

These general terms and conditions apply to all agreements concerning the sale and delivery of goods and/or services, in principle also including the sale and delivery of (developed) operating software and operating solution(s) for Lenze, insofar as not expressly deviated from by Lenze in writing. Any reference by the client to own purchase or other terms and conditions shall not be accepted by Lenze. Insofar as possible, these terms and conditions similarly apply to repair orders.

In these terms and conditions, including these opening lines, the following terms shall have the meaning as specified below, unless another meaning unequivocally appears from the context in which these terms are used:

- Contractor: Lenze or, alternatively, one of the companies and/or business units of the Lenze group, the principal office of which, Lenze S.E., has its official seat in Aerzen, Germany (www.lenze.com): Lenze is in particular understood to be Lenze B.V., registered with the Trade Register of the Chamber of Commerce in s-Hertogenbosch under number 16030531, with its official seat in the Netherlands, Ploegweg 15 in 5232 BR 's-Hertogenbosch and Lenze b.v.b.a., registered with the Trade Register in Antwerp under number 215895, with its official seat in Belgium, Rijksweg 10c in B-2880 Bornem.
- Client: the person to whom an offer is addressed or with whom an agreement is concluded.
- Offer: any offer from Lenze to a client to enter into an agreement.
- Agreement: any agreement between Lenze and a client concerning the delivery of goods and/or services by Lenze to that client, as well as the associated activities and services.

### Article 1: Offers

1. Any offer made by Lenze is free of obligation.
2. Unless expressly stated otherwise, any offer is based on performance under normal circumstances and during normal working hours.
3. Information included in catalogues, figures, drawings, parts lists, technical descriptions, measures and weights etc. shall not be binding, except insofar as expressly included in a contract signed by parties or in a confirmation of order signed by Lenze.
4. The offer made by Lenze as well as the drawings, calculations, descriptions etc. provided by Lenze remain the property of Lenze, even if costs have been charged. Client guarantees that no information concerning the manufacturing and/or construction methods used by Lenze shall be copied, shown to third parties, published or used other than with the express consent of Lenze.
5. Unless expressly stated otherwise, the supply of test reports, certificates and proofs of origin as well as the provision of drawings, parts lists etc. is not included in the offer.

### Article 2: Agreement

1. If the agreement is entered into in writing, it is understood to have been formed on the date of dispatch of the written order confirmation by Lenze.
2. In the event of a sale, verbally or on written order, with direct delivery from warehouse stock, the invoice takes the place of the written confirmation of order as meant under 2.1.
3. These general terms and conditions form an integral part of the agreement concluded between parties, unless client and Lenze together have expressly agreed deviating terms and/or clauses. Such deviating terms and/or clauses can only be agreed in writing and only for each transaction separately. At the latest at the moment of acceptance of the ordered goods by client these terms and conditions shall apply as agreed between parties, and form part of the transaction concerned.
4. All agreements are entered into under the resolutive condition that if client is found not to be sufficiently creditworthy, client shall on demand from Lenze produce written information concerning this and if necessary provide payment in advance.

### Article 3: Price

1. The prices quoted by Lenze are based on delivery ex works from one of the Euro countries, exclusive of turnover tax and exclusive of costs for packaging, transport (plus any insurance and additional costs for express delivery), assembly and testing. A minimum order price applies to orders. Prices are adjusted annually. They apply as prices for the moment of conclusion of the transaction. Prices are not binding for any repeat orders.
2. The agreed price for a contractual performance applies for a maximum of four months after the transaction has been concluded.
3. Both in case of transactions whereby Lenze has to deliver in one go, and in case of on-call contracts with or without fixed terms of delivery, as well as in case of delivery of the contractual performance after this period of four months, Lenze is entitled to relevant (unilateral) price increases if and insofar as after the date of conclusion of the agreement one or more of the cost price factors are increased, either or not as a result of foreseeable circumstances.
4. The price increase described above does not apply to so-called 'Synchron Servomotoren' if a 'Materiaal Toeslag' or 'Material Surcharge (MS)' or 'Materialteuerungszuschlag' (MTZ) has been agreed with respect to this. The contractually agreed prices shall then remain unchanged, but will be increased with a variable mark-up. In principle, the amount of the mark-up is determined on the basis of the applicable raw material prices and material prices, on the date as stated in the invoice for delivery of the contractual performance to a maximum of 5 days after the actual delivery of the contractual performance. The exact calculation of the mark-up is subject to the rules as stated on the Lenze website at the moment of conclusion of the transaction.

Author	: Op den Brouw	Title:	20200902 ALV Lenze 230312V1.3 - EN	Version	1.3
Checked	: Van den Broek			Date	: 2/09/2020
Electronically archived document, valid without signature (copies not valid).				Page	: 1/5

**Article 4: Delivery and term of delivery**

1. Lenze is free to select the way in which goods are forwarded and retains the right to deliver in instalments and invoice these instalments.
2. In principle, the term of delivery starts on the date of dispatch of the written confirmation of order, however, not before all details of the agreement have been arranged. Timely delivery within the term of delivery exists if the goods have been forwarded to client within the term of delivery, or if client has been notified within this term that the goods are ready to be dispatched or in the case agreed, are ready to be collected.
3. If a down payment has been agreed the term of delivery starts on the date that it takes place, either by payment in cash or by funds transfer, whereby the date of payment is deemed to be the date upon which payment is credited to the account of Lenze.
4. If the agreement is altered after dispatch of the written confirmation of order, the term of delivery starts on the date of dispatch of the following revised written confirmation of order.
5. Exceeding of the term of delivery by Lenze, for whatever reason, does not release client from any obligation entered into with respect to Lenze, and does not entitle client to perform activities or to have activities performed to implement the agreement at the expense of Lenze, either or not with judicial authorization.
6. Goods ordered on call or goods ordered without term of call but which have not been accepted by client in time, shall be accepted at the latest within 12 months, calculated from the order date of the original (call) order. On expiry of the term of delivery Lenze is entitled to charge storage costs to client in the amount of 1/2 per cent of the net invoice amount per month whereby a part of a month shall count as an entire month. If client has not accepted the goods within the above-mentioned term of 12 months, Lenze shall be entitled to dispose of the goods, without prejudice to client's obligations to pay the purchase price, plus interest and costs, including the monthly storage costs.
7. In the event of circumstances beyond the control of the business of Lenze, expressly including labour unrest, strikes as well as any lock-out applied by Lenze as a result of this, either or not temporary delivery, import and/or export prohibitions from the competent authorities, transport difficulties, fire and other serious disruptions of the business of Lenze, as well as all other circumstances beyond the control of Lenze, the term of delivery shall be extended with the term during which these circumstances apply, without client being entitled to a unilateral right of dissolution of the agreement. The above similarly applies in the event of such circumstances at Lenze itself or suppliers of Lenze. Lenze shall be obliged to inform client promptly about the start and end of such circumstances.
8. In such cases dissolution of the agreement can only take place by the court, at the request of either party, and only if and insofar as at any time it can be reasonably foreseen that the delivery shall be permanently prevented by said circumstances, or shall be prevented for such a long time that in reasonableness client or Lenze can no longer be required to maintain the agreement.
9. In the event of a delay in delivery through the fault of Lenze or through circumstances for the account and risk of Lenze, except in case of force majeure and other circumstances beyond the control of the business of Lenze as meant above under 4.7, and as a result of which client demonstrably suffers a loss, client shall after demand with exclusion of any other claim for damages be entitled to a loss due to delay of a 1/2 per cent per week with a maximum of 5 per cent of the net invoice value of that part of the (total) delivery that cannot be used as a result of the delay in the delivery.
10. Lenze reserves the right to dispense with deliveries of goods ready for shipment and/or the observance of guarantee obligations if client has not fulfilled its payment obligations towards Lenze.

**Article 5: Payment and obligations of client**

1. Payment shall take place within 30 days after the invoice date, without any deductions, setoffs, settlements or suspensions on any account whatsoever, at the offices of Lenze or into an account to be specified by Lenze, regardless whether delivery by Lenze has already taken place in full or not.
2. If client fails to pay on account of any cause whatsoever, Lenze shall be entitled to suspend fulfilment of all obligations resting with Lenze that ensue from the agreement; in that case client shall be in default without further notice of default, which entitles Lenze to charge interest to client from the due date with a percentage of seven points above the current refinancing interest rate of the ECB (European Central Bank) as well as to claim from client all judicial and extrajudicial costs relating to the collection of its claim, the latter with a minimum of EUR 100.- exclusive of VAT.
3. Client shall comply with all applicable national and international regulations on export control and sanctions, in particular those of the United Nations, the European Union, Germany and the United States. In addition, the supply of said dual-use products is strictly limited to imports for free circulation in the customer's jurisdiction. Imports into free trade zones or free warehouses are strictly prohibited. This obligation only applies insofar as it does not lead to an infringement of EU or German blocking regulations.
4. Client shall indemnify Lenze against any fines imposed on it as a result of an infringement of the regulations as well as any damage it may suffer as a result of the aforementioned infringement.

**Article 6a: Transfer of risk and transfer of title to goods and services, with the exception of operating software and operating solutions**

1. Immediately after the goods have been dispatched from the business of Lenze, client shall bear the risk for all direct and consequential damage that may be caused to or by these goods.
2. If shipment is delayed through the actions of client, client shall bear the risk from the agreed date of shipment.
3. Lenze reserves title to all goods and services until all amounts due to Lenze in respect of the delivery of the goods or services have been paid, including any interest and costs. This similarly applies in the case of partial deliveries, either or not on call.
4. If in the case meant under 6a.3 the delivered goods have become part of other goods that are at the disposal of client as a result of connection or otherwise, Lenze shall obtain co-ownership of those other goods proportional to the delivered goods. If third parties exercise rights on goods of which the goods delivered by Lenze have become part, client shall promptly inform Lenze of this in writing.
5. If client sells goods of which the goods delivered by Lenze that have not yet been (fully) paid by client have become part, by the sole legal act of the conclusion of the sale agreement client shall in advance and legally transfer all rights that it has in respect of its buyer to Lenze as security for payment.

Author	: Op den Brouw	Title:	20200902 ALV Lenze 230312V1.3 - EN	Version	1.3
Checked	: Van den Broek			Date	: 2/09/2020
				Page	: 2/5

### Article 6b: Transfer of risk and transfer of title to development software and operating solutions

1. As regards the operating software and operating solution(s) developed by Lenze article 6a of these terms and conditions similarly applies if and insofar as not derogated from in the following.
2. The operating software and operating solution(s) supplied or delivered by Lenze, in the broadest sense of the word, shall remain the property of Lenze until the moment of payment in full of all that which Lenze can claim in connection with the underlying agreement and, insofar as the law allows, in connection with other agreements between Lenze and client, with due regard for the following.
3. In the event of a dispute between Lenze and client concerning the payment as mentioned in subclause 1, title shall remain with Lenze.
4. Except for express written permission from Lenze, the (content of this) operating software and the operating solution(s) and the know-how applied therein or thereby shall not be made available, transferred or made known to third parties or otherwise alienated by client.
5. The right to use this operating software and the operating solution(s) is not an exclusive right. At all times Lenze itself shall remain entitled to its use in order to develop similar programs and solutions for itself and for third parties.
6. In respect of its staff, client shall take such measures that third parties are prevented from becoming acquainted with the programs and/or the applied know-how concerned, except for express written permission from Lenze.
7. In the event of violation of one or more of the provisions of this article client shall without notice of default per violation owe an immediately claimable fine in the amount of € 50,000.--, without prejudice to the right of Lenze to claim the excess loss.

### Article 7: Inspection

1. If it has been agreed that client shall inspect the goods or shall have the goods inspected in the business of Lenze and client has not exercised this right within the term agreed in the agreement, after client has been notified of the opportunity to do so, the goods shall be deemed to have been definitively accepted by client.
2. Inspection costs shall be for the account of client.

### Article 8a: Guarantee in respect of goods and services, with the exception of operating software and operating solutions

1. Lenze guarantees the reliability of the goods delivered and/or work performed by it, on condition that client uses the delivered goods in accordance with the supplied specifications, standards and instructions.
2. This guarantee is valid for a period of 24 months based on the use of the delivered goods during a one-shift system per day. When used during a multiple-shift system per day this period is proportionally reduced. In normal cases, i.e. delivery without assembly, the guarantee period starts on the date of commissioning, but at the latest 30 days after the goods have been dispatched.
3. On account of its guarantee, Lenze is only liable for defects for which client proves that they have arisen within the guarantee period, exclusively or mainly as a direct result of the defectiveness of materials, manufacturing or implementation. Lenze shall not be liable for defects caused by other reasons, like natural wear, excessive loads, faulty assembly or commissioning, improper and/or incompetent use, unsuitable equipment and/or lubricants and failure to comply with the operating and/or assembly instructions.
4. On account of this guarantee Lenze shall, at its discretion, only be obliged to replace or repair the faulty item. Replacement shall extend no further than the free and carriage paid forwarding of a new item (or part thereof). At the discretion of Lenze, repair shall take place free of charge in its business or at the site of client, in which latter case client is obliged to reimburse travel time and travel and accommodation expenses, and to make the required and customary auxiliary workers, auxiliary equipment, help and equipment available to Lenze, without charging costs. Expenses incurred because the above is not complied with or not complied with in time, shall be for the account of client.
5. Notwithstanding replacement or repair the original guarantee period remains applicable to the replaced or repaired item.
6. Unless expressly agreed otherwise, with respect to the repair or revision work carried out by Lenze only the reliability of the implementation of the instructed operations is guaranteed.
7. If Lenze replaces parts to comply with its guarantee obligations, the replaced parts become the property of Lenze.
8. The alleged non-fulfilment by Lenze of its guarantee obligations does not discharge client from the obligations on its part that ensue from any agreement concluded with Lenze.
9. If client fails in the fulfilment of any obligation ensuing for it from the agreement concluded with Lenze or from a related agreement, either imputably or not, Lenze shall not be bound to any guarantee - however named - in respect of any of these agreements.
10. The guarantee becomes void if client performs work on the delivered item or has work performed on it or uses the delivered item improperly and/or inefficiently or has it used or allows it to be used in that way.
11. Complaints with respect to defects shall be filed as soon as possible, but in the event of externally visible defects at the latest within 14 days after receipt of the goods by client and in the event of non-externally visible defects at the latest 14 days after expiry of the guarantee period, on expiry of which periods any claims against Lenze in respect of these defects shall be void.
12. In case of delivery of products from third parties the liability of Lenze shall be limited to the guarantee provisions of the supplier concerned.

### Article 8b: Guarantee in respect of operating software and operating solutions

1. The guarantee in respect of operating software and operating solutions implies that in reasonableness Lenze guarantees a proper operation of the operating software or operating solutions supplied to client during 3 months after their commissioning. Significant derogations from the matters agreed, which in reasonableness could not have been detected by client in the period prior to the commissioning, shall be repaired by Lenze free of charge.
2. Lenze does not guarantee that the operating software and operating solutions shall function without failures or defects, nor that all failures shall be solved or defects shall be remedied.

Author	: Op den Brouw	Title:	20200902 ALV Lenze 230312V1.3 - EN	Version	1.3
Checked	: Van den Broek			Date	: 2/09/2020
				Page	: 3/5

3. Client undertakes to inspect the operating software and operating solutions immediately on receipt (delivery) and to promptly report any detected defects to Lenze in writing, in any case within two weeks after receipt, failing which client forfeits its right to claim fulfilment. The duty to complain promptly also applies to defects that are identified only later. If the obligation to examine and complain is not observed, the delivery (product, documents and documentation) with respect to the defect concerned shall be deemed approved.
4. Before repairing any defects, Lenze first carries out a telediagnosis, if possible, to try to repair the defect in this way. If this is not successful, Lenze can at its discretion desire that a damaged part is forwarded for repair and subsequent return shipment at the expense of client, or that client holds the machine available and a service engineer from Lenze carries out the necessary work on location at the client's site. If the device or machine is at another location than the place of delivery (that is to say: 'there where acceptance of the operating software and operating solutions has taken place') of the contractual performance, then client shall bear the travelling expenses, hotel and (other) expenses.
5. If the supplied or delivered operating software or operating solutions have been obtained from third parties it is only guaranteed in accordance with the guarantee granted and fulfilled to Lenze by this third party. This guarantee never extends beyond the obligations to which the third party is obliged towards Lenze with respect to these deliveries.
6. The guarantee does not apply in case of:
  - incorrect, negligent, incompetent or improper use of the items in derogation of the instructions provided by or through Lenze;
  - changes, repairs or extensions of the items by or under the responsibility of client without express permission from Lenze;
  - causes that do not originate from the items but are related to specific circumstances like the quality of the electricity grid, humidity, dust and temperature;
  - circumstances beyond the control of Lenze, as a result of which Lenze cannot use the guarantee provisions in this matter as furnished to it by its supplier;
  - failures or defects in the equipment of client itself, which is linked to operating software and operating solutions delivered or supplied by Lenze.
5. If client fails to fulfil its obligations, Lenze shall as a result of this also be released from its guarantee obligations.

#### Article 9: Liability

1. In general, Lenze's liability does not extend beyond the obligations resting with Lenze on account of the guarantee obligations under the previous chapter; any further liability for direct or consequential losses, also including loss of profits and other resulting losses as a result of non-delivery, untimely delivery or incorrect delivery on the part of Lenze, expressly excludes costs and interests, except in case of intent or gross negligence on the part of Lenze.
2. Lenze shall not be liable for any costs, losses and interests that could be caused as a direct or indirect consequence of infringement of patents, licences or other rights of third parties as a result of use of data provided by or on account of client. Client is obliged to indemnify Lenze for all costs, losses and interests that may be caused for it in this matter as a direct or indirect consequence of legal actions from third parties.
3. In case prior to the delivery of an item (to be designed) Lenze has agreed to design this item itself according to specifications and functional requirements to be provided by client, Lenze shall only be liable for an inefficient and/or incorrect implementation of the design (including engineering calculations) if the calculations and/or the design do not meet the reasonable requirements to be set for it within professional circles, with full exclusion of any loss of profits and other consequential losses as meant above under 9.1. If and insofar as the engineering calculations and the design have been submitted to client for inspection and approval prior to the production, and client has approved them, Lenze shall only be liable for an implementation of the design not in accordance with the approved calculations and/or the approved design.
4. Lenze does not accept any liability for recommendations and/or calculations provided free of charge.
5. In addition to subclauses 1 through 4, as regards the (delivery of) operating software or operating solutions the following provisions expressly apply.
  - a. The work by Lenze that relates to this can be qualified as best efforts obligations. Also on this account, Lenze shall not be liable towards client in any way, if and insofar as the final result of the performance from Lenze does not meet the expectations of client, unless this is different according to standards of reasonableness and fairness.
  - b. Lenze shall not be liable for results from the use of the equipment that fail to occur, for loss of profits and for savings that fail to occur.
  - c. If Lenze provides client with free support in the form of programming tips and small programs for products of Lenze, client is informed that implementation and use are at its own risk. On account of the nature of the communication in the event of telephone support and the short duration as well as the casual nature of the requested assistance, the employee of Lenze shall not be able to adjust tips and proposed solutions carefully in advance to the conceivable, complex requirements of a machine. The free support without formal instruction in the form of tips, hints and the making available of programming helps and small programs is therefore offered without acceptance of liability – except in case of intent and in those cases where Lenze is legally obliged to offer free help.
  - d. The operation of a machine for test purposes by employees of Lenze at the request of client shall take place for the risk of client.

#### Article 10: Suspension and dissolution

1. Any shortcoming either or not foreseeable or attributable in the fulfilment or impending failure in the fulfilment by client of its obligations ensuing from the agreement with Lenze or from related agreements, entitles Lenze to suspend its obligations by virtue of these agreements without further notice of default and without judicial intervention or to dissolve each of the agreements in whole or in part, without being obliged to any compensation or guarantee and without prejudice to the other rights accruing to it by virtue of the applicable law. This also applies in case of suspension of payment or bankruptcy on the part of client and in case of whole or partial transfer of the business or components of the business of client to third parties - either or not as security.
2. In the case of suspension on the part of Lenze mentioned under 10.1 the agreed price shall become immediately due and payable, less the instalments already paid and less costs included therein and not yet made by Lenze, and client shall be obliged to pay the above-mentioned amount and to accept the items included therein, failing which Lenze shall be entitled to

Author	: Op den Brouw	Title:	20200902 ALV Lenze 230312V1.3 - EN	Version	1.3
Checked	: Van den Broek			Date	: 2/09/2020
Electronically archived document, valid without signature (copies not valid).				Page	: 4/5

have these items stored or to sell them for the account of client. In case of dissolution on the part of Lenze the transaction shall be completed with due regard for the mutual implementation of the contractual obligations until then.

3. In case of force majeure on the part of Lenze, in this matter also understood to include all circumstances beyond the control of the business of Lenze as meant above under 4.7, even if already foreseeable at the time of the agreement, under which circumstances fulfilment of the agreement cannot in reasonableness be required from Lenze, Lenze shall be entitled either to suspend the implementation of the agreement or to dissolve the agreement in whole or in part without judicial intervention and without being obliged to pay any compensation or fine.
4. Client shall not be entitled to claim dissolution of the agreement with retroactive effect.

#### **Article 11: Intellectual property rights**

1. All industrial/intellectual property rights on the goods and services supplied or delivered by Lenze shall remain the property of Lenze, unless expressly agreed otherwise between Lenze and client in writing.
2. Industrial/intellectual property rights on inventions and know-how, also if obtained during the performance of an assignment, shall at all times be vested in Lenze.
3. Client shall not be allowed to reproduce, alter, publish, provide to third parties, transfer or otherwise alienate the work of Lenze except by written permission from Lenze.

#### **Article 12: Applicable law and disputes**

1. All agreements to which these terms and conditions apply in whole or in part are always subject to the law of the Netherlands.
2. Any disputes that may rise as a result of agreements to which these general terms and conditions apply in whole or in part shall be submitted exclusively to the district court of 's-Hertogenbosch, or if the subdistrict court judge is competent to the competent subdistrict court judge.

September 2020 Lenze B.V.

filed with the Trade Register of the Chamber of Commerce in 's-Hertogenbosch under number 16030531

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Author :	Op den Brouw	Title:	20200902 ALV Lenze 230312V1.3 - EN	Version	1.3
Checked :	Van den Broek			Date :	2/09/2020
				Page :	5/5