is due to a cause outside the control of HYDRO.
- 7.2 The rectification of all other defects and damage, in particular damage caused by unsuitable or improper use, incorrect assembly or commissioning, modifications or servicing work carried out contrary to the contract by the contractual partner or by third parties commissioned by the contractual partner, incorrect or negligent handling - in particular excessive stress -, unsuitable equipment, chemical, electrotechnical or electrical influences, shall be borne by the contractual partner. This also applies to damage caused by corrosion and rust. Any faults that occur must be reported to HYDRO immediately.
- 7.3 After prior consultation, the contractual partner shall grant HYDRO sufficient opportunity to rectify faults and repair damage, otherwise HYDRO shall be released from liability for defects. Only in urgent cases of danger to operational safety, which the contractual partner must report immediately, shall the contractual partner have the right to remedy the defect themselves or have it remedied by third parties and to demand reasonable compensation from HYDRO for the necessary costs incurred.
- 7.4 If the leased item is damaged, the contractual partner shall be liable to pay compensation to HYDRO if the contractual partner is responsible for the damage.

8 LEASE TERM, TERMINATION

- 8.1 The lease shall enter into force as agreed, at the latest when the leased items are handed over to the contractual partner and shall continue until the agreed end of the lease. In the event of an unjustified refusal of acceptance by the contractual partner, the lease period shall commence upon notification of readiness for dispatch. If the leased items are not returned in proper condition, the contractual partner shall be obliged to bear the resulting damage, in particular any loss of lease payments in the event of subleasing to a new tenant.
- 8.2 If no end of lease has been agreed between the contractual partner and HYDRO, the lease agreement may be terminated with 6 months' notice to the end of the month.

- 8.2 The right to extraordinary termination without notice for good cause remains unaffected. Good cause exists in particular if
- the contractual partner is in default of acceptance despite a reminder or refuses to accept the goods.
 - the contractual partner is in arrears with the lease payment 30 days after a written reminder.
 - the contractual partner is insolvent or insolvency proceedings have been opened against them.

8.4 Any notice of termination must be made in writing (letter, e-mail, fax, etc.).

9 RETURN SHIPMENT, DELAY

9.1 The contractual partner shall return the leased object to HYDRO at his own expense and risk. The return shipment of the leased object shall take place under the delivery condition DDP (DELIVERED, DUTY PAID) in accordance with the Incoterms 2020 during normal business hours, unless otherwise agreed. The named place of delivery is "HYDRO's works", unless otherwise agreed in the order confirmation.

9.2 The leased object must be returned to HYDRO at the end of the lease. The leased object shall be returned in the same condition it was in at the time of handover to the contractual partner, unless otherwise agreed. Normal wear and tear, subject to proper maintenance and servicing by the contractual partner, does not constitute a defect.

9.3 After return shipment of the leased object, HYDRO shall carry out a return inspection. If the leased object is not returned in a condition in accordance with 9.2, HYDRO shall restore the leased object to such a condition at the contractual partner's expense.

9.4 If the leased items are returned with delay and the contractual partner is responsible for the delay, they shall be obliged to compensate HYDRO for the resulting damage.

10 LEASE FEE, TERMS OF PAYMENT, OFFSETTING

10.1 The amount of the lease fee is set out in the lease agreement. The lease fee is due for payment monthly in advance, at the latest by the first working day of each month.

10. The contractual partner may only offset against HYDRO's claims with legally established or undisputed counterclaims.

11 RISK ASSUMPTION, COMPENSATION, INSURANCE

11.1 The risk shall pass to the contractual partner when the leased items are handed over to the carrier and shall remain with the contractual partner until the return transport to HYDRO has been completed.

11.2 The contractual partner is obliged - also during the period of transportation and return transport - to take out or maintain fire, theft and equipment insurance for the leased items

during the term of the contract, the amount of which is specified in the lease agreement. At HYDRO's request, the contractual partner is obliged to provide suitable evidence of this.

- 11.3 If the contractual partner fails to provide proof of insurance protection within 30 days of HYDRO's request, HYDRO shall be entitled to conclude corresponding insurance contracts themselves at the contractual partner's expense. HYDRO may demand immediate reimbursement of the additional costs from the contractual partner.
- 11.4 If the contractual partner fails to fulfill their obligation to take out insurance, the contractual partner shall be liable to pay compensation to HYDRO in the event of damage.

Biberach, 1st November 2024