



## Conditions for Tool Costs

The conditions for tool costs summarized hereinafter shall be an integral part of our terms and conditions of sale, delivery and payment, last updated 1 September 2019. They shall be valid in all cases in which we manufacture tools (moulds) for the production of ordered items, with the costs for such tools being borne by the client on a pro rata basis or as full costs. Any deviating agreements shall be valid only if they have been confirmed by us in writing.

### 1. Shares of Tool Costs

Shares of tool costs shall be invoiced to the customer upon issuance of orders, the execution of which requires the production of special tools. The amount agreed upon with the customer shall include the shares of the material and production costs of the tools.

By paying the shares of tool costs, the customer shall not acquire any ownership rights to the tools nor to their principles of construction.

If the normal service life of the tool is not achieved with the number of parts indicated on the order upon issuance of the initial order, subsequent orders may be placed without any additional payment of shares in tool costs, at most, however, until achievement of the service life. By way of special agreements with the customer, it shall be possible to ensure that the tools, the shares in tool costs of which the customer shall bear, are used exclusively for production purposes for the customer themselves or for any third parties explicitly designated by them.

With reaching EOP (end of production) Dichtungstechnik Wallstabe & Schneider reserves its right to scrap the tools.

### 2. Full Tool Costs

The agreement on the takeover of the full tool costs shall be made exclusively at the request of certain customers. The full tool costs shall include the costs for design and construction of the tool, material and manufacture costs and the costs for

maintenance and repair within the underlying annual capacities agreed upon.

The company Dichtungstechnik Wallstabe & Schneider GmbH & Co. KG shall be obliged to manufacture parts of the tools only for the customer themselves and/or for any third companies explicitly designated by the customer. The company shall assume the risk of premature wear, destruction or loss of the tool within the production term agreed upon. The tools shall become the property of the customer, but shall remain in the possession of the company Dichtungstechnik Wallstabe & Schneider GmbH & Co. KG.

Latest three years after EOP Dichtungstechnik Wallstabe & Schneider has the right to scrap the tools, without any further approval of customer; regarding the scrap procedure a memo will be done and forwarded to the customer. The construction documents shall remain the property of the company Dichtungstechnik Wallstabe & Schneider GmbH & Co. KG.

### 3. General Rules

Unless otherwise stipulated, the tools may be relocated to other manufacturing facilities of Dichtungstechnik Wallstabe and Schneider or to corresponding manufacturing partners for the purpose of manufacturing the parts commissioned by the customer.

These conditions for tools and tool costs are subject to the substantive law of Germany. Jurisdiction for all disputes arising from this contract is Niederwinkling; However, Dichtungstechnik Wallstabe & Schneider is entitled to assert its rights at other legally permissible jurisdictions.