



General Terms and Conditions (GTC)

Institut für Luft- und Kältetechnik gemeinnützige Gesellschaft mbH (ILK Dresden)

Introduction

ILK Dresden carries out innovative basic research and development work in the fields of cryogenics, refrigeration technology, air conditioning technology, heating technology, solar technology, environmental technology and the materials and measurement technologies associated with these specialist areas, combined with applied research and the provision of engineering services on behalf of individual companies, institutes and public clients. Furthermore, ILK Dresden provides scientific and technical services, in particular the support of untested projects and processes by transferring basic and in-house research results into practice.

General information

The General Terms and Conditions of ILK Dresden apply exclusively to all contracts. Conflicting regulations of the client shall not become part of the contract, even if ILK Dresden has not expressly objected to them. Agreement with the content of the subject matter of the contract does not imply agreement with the general terms and conditions of the respective contractual partner.

1. Offer

ILK Dresden's offer describes the task with regard to the specific purpose of the application, the specific development project with the content and scope of the work and the processing period planned by ILK Dresden at the time the offer is submitted. Furthermore, the offer shall contain the offer price calculated by ILK Dresden on the basis of the client's requirements known at that time. Documents pertaining to the offer, such as illustrations, drawings, weights and dimensions, are only approximate unless they are expressly designated as binding. ILK Dresden reserves the right of ownership and copyright to cost estimates, drawings and other documents; they may not be made accessible to third parties without the express and written consent of ILK Dresden. Should the client make illustrations, drawings, weights and dimensions available to ILK Dresden together with the order, these will be treated confidentially.

2. Placing of order

If the order placed by the client contains deviations from the quotation, these shall only be deemed to have been agreed upon, upon express written confirmation by ILK Dresden. Otherwise, the order is deemed to have been placed to the extent that there are concurring declarations of intent. If these two differ on essential points that are part of the core area of the service or work contract, they must be renegotiated until agreement is reached in this respect. This written form requirement is also met by fax and e-mail.

3. Execution of the work

- a) If ILK Dresden has undertaken an individual contract vis-à-vis the client to produce a newly created objective work as a result of the work or to bring about a specific research result agreed with the client in advance, ILK Dresden is obliged to ensure that the work or the research result is designed in such a way that it can be used by the client for the agreed purpose without the risk of causing damage. If no separate properties are agreed, only this usability for the agreed purpose is owed as success.
- b) If ILK Dresden undertakes vis-à-vis the client to provide scientific and technical services in certain areas vis-à-vis and in a certain period of time, the provision of services is owed using current scientific findings and due diligence customary in the industry. In doing so, ILK Dresden must take the state of the art in science and technology as a basis and incorporate its own findings into the work. For both contracts within the scope of 3.a) as well as 3. b), ILK Dresden does not assume any guarantee that any economic exploitation intended by the client can be realized or that the economic success sought by the client will actually occur. This also applies if the client has informed ILK Dresden of its exploitation intentions without separate contractual assurances having been given in this respect.
- c) The client will provide the ILK Dresden with the information and documents required to carry out the project on loan and free of charge. They are to be used exclusively for the performance of the agreed work and are to be returned to the client upon completion of the order.
- d) Insofar as the client does not comply with the acts of cooperation incumbent upon it, which are agreed separately in the individual contract, or does not do so on time, ILK Dresden reserves the right to assert claims for compensation due to default of acceptance in the case of contracts for work and services in accordance with § 642 BGB as well as its right to premature termination in accordance with § 643 BGB.

4. Acceptance, place of performance and place of fulfilment

- a) Points b) to e) shall only apply insofar as acceptance is required by law or contractually agreed.
- b) The client is obliged to accept the service agreed in the contract immediately after its completion, but no later than 2 weeks after handover or receipt thereof.
- c) An acceptance report to be signed by both contracting parties shall be drawn up upon acceptance, in which the actual progress and condition of the work or service provision existing at the time of acceptance can be seen. It should be noted that margin notes which have been signed by both parties, does not automatically indicate that the described condition of the work or service provisions existing at the time of acceptance, deviates from the contractual content or owed result.
- d) Acceptance may only be refused by the client in the event of obvious, serious defects that make it impossible to continue using the service or product in accordance with the contract. Other defects will be rectified by ILK Dresden within the scope of the warranty in accordance with Section 7 of these GTC.
- e) If acceptance or the signing of the acceptance report is not carried out by the client without sufficient reason despite the setting of a deadline by ILK Dresden, acceptance shall be deemed to have taken place upon expiry of the grace period set for this purpose.
- f) The place of performance and execution is the registered office of ILK Dresden. Any transportation is at the risk and expense of the respective client, unless the parties have expressly agreed otherwise. This also applies in particular to hazardous goods that are subject to special national or international shipping regulations.

5. Delivery date, processing time

The agreed service shall be delivered on the delivery date specified in the contract, unless there are particular delays in the scientific and technical processing that could not be foreseen at the time the contract was concluded. Early delivery is permissible. If ILK Dresden realizes that the agreed processing period is not sufficient, the client will be informed immediately in writing, stating the reasons. At the same time, proposals for changes will be submitted as a basis for a mutually agreed extension of the processing period.

6. Payment

ILK Dresden is entitled, at its own discretion, to demand advance payments before the start of the execution of the order or a customary bank performance bond. Delays in the provision of advance payments or security will result in the planned delivery dates being extended by the corresponding period. Once the service has been provided, the invoice will be sent and is due for payment within 14 days of the invoice date. If payment deadlines are not met by the client, ILK Dresden is entitled to charge interest on arrears at the statutory rate in accordance with Section 288 (2) BGB, currently 9% above the respective base interest rate. Offsetting against the claim of ILK Dresden is only permitted if the counterclaim is undisputed or has been legally established.

7. Warranty and liability

- a) ILK Dresden's warranty extends in principle only to the application of proven scientific knowledge and the care customary in the industry and to compliance with the recognized rules of technology, unless ILK Dresden expressly warrants certain properties or work results. In the event of a warranty claim, ILK Dresden will rectify defective work free of charge within a reasonable period of time or, if this is not possible or only possible at disproportionately high expense or if it fails, it will produce new work. In all other respects, clause 3a 2nd sentence applies. The warranty period is 12 months from the transfer of risk, unless expressly agreed otherwise.
- b) ILK Dresden is only liable, irrespective of the legal grounds, if the damage was caused
 - by culpable breach of an essential contractual obligation in a way that jeopardizes the achievement of the purpose of the contract,
 - or is attributable to gross negligence or intent on the part of a vicarious agent or legal representative of ILK Dresden.
 ILK Dresden is liable if damage to life, limb or health of a person has occurred due to an intentional or negligent breach of duty by a vicarious agent or legal representative.
- c) If ILK Dresden is liable in accordance with section 7b) for the breach of an essential contractual obligation without gross negligence or intent, liability is limited to the extent of the damage that ILK Dresden could typically have expected to occur at the time the contract was concluded on the basis of the circumstances known to it at that time.
- d) The limitation of liability in accordance with section 7c) applies in the same way to damage caused by gross negligence or intent on the

part of employees or agents of ILK Dresden who are not directors or senior executives.

- e) In the cases of clauses 7c) and 7d), ILK Dresden is not liable for indirect damages, consequential damages or loss of profit. The limitations of liability pursuant to section 7b) shall also apply mutatis mutandis in favour of the employees and agents of ILK Dresden.
- f) In view of the fact that ILK Dresden is recognized as a non-profit GmbH pursuant to § 55 AO, it is expressly agreed, in deviation from the statutory provisions, that liability per claim for property damage, financial loss and other damage, with the exception of personal injury, is limited to an amount of 1.5 million Euros. ILK Dresden maintains liability insurance for this amount. If, in individual cases, the client wishes to receive higher compensation, the parties will reach a separate agreement on this, which may also depend on the amount of the resulting additional liability premium.

8. Duration of contract, termination

- a) The respective contract comes into force upon signature and lasts until the completion of the development project, unless it is terminated beforehand or otherwise ended.
- b) If the client terminates the contract prematurely, as far as possible, ILK Dresden may demand the agreed remuneration immediately. However, any expenses saved by ILK Dresden as a result of the termination will be deducted. The client is at liberty to prove to ILK Dresden that higher expenses have been saved.
- c) If the contract relates to research and development work in the field of privately funded research, which is carried out for the further development of existing scientific technologies or for the new development of scientific technologies that have not yet been researched or tested, ILK Dresden has a right of premature termination and thus a right to terminate the contractual relationship if it becomes apparent after the start of the work that the contract cannot be carried out for reasons that are not within the sphere of ILK Dresden or could only be continued at disproportionately high expense. In this case, ILK Dresden is entitled to pro rata remuneration in relation to the premature termination of the contract as well as compensation for the expenses incurred by ILK Dresden up to that point. In this case, neither the client nor ILK Dresden shall be entitled to any further claims.

9. Confidentiality

- a) Points b) to e) shall only apply insofar as no individual contractual confidentiality agreement has been concluded.
- b) ILK Dresden will use business or trade secrets of the client, which have been entrusted to it or which become known to it on the occasion of the cooperation, exclusively for the execution of this contract and will neither exploit them nor disclose them to others for the duration and for a period of three years after termination of the contractual relationship. This also applies to companies that are affiliated with ILK Dresden within the meaning of the terms of §15 of the German Stock Corporation Act.
- c) ILK Dresden will only use technical information, in particular intentions, experience or designs, which become accessible to it within the scope of the contractual cooperation or which ILK Dresden receives from the client, within the scope of the cooperation and will also treat it confidentially for a period of three years after the end of the contractual term and will not make it accessible to third parties. This obligation does not apply to information that was demonstrably:
 - already known before an order was placed,
 - received by ILK Dresden lawfully from third parties,
 - already generally known when the order was placed,
 - or subsequently becomes generally known without breach of the obligations contained in the present contract.
- d) Publications by ILK Dresden on the research results require the written consent of the client. The client may only refuse this consent for good cause.
- e) ILK Dresden will obligate its employees and third parties whose involvement is necessary to carry out this work accordingly.

10. Industrial property rights, copyrights and rights of use

- a) When carrying out the R/E work, ILK Dresden will endeavour to achieve a development result that is free of third-party property rights as far as possible.
- b) If ILK Dresden is aware of third-party industrial property rights that conflict with the development result, ILK Dresden must inform the client of this immediately after becoming aware of it and obtain the client's decision on whether or not to exploit them. Inventions that were made at ILK Dresden before the start or independently of the agreed R & D work in terms of content and any industrial property rights applied for or granted as a result, insofar as they are to be used in the development result, must also be disclosed in good time.
- c) The results of the R & D work, in particular the knowledge acquired by ILK Dresden during the execution of the order and recorded, stored or otherwise embodied in records, descriptions, test arrangements, models, devices or systems, shall be made available to the client in a suitable form after completion of the order.
- d) The client may make unlimited use of inventions that arise during the execution of the order and apply these for industrial property rights in its own name in Germany and abroad. Any inventor's remuneration

incurred shall be borne by the client. Insofar as the results of the R & D work are protected by copyright, the client grants ILK Dresden a non-exclusive, royalty-free right, unlimited in terms of time, place and content, to use these results for statutory purposes of its own research and development.

- e) If the client does not wish to register an invention for industrial property rights in Germany or abroad, does not wish to pursue an application for industrial property rights or does not wish to maintain an industrial property right that has been granted, the client must notify ILK Dresden immediately. Provided there are no fundamental objections to this, the invention, the property right application or the granted patent will be offered to ILK Dresden. In any case, this must be done in good time so that ILK Dresden can take the necessary measures to safeguard the rights, in particular to claim priority.
- f) In the cases of section 10 e), ILK Dresden shall reimburse the client for the statutory employee invention compensation. In addition, ILK Dresden shall bear the costs of industrial property rights for the industrial property rights taken over by ILK Dresden.

11. Publication/Advertising

After prior consultation with ILK Dresden, the client is entitled to publish the R & D results resulting from the contractual relationship with reference to ILK Dresden. The agreement shall be made in particular with regard to ongoing applications for industrial property rights, dissertations and theses. The use of the R & D results for advertising purposes requires the express consent of ILK Dresden.

12. Place of jurisdiction, applicable law

- a) The place of jurisdiction is Dresden if the client is a registered trader or has no general domestic place of jurisdiction or moves his domicile or usual place of residence outside Germany after conclusion of the contract. ILK Dresden is also entitled to bring an action before the court that has jurisdiction for the client's place of residence or place of business.
- b) The contract is subject to the law of the Federal Republic of Germany. The application of the United Nations Convention on Contracts for the International Sale of Goods of April 11, 1980 (UN Sales Convention and CISG) is excluded.

13. Other provisions

Subsidiary agreements and amendments to the contract must be made in writing to be effective and have not been made by the parties or are rescinded upon conclusion of the present contract. In the event that a provision contained in these GTC or in other agreements made between the parties should be or become invalid, this shall not affect the validity of the remaining agreements made between the parties. In this case, the parties are otherwise obliged to agree on a provision that comes closest to the economic purpose of the invalid provision. The client accepts the General Business Principles of ILK Dresden, unless he himself has a comparable code of conduct.