

General Terms and Conditions

I. General

All our sales/deliveries are subject to the terms and conditions below, even if these General Terms and Conditions are not referenced expressly in the course of on-going business relations. Any of the Customer's terms that may contradict our terms and conditions have no validity. If no response is given to order confirmations that reference deviating terms and conditions, this may not be interpreted as acceptance of such terms and conditions. With the acceptance of our shipment, the Customer irrevocably accepts the validity of our general terms and conditions.

All quotes provided by KNUTH are non-binding until KNUTH confirms acceptance of the order in writing. The contents of our order confirmation shall be a component part of our agreement, unless the Customer objects immediately after receipt of our order confirmation.

We reserve the right according to customary trade practices to make constitutive changes to the agreement due to technical advancements or modernizations. We also reserve the right to minor deviations common to the trade, such as color, weight, etc.

Any oral agreements are invalid unless presented in writing and approved in writing by KNUTH.

II. Pricing, Payment Terms

Our prices are ex warehouse Wasbek. Packaging, freight, insurance and value-added taxes are not included. We deliver COD or cash in advance. We will grant a 3% discount for COD deliveries. Prices for CNC machines are principally net cash. Machines will be shipped from Wasbek, whereby the customer is responsible for freight/transportation charges. Packaging will be invoiced at 0.5% of the net invoice amount, with a minimum fee of € 4.60.

For overdue payments, we are authorized to charge a late fee of 4% over the Deutsche Bundesbank discount rate. The late fee rate may be accordingly higher, if we can verify that we are committed to a higher interest, or that we could have invested the payment amount with a higher interest rate. The rate may be accordingly lower, if it is proven that we are charged a lower interest rate.

Customer shall not withhold payment or offset payment obligations due to a counterclaim that is not recognized by KNUTH or not legally effected. If the Customer is legally entitled to withhold payment, this right shall be limited to the disputed amount.

The Customer may sell the ordered item in the regular course of its business, only if the Customer is not in default and has not stopped payments. In case of default or stopped payment, resale is prohibited.

With the execution of the sales agreement between the Customer and Knuth, the Customer assigns to Knuth as a security the full amount of any claims arising from the sale of subject items or from any other statutory rights against its Customer, including any incidental rights. The Customer shall have all collection rights for any claims as long as the Customer is not in default in its obligation to Knuth or has stopped payments. If our expenses (e.g., for materials, supplied parts and wages) should increase in the time between ordering and delivery, we are authorized to adjust the agreed upon prices according to the cost increase. Such increase, however, shall in no event result in an increased profit for Knuth.

Free shipment of tools and accessories (only within Germany) for items on certain catalog pages with the footnote,

„Free Delivery with 3% discount - see www.knuth.de“ applies only under the following conditions:

- If payment is made in advance
- If ordered online at www.knuth.de
(with payment method of COD or cash in advance)

To calculate the total amount due, add catalog prices + VAT - 3% discount. For deliveries per cash in advance, we request prior proof of payment (bank transfer).

III. Delivery and Delivery Time

The Customer takes over liability as soon as the product leaves our warehouse. If the products are picked up by the Customer, liability will be transferred to the Customer with the ready-for-delivery notice. The Customer bears all cost and liability for shipments/transportation. If no written shipment

instructions were provided, we will decide the method of shipment.

Unless otherwise agreed, we shall determine the shipping method and route without being liable for choosing the fastest and most cost-effective method.

We reserve the right to arrange transportation insurance at the Customer's expense, unless expressly stipulated otherwise by the Customer. In this case, we assume liability for transportation damages (in particular, damages due to breakage, transportation, fire and water) above the risk liability time limit stated above.

If our vehicles are used for transportation, the Customer agrees to reimburse us for insurance costs. If third parties handle the transportation, and Customer expressly declines any insurance, the Customer shall assume all liability for transportation.

If we bear transportation liability according to the above stipulations, Customer agrees to assist us with any claims against the insurer. Customer shall inspect the condition of the shipment and look for any damages immediately upon receipt. Any damages shall be reported to the appropriate party (receiving railway station, post of office, or shipper) and confirmed by those entities, and the customer shall notify us immediately. If insurance benefits are reduced due to the Customer's inadequate assistance during damage verification and the claim process, we have the right to charge such benefit reductions to the Customer.

If the ordered items are ready for shipment and shipment or delivery is delayed for reasons outside our responsibility,

Customer will accept liability with the receipt of the ready-for-shipment notice. The same applies for blanket orders, if Customer does not call the orders at the specified time.

German Law applies to all our shipments.

The agreed upon delivery time starts with Customer's receipt of our order confirmation and after clarification of all issues concerning the shipment. We make every effort to meet the agreed upon delivery schedules. If it should be impossible for us to deliver on the agreed upon date, the Customer shall grant us a grace period of at least six weeks.

After this grace period, the Customer may at its option withdraw from the agreement. In no case will Knuth be liable for any claims unless Knuth acted in tort or gross negligence.

Inability due to force majeure (unavailability of power and raw materials, strikes, and other natural disasters) shall release us from all obligations to deliver as long as these factors affect our operations.

We can deliver orders in partial shipments. Such partial shipments shall be paid for individually according to our payment terms. If the Customer does not meet the payment obligation for a partial shipment, we may at our option discontinue the remaining shipments.

If delivery on demand or in partial quantities has been agreed upon, and Customer does not call or pay the products or partial quantities within the agreed upon time, we have the right to withdraw from the agreement. An extension of Customer's on-demand order or payment obligation is not required. We shall have the option to demand the agreed upon full purchase price and then deliver the complete shipment. This, however, shall not affect any other legal remedies and claims we are entitled to.

The products can be returned within 14 days. A restocking fee in the amount of 10% of the invoice total will apply.

IV. Retention of Ownership

The delivered merchandise shall remain the property of KNUTH, until all our claims in connection with the transaction with the Customer have been settled (Conditional Product). In case of payments on account, the conditional merchandise shall be the security for outstanding balances.

The Customer shall notify KNUTH promptly about any liens or other attachments to our rights by third parties.

In the event of Customer's default in payment, we have the right to take back the Conditional Products. Such action does not present a withdrawal from the sales agreement.

If the value of such conditional merchandise exceeds the amount of our claims by more than 20%, we shall be obligated to transfer the respective securities or release the conditional merchandise at our discretion upon Customer's request.