

## General Terms and Conditions of Hangcha Europe GmbH HE

Mariechen-Graulich-Straße 12a, 65439 Flörsheim am Main

### I. Scope

These conditions apply to all sales and work contracts including advice and other contractual services by HE. The purchasing conditions of the customer, changes or deviations from these delivery conditions or side agreements are only binding for HE insofar as HE has confirmed them in writing.

### II. Conclusion of the contract

The written order confirmation is decisive for the obligation of both parties and for the content of the order. If the customer has set a deadline for accepting an offer, a contract will only come into existence if it is accepted in due time. In the event that the customer does not accept the order on time or does not agree, the contract will only come into effect with the written, corresponding order confirmation. The customer is bound to orders for 4 weeks. The period begins on the day HE receives the order letter.

### III. Delivery and services

The documents belonging to the offer such as images and drawings, weight and dimensions such as speeds, fuel consumption and operating costs are approximate values with a tolerance range and do not constitute a guarantee of quality.

The nature of the delivery items results from the contract. It is not guaranteed. Deviations must be made in writing. The customer must point out in writing any application or environmental conditions (e.g. special environmental and location requirements) that deviate from the standard conditions of the sales documents. In the absence of such a notice, the aforementioned standard conditions of HE are authoritative.

Costs, drawings and technical documents or other technical information may not be used without the consent of HE, except for the installation, commissioning, use and maintenance of the delivery item.

### IV. Prices and Payments

#### 1. Prices

Unless otherwise agreed, the prices for the delivery item are ex warehouse plus statutory sales tax, including loading in the warehouse, but without packaging. HE is entitled to increase the price up to the amount of the new sales price if the sales prices relevant for the customer change before delivery.

#### 2. Due date

If no special agreements have been made, the price is to be paid immediately net without any deduction and upon acceptance of the goods. The costs of discounting and collection, in particular of bills of exchange and checks, are to be borne by the customer. If an agreed payment date is exceeded, the statutory interest due until default occurs and then the statutory default interest will be charged without the need for a reminder. In the event of default, HE is entitled to charge a reminder fee of ten euros for each reminder. The right to claim further damage caused by default remains reserved.

#### 3. Default in Payment.

A right of retention of the customer due to contested and not legally established counterclaims as well as the offsetting thereof is excluded.

HE is entitled, if HE has to fear that it will not receive the purchase price from the customer on time or in full, to refuse the contractual obligation by raising the objection of uncertainty until the due consideration has been effected or security has been provided. If the

customer has not provided the consideration or provided security within a reasonable period communicated in writing, HE can withdraw from the contract.

HE is also entitled to withdraw from the contract after a reasonable period of time communicated in writing if the customer does not make the agreed down payment on time or seriously and definitively refuses to accept the ordered goods. In the event of withdrawal, HE is also entitled to demand compensation for damages including lost profit in the amount of at least 20% of the purchase price, unless the damage is demonstrably less.

#### 4. Sales taxation

Sales tax is based on the applicable sales tax law. In the case of cross-border deliveries, HE will make use of the existing tax exemption options. In the case of cross-border deliveries within the EU, the customer undertakes to inform HE immediately of the corresponding sales tax identification number.

He participates in the additional evidence required to obtain a tax exemption under German or foreign sales tax law to the extent necessary. German or foreign sales tax to be paid by HE will be invoiced in addition to the net price and must be borne by the customer. If sales tax arises due to payments made prior to the delivery (service), the sales tax will be invoiced separately. The sales tax is due and payable together with the net price.

#### V. Delivery time

The delivery period begins with the dispatch of the order confirmation, but not before all documents to be procured by the customer have been received and all technical details have been clarified.

The delivery period is met if the delivery item is available for acceptance from the warehouse or readiness for dispatch has been notified by the time it expires. Compliance with the delivery deadline requires the customer to fulfill his contractual and cooperation obligations.

The delivery period is extended appropriately in the event of industrial action, in particular strikes and lockouts, as well as in the event of unforeseen obstacles.

(e.g. operational disruptions, official interventions, confiscation, energy supply difficulties, war, insurrection, embargo, requisition and natural disasters) that can be shown to have a significant influence on the completion of the delivery of the delivery item. This also applies if the circumstances arise with sub-suppliers. HE is also not responsible for the aforementioned circumstances if they arise during an already existing delay. In important cases, HE will notify the customer as soon as possible of the beginning and end of such hindrances. If the shipment is delayed at the request of the customer, the costs incurred by the storage will be charged to him, beginning one week after notification of readiness for shipment, in the case of storage in the warehouse at least 0.5% of the invoice amount for each commenced month, whereby the assertion of higher storage costs remains reserved. The customer is permitted to prove lower costs for the storage of the delivery items. However, HE is entitled to otherwise dispose of the delivery items after setting a reasonable deadline in writing and to deliver again to the customer after the delay has expired on the basis of the agreed delivery conditions and by agreeing a new delivery period.

#### VI. Transfer of risk

The delivery takes place from stock, either by acceptance or by dispatch. If the customer or an authorized representative of the customer does not accept the delivery on the specified delivery date, which must be declared to HE at least one week before this date, HE is deemed to be authorized to ship the delivery item at the customer's expense and risk. In the event of acceptance or dispatch, the risk is transferred to the purchaser if the delivery item has been handed over by HE to the purchaser or his agent or transport company or forwarding agent.

If the dispatch is delayed due to circumstances for which the customer is responsible, the risk is transferred to the customer on the day of notification of readiness for dispatch. The risk is also transferred to the customer when the goods are dispatched if partial deliveries are made or HE has taken on other services (e.g. dispatch, delivery, bringing in, installation, assembly or instruction). The dispatch takes place in principle for the account of the customer. The customer also bears the risk if he is in default of accepting the delivery items. Delivered items are, even if they have defects, by the customer without prejudice to the rights according to §VIII. to accept these terms of delivery, provided that these defects are not significant. In the absence of a special agreement, the delivery clause "ex works" applies.

## VII. Retention of title

1. HE reserves title to the delivery items until all payments from the business relationship with the customer have been received. In the case of a payment agreement in the check / bill of exchange procedure, the reservation extends to the redemption of the bill of exchange accepted by HE by the purchaser and does not expire when the check received is credited to HE. The retention of title continues to exist even if the claims are included in a current invoice and the balance has been drawn and recognized.

2. The customer is obliged to treat the delivery items with care and to carry out any repair, maintenance and inspection work in good time at his own expense. HE is entitled to insure the reserved goods against theft, machine breakdown, water, fire and other damage, unless the customer can be shown to have taken out the insurance himself.

3. The customer may neither pledge the delivery items nor assign them as security.

4. The customer must notify HE immediately of any seizures, confiscations or other dispositions by third parties. The costs of eliminating such measures are borne by the customer.

5. The customer is entitled to resell the delivery items in the ordinary course of business under retention of title or to allow third parties to use them for a fee. He already now assigns all claims against his customers or third parties from the resale or transfer of use to HE in the amount of the gross invoice amount of the first sale of the reserved goods plus 20%, regardless of whether the delivery items are passed on without or after processing and without any further processing special declaration of assignment is required in individual cases. HE accepts this assignment. The customer remains authorized to collect this claim even after the assignment. HE's authority to collect the claim itself remains unaffected by this, but HE will not make use of this authority if the customer fulfills his payment obligations towards HE, is not in default of payment and, in particular, no application has been made to open insolvency proceedings against the customer or payment has been suspended.

As of the delay in payment, HE can demand that the amounts due to HE be paid into an escrow account named by HE. HE can also demand that the purchaser's debtors make payments to HE and that the purchaser for this purpose identifies the debtors of the assigned claim to HE and discloses the assignment to these debtors.

6. If the claim from the resale cannot be assigned in the aforementioned scope because the claim falls under a current account agreement between the customer and his customer, the balance from the current account relationship is deemed to be assigned after the netting, as far as the claim from the resale after the above provisions are assigned.

7. If the customer processes, combines, mixes or blends the reserved goods with other goods not belonging to HE, HE is entitled to co-ownership of the new item in the ratio of the value of the reserved goods to the other processed goods. The same applies to the new item as it does to the reserved goods. They are deemed to be reserved goods in the sense of these terms and conditions.

8. Security due to HE which exceeds the value of the claims to be secured by more than 20% shall revert to the purchaser. (release clause in rem)

9. In the event of breach of contract by the purchaser, in particular in the event of default in payment, HE is entitled to take back the goods after a written warning and the purchaser is obliged to surrender them, without the withdrawal automatically meaning withdrawal from the delivery contract. In this case the delivery period is suspended. HE reserves the right to supply the customer with renewed validity and continuation of the agreed delivery period after removal of the obstacle to performance or provision of a security.

10. If the right in whose area the delivery items are located does not permit the above security agreement, but allows HE to reserve other rights to the delivery item, HE can exercise all rights of this type.

11. The customer is obliged to cooperate in measures taken by HE to protect the right of ownership or to take another right to the delivery item in its place.

## VIII. Liability for material defects, limitation of warranty.

### 1. Warranty period

HE provides a guarantee for material defects in the delivery items that exist at the time of the transfer of risk and for repairs carried out

for a period of 12 months, but no longer than 1800 operating hours. If the takeover or the dispatch is delayed through no fault of HE, the warranty expires no later than 12 months after the transfer of risk.

There is no separate warranty period for repairs and replacement deliveries within the scope of the warranty; the warranty period remains for the original delivery destination. However, the warranty period is extended by the duration of the business interruption caused by the repair or replacement delivery.

No guarantee is given for used items.

## 2. Obligation to examine

The assertion of material defect claims by the purchaser - with the exception of those arising from contracts for work and services - presupposes that the purchaser has properly complied with his obligation to examine and give notice of defects in accordance with Section 377 of the German Commercial Code (HGB). Any material defects found must be reported to HE immediately in writing by the purchaser.

## 3. Scope of warranty

If the delivery item does not correspond to the agreed quality upon transfer of risk, the purchaser's claim for supplementary performance includes, at HE's option, the free replacement delivery or the free rework of those parts that are unusable or more than insignificantly impaired in their usability.

In order to carry out all remedial measures or replacement deliveries that appear necessary at reasonable discretion, the customer must always grant the necessary time and opportunity after consulting HE; otherwise HE is released from subsequent performance.

In the case of supplementary performance, HE bears all necessary and reasonable expenses, in particular transport, travel, labor and material costs. This does not apply to additional expenses that have arisen because the delivery items are brought to a location other than the contractual place of performance. The rework is carried out at HE's option in its own workshop or at the end customer's. If the repair does not take place in HE's own workshop at the request of the customer, the costs for the dispatch of specialist personnel are at the customer's expense. Replaced parts become the property of HE.

## 4. Ancillary commitment

If, through the fault of HE, the delivered item cannot be used in accordance with the contract by the customer as a result of neglected or faulty advice given before or after the conclusion of the contract and as a result of the breach of other contractual secondary obligations - in particular instructions for the operation and maintenance of the delivery item - further claims by the customer shall apply to the exclusion of further claims VIII and IX of these delivery conditions.

## 5. Limitations of Liability

No guarantee is given for material defects caused by

- violence
- Improper use
- The use of oils and operating fluids with unsuitable specifications

have been caused. HE does not accept any liability for wear parts or for damage caused by natural wear and tear.

## IX. Right of the customer to withdraw from the contract or to reduce the price and other liability.

### 1. Obstacles to performance

The customer can withdraw from the contract if HE is finally unable to perform the entire service before the transfer of risk. If HE is obviously only temporarily prevented from performing, the customer is only entitled to withdraw from the contract if HE does not deliver within a reasonable period of time after the obstacle to performance has ceased to exist.

### 2. Partial delivery

The customer can also withdraw from the contract if, when ordering similar delivery items, the execution of part of the delivery becomes impossible and he has a legitimate interest in rejecting a partial delivery. If this is not the case, the customer can reduce the consideration accordingly. When determining the reduction in value, Section 441 (3) of the German Civil Code (BGB) must be observed, with the purchaser's interest in use being decisive for the reduction in value.

If the impossibility occurs during the delay in acceptance or through the fault of the customer, the customer remains obliged to provide consideration.

### 3. Failed supplementary performance

The customer also has the right to withdraw from the contract,

- If HE allows a reasonable period in writing for supplementary performance due to a defect within the meaning of the delivery conditions to elapse without result. The deadline for subsequent performance is to be set in such a way that it takes into account any order and delivery deadlines for necessary spare parts for the implementation of the subsequent improvement or
- If the supplementary performance has finally failed, whereby at least two attempts are to be allowed.
- In the aforementioned cases, the customer can, at his option, request a corresponding reduction in the purchase price instead of withdrawing from the contract.

### 4. Reduction

If, after completion of the supplementary performance, there are still defects that are not significant, which can be assumed to be rebuttable, if the delivery items are still suitable for the appropriate use, the right of withdrawal of the customer is excluded. In this case, the customer has the right to reduce the price. For the determination of the decrease in value, §441 BGB applies, whereby the interest in use of the customer is decisive for the decrease in value.

### 5. Disclaimer of Liability

All further claims of the customer - for whatever legal reasons - as well as compensation for damage of any kind, including damage that did not occur on the delivery item itself (e.g. loss of use and production, lost profit or other consequential damage), are excluded. This exclusion of liability does not apply in the event of intent or gross negligence on the part of HE or in the event of culpable breach of essential contractual obligations. In the event of culpable breach of essential contractual obligations, HE shall only be liable for typical, reasonably foreseeable damage, except in cases of willful intent and gross negligence.

### X. Applicable Law

German law applies to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG).

### XI. Place of jurisdiction and place of performance

For all disputes arising from the contractual relationship, also for bill of exchange and check processes, for proceedings due to the issuance of an arrest or injunction, which is the responsibility of the civil courts in Flörsheim.

The place of performance for the services to be provided by both parties is Flörsheim.



**HANGCHA**

# Hangcha Europe GmbH

## General Terms and Conditions for the Delivery of Used Equipment

(Hangcha Europe GmbH, hereinafter referred to as "Hangcha")  
Version date: 17 December 2025

### §1. Scope of Application

1. These General Terms and Conditions for the Delivery of Used Equipment shall apply to all deliveries of used equipment provided by Hangcha. They shall govern all quotations, sales contracts and supply contracts issued by Hangcha, including any ancillary services directly related to the delivery of used equipment. These Terms shall apply exclusively. Any purchasing terms of the customer, as well as any amendments, deviations from or supplements to these Terms, shall only form part of the contract if expressly agreed by Hangcha in writing.
2. In the context of an ongoing business relationship, and unless expressly agreed otherwise, these General Terms and Conditions for the Delivery of Used Equipment shall also apply to all future transactions relating to used equipment between Hangcha and the customer. Furthermore, these Terms shall likewise apply to all subsequent agreements arising from an existing contractual relationship, in particular agreements directly related to the delivery of used equipment, such as maintenance or repair agreements.

### §2. Quotations and Conclusion of Contract

1. Standard Quotations
  - 1.1. All quotations and cost estimates issued by Hangcha in respect of used equipment are non-binding.
  - 1.2. The rights and obligations of the parties as well as the content of the order shall be governed exclusively by Hangcha's written order confirmation.
  - 1.3. If Hangcha specifies an acceptance period for a quotation, the contract shall only be concluded if the customer accepts the quotation within such period. If the customer fails to accept the quotation within the specified period, or if the acceptance deviates from the quotation, the contract shall only be concluded upon Hangcha's written order confirmation corresponding in content. The acceptance period shall commence upon receipt of the quotation by the customer.
- 1.4. Hangcha reserves the right to sell the used equipment to third parties prior to the conclusion of the contract.
2. Online Quotations
  - 2.1. Any quotations for used equipment published online by Hangcha are likewise non-binding. A contract shall only be concluded upon Hangcha's written order confirmation.
  - 2.2. When placing an order, the customer is obliged to provide complete, accurate and truthful information. Any changes, in particular to the customer's name, address, email address or telephone number, shall be notified to Hangcha without undue delay by email or other written form. Any risk arising from the failure of order confirmations or order information to be delivered, identified or correctly transmitted due to the customer's failure to update its contact details or due to incorrect or incomplete contact information shall be borne by the customer.
- 2.3. If the customer fails to comply with the above notification obligations or provides false information from the outset, Hangcha shall be entitled to terminate the contract even after its conclusion. Termination may validly be effected by email or other written form.

### §3. Delivery and Services

1. All documents relating to quotations, such as illustrations, drawings, as well as data concerning weight and dimensions, speed, fuel consumption and operating costs, constitute customary approximate values only and do not represent any guarantee of quality or performance. Any descriptions, assurances or other statements regarding the used equipment—whether made prior to, at the time of, or after the conclusion of the contract—shall not constitute a guarantee. Provided this is reasonable for the customer, Hangcha reserves the right to make improvements or changes to the

forementioned documents, data and to the used equipment itself at any time, including deviations in colour or colour configuration, provided that such changes do not unreasonably disadvantage the customer.

2. The agreed condition and performance of the delivery item shall be governed exclusively by Hangcha's written order confirmation and shall not constitute a guarantee. Unless already permitted under Clause 3.1, any deviations from the agreed condition or performance shall require the prior written agreement of both parties. If the intended conditions of use or environmental conditions (e.g. special environmental or installation requirements) deviate from the standard conditions specified in the sales documentation, the customer shall expressly notify Hangcha thereof in writing; otherwise, the standard conditions specified by Hangcha shall apply.
3. Hangcha retains all copyrights and/or other industrial property rights in all related documents. Without Hangcha's prior written consent, cost estimates, drawings and similar documents may not be used for any other purpose, in particular they may not be reproduced or disclosed to third parties. Upon Hangcha's request, the customer shall return such documents to Hangcha without delay. Documents delivered to the customer together with the used equipment as accompanying documentation shall become the property of the customer only upon full payment of the purchase price; in all other cases, ownership of such documents shall remain with Hangcha.

### §4. Prices, Payment Terms and VAT

1. Prices

Unless otherwise agreed, prices for used equipment shall be ex works at the respective Hangcha warehouse location and shall be subject to statutory value-added tax (VAT) applicable on the date of invoicing. Prices include loading at the warehouse location but exclude transport, packaging and other ancillary costs, which shall be charged separately by Hangcha. Packaging shall only be taken back if expressly agreed otherwise.
2. Payment Due

Unless otherwise expressly agreed, the purchase price shall be payable net immediately upon delivery of the used equipment or upon notification that the equipment is ready for acceptance or dispatch, without deduction. Discounts and collection charges (in particular charges for bills of exchange and cheques) shall be borne by the customer. Upon expiry of the agreed payment period, statutory interest shall accrue without the need for a reminder; upon default, statutory default interest shall apply. For each reminder, Hangcha shall be entitled to charge reasonable reminder fees within the limits permitted by law. Hangcha reserves the right to claim further damages resulting from default.
3. Default in Payment

The customer shall not be entitled to exercise any right of retention or set-off on the basis of disputed or legally unestablished counterclaims. If Hangcha has reasonable grounds to doubt the customer's ability to fulfil its payment obligations in full or on time, Hangcha shall be entitled to suspend performance on the basis of the defence of uncertainty until payment is made or adequate security is provided. If the customer fails to fulfil its payment obligations or to provide such security within a reasonable period set by Hangcha in writing, Hangcha shall be entitled to terminate the contract. If the customer fails to comply with agreed payment deadlines, or clearly indicates by declaration or conduct that it will no longer accept the ordered used equipment, Hangcha shall be entitled to terminate the contract after written notice and expiry of a reasonable grace period. Upon termination of the contract, Hangcha shall be entitled to compensation for the damages incurred as a result, including but not limited to expenses incurred and lost profits. Such damages shall, as a rule, be based on the actual loss proven by Hangcha and shall not exceed 20% of the purchase price. The customer shall be entitled to prove that Hangcha's actual loss is lower.
4. VAT

VAT shall be charged in accordance with the applicable tax laws. In the case of cross-border deliveries, Hangcha shall make use of the



# Hangcha Europe GmbH



applicable VAT exemptions. For intra-Community deliveries, the customer shall provide Hangcha without delay with its valid VAT identification number and, to the extent necessary, cooperate in providing any tax exemption documentation required under German or foreign tax law. If Hangcha is required to pay German or foreign VAT, such VAT shall be invoiced separately and borne by the customer. VAT arising from advance payments shall be invoiced separately and shall become due together with the net amount.

## §5. Delivery Period and Delivery Time

1. The delivery period shall commence upon issuance of Hangcha's order confirmation, provided that the commencement of the delivery period is subject to the condition that the customer has submitted all documents to be provided by it and that all technical and commercial details have been fully clarified.
2. The delivery period shall be deemed complied with if, prior to its expiry, the used equipment is available for acceptance by the customer at Hangcha's warehouse location or if Hangcha has notified the customer that the equipment is ready for dispatch. Compliance with the delivery period presupposes that the customer has duly fulfilled its contractual obligations and any required duties of cooperation.
3. If the completion or delivery of the used equipment is demonstrably and materially affected by labour disputes (in particular strikes or lockouts) or by other unforeseeable obstacles beyond Hangcha's control—such as disruptions of production or operations, governmental or administrative interventions, delays in the delivery of essential raw materials, seizures, energy supply difficulties, war, riots, embargoes, requisitions or natural disasters—the delivery period shall be reasonably extended. This shall also apply if such circumstances occur at subcontractors or suppliers, even if Hangcha is already in default; in such cases, Hangcha shall not be liable. Where relevant, Hangcha shall inform the customer as soon as reasonably possible of the commencement and cessation of such impediments. Performance of the contract is subject to compliance with all applicable national and international laws and regulations, in particular export control regulations, embargoes or other sanctions. Both parties shall be obliged to provide all information and documents required for export, transit or import. Delays caused by export control reviews or approval procedures shall suspend the calculation of the delivery period and delivery time. If the required approvals are not granted, Hangcha shall be released from its performance obligations with respect to the affected part of the contract, and no claims for damages shall arise.
4. If dispatch is delayed at the customer's request, the customer shall bear the storage costs incurred from one week after Hangcha has notified readiness for dispatch, at a minimum rate of 0.5% of the invoice amount for each commenced week. Hangcha reserves the right, within the limits permitted by law, to claim higher actual storage costs. The customer shall be entitled to prove that the actual storage costs for the used equipment are lower. After a reasonable grace period has been set in writing, Hangcha shall remain entitled to dispose of the used equipment otherwise.

## §6. Place of Performance and Transfer of Risk

1. Unless expressly agreed otherwise in writing in individual cases, the place of performance for all contractual obligations of the parties shall be the Hangcha warehouse at which the respective used equipment is located.
2. Delivery shall be effected in accordance with the Incoterms® currently in force under the term "Free Carrier" (FCA), with the agreed place of delivery being the respective Hangcha warehouse location (FCA, Incoterms® 2020).
3. If dispatch is delayed for reasons attributable to the customer, the risk shall pass to the customer upon Hangcha's notification that the used equipment is ready for dispatch. The transfer of risk shall occur at the time of dispatch or notification of readiness for dispatch even in the case of partial deliveries or if Hangcha performs additional ancillary services, such as dispatch arrangements, transport, handling, positioning, installation or

operational training. Unless otherwise agreed, transport shall be at the customer's expense. If the customer delays acceptance of the used equipment, the associated risk shall likewise be borne by the customer.

4. The customer shall accept delivered used equipment even if defects exist, without prejudice to the rights of the customer under Clause 8 of these Terms, provided that such defects do not constitute a material defect. A material defect is a defect which prevents the used equipment from achieving its contractually agreed primary purpose.

## §7. Retention of Title

1. Hangcha shall retain title to all used equipment until all receivables arising from the business relationship with the customer have been fully settled, including receivables arising from ancillary obligations, such as installation services. Where payment by cheque/bill of exchange has been agreed, the retention of title shall extend until the bill of exchange accepted by Hangcha has been honoured by the customer. The retention of title shall not lapse merely because cheques received have been credited to Hangcha's account. The retention of title shall also remain effective even if the relevant receivables are included in a current account and the balance has been acknowledged.
2. As long as title has not yet passed, the customer shall be obliged to store the used equipment with due care and, at its own expense, to carry out any necessary maintenance, servicing and inspections in a timely manner. If the customer fails to provide evidence of having taken out appropriate insurance coverage, Hangcha shall be entitled to insure the used equipment subject to retention of title against theft, mechanical damage, water damage, fire and other risks.
3. The customer shall not be entitled to pledge the used equipment or to transfer title thereto by way of security.
4. In the event of seizure, attachment or any other disposition by third parties, the customer shall notify Hangcha without delay. Any costs incurred in lifting such measures shall be borne by the customer.
5. The customer shall be entitled, in the ordinary course of business, to resell the used equipment subject to retention of title or to grant its use to third parties for consideration. The customer hereby assigns to Hangcha, by way of security and in advance, all receivables arising from such resale or transfer of use against its customers or third parties, in an amount equal to the invoice value of the first resale plus 20%. This percentage shall serve solely as a basis for security calculation and shall not constitute a price adjustment. The assignment shall apply irrespective of whether the used equipment is resold in an unprocessed or processed state and shall not require any separate declaration of assignment. Following the assignment, the customer shall remain authorised to collect the assigned receivables on behalf of Hangcha. Hangcha reserves the right to collect such receivables directly; however, it shall exercise this right only if the customer fails to meet its payment obligations towards Hangcha or if insolvency proceedings have been applied for against the customer. Upon the occurrence of a payment default, Hangcha shall be entitled to require that receivables payable to Hangcha be paid into an escrow account designated by Hangcha and may also require the customer's debtors to make payment directly to Hangcha. The customer shall, upon request, provide Hangcha with all information regarding the assigned receivables and disclose the assignment to its debtors.
6. If, due to a current account agreement between the customer and its customer, the resale receivables falling within the scope described above cannot be assigned individually, the balance resulting from the settlement of the current account shall be deemed assigned to Hangcha within the corresponding scope. Such security shall remain effective until all receivables of the customer against third parties have been fully settled.
7. If the customer processes, combines, mixes or commingles the used equipment subject to retention of title with other goods not belonging to Hangcha, Hangcha shall acquire co-ownership of the newly created item in proportion to the value of the retained equipment relative to the value of the other processed goods at the time of processing. Unless otherwise stipulated, the provisions applicable to the equipment subject to retention of title shall apply

mutatis mutandis to the newly created item, which shall be deemed equipment subject to retention of title within the meaning of these Terms.

8. In the event of a breach of contract by the customer, in particular in the event of default in payment, Hangcha shall be entitled, after written notice and within the limits permitted by law, to repossess the used equipment, and the customer shall be obliged to surrender it. Such repossession shall not automatically constitute a termination of the delivery contract. In such cases, the delivery period shall be suspended. Hangcha reserves the right, after the impediment to performance has ceased or adequate security has been provided by the customer, to continue delivery in accordance with the original agreement and to extend the delivery period accordingly.
9. At the customer's request, Hangcha shall be obliged to release securities held by it to the extent that their realisable value exceeds the total secured receivables by more than 20%.
10. If the law applicable at the location of the used equipment does not permit the above security arrangements, but allows Hangcha to retain rights in the used equipment by other means, Hangcha shall be entitled to exercise all such alternative rights.
11. The customer shall be obliged to cooperate with all measures taken by Hangcha to protect Hangcha's title or, where retention of title is not applicable, to protect any other rights held by Hangcha in the used equipment.

## **§8. Rights in Respect of Material Defects**

1. Scope
  - 1.1. With regard to material defects of used equipment, Hangcha shall grant the customer rights in respect of material defects only to the extent that such rights have been expressly agreed in writing in Hangcha's order confirmation and only within the scope set out below.
  - 1.2. Unless expressly agreed otherwise in the order confirmation, all deliveries of used equipment shall be made with exclusion of statutory liability for material defects to the extent permitted by law. If rights in respect of material defects are expressly granted to the customer in the order confirmation, such rights shall be limited to a period of six (6) months from delivery and, in any event, to a maximum of 600 operating hours (for electric industrial vehicles including the battery and charger), whichever occurs first.
  - 1.3. In dealer transactions, Hangcha shall not grant any further rights in respect of material defects beyond those mandatory under statutory law, unless expressly agreed otherwise in writing in the order confirmation.
2. Inspection and Notice Obligations

The assertion of any rights in respect of material defects shall be conditional upon the customer having duly and properly complied with its inspection and defect notification obligations pursuant to Section 377 of the German Commercial Code (§ 377 HGB). Any material defect discovered shall be notified to Hangcha immediately in writing.

## **§9. Warranty**

Any warranty granted under this Clause constitutes a contractual warranty independent of and separate from rights in respect of material defects and shall not modify the exclusion or limitation of liability for material defects set out in Clause 8. Unless expressly agreed otherwise, liability for material defects of used equipment shall be governed primarily by Clause 8. Where a warranty for used equipment is expressly agreed in the order confirmation, the warranty period shall be six (6) months from delivery. Such warranty shall be limited exclusively to the replacement of the relevant spare parts and shall not include any labour costs, travel expenses or any other costs related to repair or maintenance. The above warranty period and limitations shall not apply in cases of intent, gross negligence or fraudulent conduct on the part of

Hangcha, nor in cases of culpable injury to life, body or health, nor to recourse claims pursuant to Sections 478 and 479 of the German Civil Code (BGB).

## **§10. Customer's Rights of Termination, Price Reduction and Other Liability**

1. Impediment to Performance

If, prior to the transfer of risk, Hangcha's delivery obligation becomes permanently impossible to perform in its entirety, the customer shall be entitled to terminate the contract. If Hangcha is evidently only temporarily unable to perform its delivery obligation, the customer shall be entitled to terminate the contract only if Hangcha fails to effect delivery within a reasonable period after the impediment to performance has ceased.
2. Price Reduction

If, after the completion of remedial measures, non-material defects remain—whereby, subject to rebuttal, a defect shall be presumed to be non-material as long as the used equipment remains suitable for its contractually agreed purpose—the customer's right to terminate the contract shall be excluded. In such cases, the customer shall only be entitled to a reduction of the purchase price. The calculation of the reduction in value shall be governed by Section 441 (3) of the German Civil Code (§ 441 Abs. 3 BGB), with the customer's benefit of use being a key determining factor.
3. Exclusion of Liability

Any further claims by the customer—irrespective of the legal basis—and any claims for damages of any kind shall be excluded. This shall include, in particular, damages not occurring directly to the used equipment itself, such as loss of use, production downtime, loss of profit or other indirect or consequential damages. The above exclusion of liability shall not apply in cases of intent or gross negligence on the part of Hangcha, or in cases of culpable breach of essential contractual obligations. In cases of culpable breach of essential contractual obligations not involving intent or gross negligence, Hangcha's liability shall be limited to damages which are typical for the type of contract and reasonably foreseeable. Furthermore, the above exclusion of liability shall not apply where liability is mandatory pursuant to Sections 1 and 4 of the German Product Liability Act (Produkthaftungsgesetz) for personal injury or damage to property privately used, caused by a defect in the used equipment. The exclusion of liability shall also not apply where a quality guarantee has been assumed, and such guarantee was intended specifically to protect against damages not occurring directly to the used equipment itself. Likewise, the exclusion of liability shall not apply in cases of culpable injury to life, body or health.

## **§11. Jurisdiction, Governing Law and Severability**

1. All disputes arising out of or in connection with the contractual relationship, including actions relating to bills of exchange and cheques as well as proceedings for interim relief or provisional measures, shall—to the extent permitted by law—be subject to the exclusive jurisdiction of the courts at Hangcha's registered seat in Wiesbaden. Hangcha shall also be entitled to bring legal action before any other court having jurisdiction over the customer.
2. The contractual relationship shall be governed by the laws of the Federal Republic of Germany, excluding the application of the United Nations Convention on Contracts for the International Sale of Goods (CISG).
3. If individual provisions of these Terms are or become invalid or unenforceable, in whole or in part, the validity of the remaining provisions shall not be affected. The invalid or unenforceable provision shall be replaced by a valid and enforceable provision which most closely reflects the economic intent of the original provision.



## § 1. General Provisions – Scope of Application

1. These Terms and Conditions of Lease form an integral and inseparable part of all lease agreements concluded, unless expressly agreed otherwise in the respective lease agreement. Any terms and conditions provided by the Lessee which deviate from, contradict or supplement these Terms and Conditions of Lease shall not become part of the agreement, even if the Lessor does not expressly object to such terms.
2. Should individual provisions of these Terms and Conditions of Lease be or become invalid, the validity of the remaining provisions shall remain unaffected. In the event that deviations from or supplements to these Terms are invalid, the invalid provision shall, pursuant to Section 139 of the German Civil Code (BGB), be replaced by a valid provision which comes closest to achieving the economic purpose originally intended by the invalid provision.
3. Any agreements deviating from or supplementing these Terms must be made in writing. There are no oral ancillary agreements to the lease agreement or to these Terms. Amendments to or supplements of these Terms must also be made in writing. The requirement of written form itself may only be waived in writing.
4. All lease offers made by the Lessor are non-binding.
5. The lease agreement and these Terms and Conditions of Lease apply exclusively to entrepreneurs within the meaning of Section 14 of the German Civil Code (BGB), legal entities under public law, or special funds under public law.

## § 2. Conclusion of the Contract

1. The Lessor's offers are generally non-binding and without obligation, unless expressly stated otherwise by us.
2. The Lessee's contractual declaration (e.g. an order) shall be irrevocable for a period of fourteen (14) days from its submission. We shall be entitled to accept the Lessee's offer within this period or thereafter. The contract shall be concluded upon our written acceptance (e.g. order confirmation). The requirement of written form for the conclusion of the contract shall not apply to amendments or supplements agreed after the contract has been concluded. The contract may also be concluded by our unconditional delivery of the leased object or by issuing an invoice in whole or in part without reservation.
3. If our declaration of acceptance (e.g. order confirmation) is received by the Lessee with delay, the Lessee shall notify us thereof without undue delay.
4. Our silence shall not constitute acceptance of a contract.
5. The Lessee shall provide truthful and accurate information in its contractual declaration. Any changes to the contractual data (such as name, address, e-mail address or telephone number) shall be notified to us by the Lessee in writing without undue delay.

## § 3. Leased Objects, Use, Structural Modifications

1. The subject of the lease shall be the equipment described in the lease agreement. The specifications and composition of the leased object shall be exclusively governed by the written lease agreement. Brochures, catalogues, websites, advertising materials, illustrations and similar information shall not be deemed binding unless expressly confirmed by us in writing. Where several items of equipment are leased, each item shall constitute an independent lease agreement. The termination of the lease relationship for one individual item shall not affect the lease relationships relating to other items. The condition and quality of the leased object shall be as agreed in the contract.
2. The Lessee shall be entitled to use the leased object solely within the scope agreed in the lease agreement. The permitted scope of use shall be measured by the annual operating hours. Operating hours shall be determined exclusively on the basis of the hour meter installed on the equipment. In the event of a malfunction of the hour meter, the Lessee shall notify the Lessor immediately. Further provisions shall be governed by Section 7.3.
3. During the term of the lease, the Lessee shall not carry out any

## § 4. Granting of Use and Place of Use

1. The Lessor shall not be liable for delays in delivery unless such delays are caused by the Lessor's intent or gross negligence.
2. The leased object may be used exclusively at the place of use specified in advance. Any change of the place of use shall require the Lessor's prior written consent, which must be obtained before the leased object is relocated.

## § 5. Ownership

1. Ownership of the leased object shall remain with the Lessor at all times.
2. Any replaced or installed parts shall become an integral part of the leased object, and ownership thereof shall vest in the Lessor.

## § 6. Commencement of Lease, Lease Term, Delivery and Return of the Leased Object

1. The lease term (stated in months) shall be as specified in the lease agreement. If delivery of the leased object is delayed for reasons attributable to the Lessor, the lease term shall commence on the date of actual delivery. In such case, the Lessor shall not be liable for any losses incurred by the Lessee as a result of the delayed delivery. Upon expiry of the lease term, the lease agreement shall automatically be extended for an indefinite period unless either party objects at least one (1) month prior to the expiry date. An indefinite lease may be terminated by either party upon one (1) month's prior notice in writing. Upon termination of the lease, the Lessee shall be obliged to make the leased object available for collection by the Lessor.
2. Where the lease agreement covers several leased objects, the Lessor shall be entitled to effect partial deliveries, provided that such partial deliveries are reasonable for the Lessee. The Lessor shall likewise be entitled to deliver the leased objects prior to the agreed delivery date.
3. The Lessee shall not be entitled to refuse acceptance or to delay acceptance of the leased object. Any additional costs arising therefrom, including but not limited to transportation, packaging and storage costs, shall be borne by the Lessee.
4. In the event of damage to the leased object occurring after delivery, the Lessor shall not be obliged to provide an equivalent replacement, unless expressly agreed otherwise.
5. The Lessee shall return the leased object in full upon termination of the lease, excluding normal wear and tear resulting from use in accordance with the contract. If the Lessee fails to fulfil its obligation to return the leased object, the Lessee shall be liable to pay compensation to the Lessor. In addition, the Lessor shall be entitled to claim compensation for the period of retention based on the locally customary rental rate.
6. Upon expiry of the lease term or termination of the lease agreement, the Lessee shall immediately return the leased object to the Lessor at the Lessee's own expense and risk. The Lessee shall bear all costs of dismantling and return transport.

## § 7. Rent and Billing

1. Unless otherwise agreed, all prices are exclusive of statutory value-added tax (VAT).
2. The monthly rent payable by the Lessee shall be as specified in the lease agreement.
3. Additional Use: The actual annual usage shall be verified. If the annual operating hours of the leased object exceed the agreed scope of use, the Lessor shall be entitled to charge additional usage fees retrospectively. The chargeable value of the additional operating hours shall be calculated in proportion to the fixed rent and the agreed scope of use. As a general rule, each additional operating hour in excess of the agreed scope shall be charged at a rate of 0.5% of the monthly rent.
4. The rent is calculated on the basis of the usage factors specified in the lease agreement, including but not limited to the place of use, routes, ground conditions, corrosive environments and surrounding conditions. The leased object shall be used exclusively in

accordance with the performance specifications defined in the technical documentation. Any changes to the usage factors shall be notified to the Lessor by the Lessee in writing within five (5) working days. The Lessor shall be entitled to adjust the rent in accordance with the changed usage conditions and reserves the right to assert further claims.

## § 8. Operating Costs

During the lease term, the Lessee shall bear all operating costs of the leased object, including but not limited to: fuel (diesel, gas or electricity), lubricants, battery water, and all costs related to the charging of batteries.

## § 9. Operation, Maintenance and Servicing, Operating Risks

1. The Lessee shall use the leased object properly and with due care. The leased object shall not be overloaded or used for purposes other than its intended use. The Lessee shall comply with the operating manual and all applicable statutory safety regulations and, in particular, shall not exceed the rated load.
2. The Lessee shall ensure that the leased object is used correctly under the operating conditions defined in the performance specifications and shall take all necessary measures to protect the leased object against external damage. The Lessee shall ensure that all operators receive appropriate operational training and that they comply with the requirements of the German Driving Licence Ordinance (Fahrerlaubnis-Verordnung).
3. The Lessee shall be obliged to clean the leased object regularly.
4. Maintenance and repairs of the leased object shall be carried out exclusively by the Lessor or by service partners authorised by the Lessor.
5. For the purpose of maintenance or repair, the Lessee shall ensure that the Lessor's personnel have access to the leased object during normal business hours.
6. At the Lessor's request, the Lessee shall perform daily visual and functional inspections of the leased object. The Lessee shall ensure proper charging of the batteries and correct replenishment of battery water. If damage to the leased object is caused by intentional or negligent acts or omissions of the Lessee, its employees or its agents (including improper operation or inadequate maintenance), the Lessee shall be liable for damages. Where there are reasonable indications that the damage was caused by the Lessee, its employees or agents, the Lessee shall cooperate in clarifying the circumstances and shall bear responsibility within the scope of its fault. Any damage shall be notified by the Lessee to the Lessor in writing within five (5) working days. If the Lessee breaches its notification obligation, the Lessee shall compensate the Lessor for any losses resulting therefrom.
7. From the date of delivery of the leased object, the Lessee shall be deemed the keeper and operator of the vehicle and shall bear the legal responsibilities arising therefrom. The Lessee shall, at its own expense, comply with all applicable laws, regulations and administrative requirements (in particular driving licence regulations, road traffic regulations and tax regulations) and shall indemnify the Lessor against any related third-party claims.
8. Forklifts or other industrial trucks shall not be operated in public traffic areas without the required road approval and insurance coverage. In particular, such equipment may not be used on public roads unless it has been lawfully modified and duly insured.

## § 10. Defects of the Leased Object and Handling of Damage

1. The Lessee shall be responsible for the repair of any damage or defects resulting from improper use, incorrect operation or breach of contractual obligations, as well as for contractually agreed consumable parts; normal wear and tear resulting from use in accordance with the contract shall be excluded, provided that the damage or defect was not caused by external circumstances beyond the Lessee's control, did not exist at the time of delivery, and was not caused by the Lessor.
2. The Lessee shall notify the Lessor immediately in writing of any damage or defect of the leased object.
3. If the Lessee is not obliged to carry out the repair, the Lessor shall remedy the defect within a reasonable period of time.

4. The Lessor may, at its discretion, refrain from repairing the leased object and instead provide a replacement device of equivalent performance.
5. The Lessor shall not be liable for defects caused by insufficient ground conditions, abnormal external conditions, or by the Lessee's breach of its obligations under Section 9.
6. As a rule, the Lessor does not provide any guarantees regarding performance or durability of the leased object. Any descriptions, advertising statements or representations shall not constitute a guarantee.
7. If the Lessor has expressly granted a guarantee in individual cases, the Lessor shall be liable only for losses within the scope of such guarantee.

## § 11. Service Packages

1. **Basic Service Package – Inspection and Maintenance**  
The Lessor shall carry out maintenance of the equipment in accordance with the maintenance intervals specified by the manufacturer and shall perform the annual inspection in accordance with FEM 4.004 (the first inspection at the time of delivery is free of charge; subsequent annual inspections shall be conducted at the Lessee's expense). If repairs are required, such repairs shall be carried out by the Lessor; however, the related costs shall be borne by the Lessee. These costs include, in particular, spare parts required for the repair, consumables and lubricants, labour costs, and travel expenses. If the equipment is new (year of manufacture equals year of delivery), the warranty period shall apply in accordance with the provisions set out in the lease agreement, excluding repairs necessitated by wilful damage or normal wear and tear.
2. **Unauthorised Repairs Not Permitted**  
If the Lessee or any third party carries out repairs without the prior written authorisation of Hangcha, any warranty claims arising in connection with such unauthorised repairs shall be excluded.

## § 12. Maintenance

1. For maintenance purposes, the Lessee shall, from the commencement of the contract, ensure that maintenance is carried out once every three (3) months. Maintenance appointments shall be coordinated with customer service and performed during normal business hours. If repairs are required due to normal wear and tear, such repairs shall be carried out without delay. During the repair period, the Lessee shall have no entitlement to a replacement device unless the downtime is attributable to the Lessor.
2. If maintenance or repairs are required as a result of wilful damage, incorrect operation or circumstances for which the Lessee is responsible, the related costs shall be borne by the Lessee, and the obligation to pay rent shall remain unaffected.

## § 13. Machinery Breakdown Insurance

1. The Lessee shall insure the leased equipment against theft, fire, water damage and machinery breakdown. Insurance coverage shall commence upon delivery of the equipment and remain in force for the entire term of the contract. The Lessee shall assign the insurance rights to the Lessor, and the Lessor hereby accepts such assignment.
2. The Lessor shall be entitled at any time to request evidence of the insurance coverage. If the Lessee has failed to take out the required insurance, the Lessee shall compensate the Lessor for any losses resulting therefrom. If the Lessee breaches the requirements of Section 13(1), in particular if no insurance exists or if the Lessor cannot be designated as the loss payee of the insurance rights, the Lessor shall be entitled, to the extent permitted by law, to immediately demand payment of all outstanding rent not yet due as compensation for the loss of the leased object, capped at the amount of the actual loss incurred.

## § 14. Transfer for Third-Party Use, Seizure and Insolvency Proceedings

1. The Lessee shall not transfer the leased equipment for use by any third party without the Lessor's prior written consent. This shall not apply to employees engaged under temporary employment

contracts. In the event of any unauthorised transfer, Hangcha shall be entitled to assert its rights and claims.

2. If enforcement measures are taken by creditors against the Lessee (e.g. seizure of the equipment), the Lessee shall notify the Lessor thereof immediately in writing and shall bear the costs of lifting such measures, unless recovery from third parties is possible.
3. If insolvency proceedings are filed against the Lessee, any of its subsidiaries, or any customer in possession of the equipment, the Lessee shall notify the Lessor immediately.

## **§ 15. Liability of the Lessor, Indemnification and Limitation Periods**

1. The Lessor shall be liable without limitation in cases of wilful misconduct, intent or gross negligence, in the event of expressly granted guarantees, in the case of injury to life, body or health, in the event of a breach of material contractual obligations (cardinal obligations), in which case liability shall be limited to the foreseeable damage typical for the contract at the time of its conclusion, as well as under the German Product Liability Act (Produkthaftungsgesetz).
2. In all other cases, the Lessor shall not be liable, including but not limited to defects existing at the time of conclusion of the contract, loss of profit, business interruption losses, loss of production capacity or loss of use, and any indirect or consequential damages.
3. The above liability provisions shall also apply to the Lessor's employees, legal representatives and vicarious agents.
4. Any reduction of rent (e.g. during repair periods) is excluded. This shall not affect the Lessee's statutory rights to restitution or damages. The Lessor may require the Lessee to accept a replacement device.
5. Claims of the Lessor for damages due to alteration or deterioration of the leased object shall be time-barred twelve (12) months after return of the equipment. Claims of the Lessee for reimbursement of expenses or for removal of the equipment shall be time-barred twelve (12) months after termination of the contract.

## **§ 16. Payment, Set-Off, Assignment of Claims, Invoicing**

1. Payments shall be due within thirty (30) days from the invoice date.
2. Payments shall be made in accordance with the conditions set out in the order confirmation. The date on which the funds are at the Lessor's free disposal shall be deemed the date of payment.
3. Where counterclaims are disputed by the Lessor or have not been finally confirmed by a court of law, the Lessee shall not be entitled to assert any right of refusal to perform pursuant to Sections 273 and 320 of the German Civil Code (BGB) or any commercial right of retention pursuant to Section 369 of the German Commercial Code (HGB).
4. Set-off shall be excluded unless the counterclaim is undisputed by the Lessor or has been finally established by a court of law.
5. The Lessee's claims may be assigned only with the Lessor's prior written consent.
6. The Lessor shall be entitled to assign all or part of its rights and obligations under this agreement within its group of companies without the Lessee's consent.

7. Any objections to invoices shall be raised in writing within fourteen (14) days of receipt of the invoice.

## **§ 17. Termination of the Contract**

1. Lease agreements concluded for a fixed term may not be terminated prematurely by either party as a rule.
2. The Lessee may terminate the contract prematurely only if termination is required for operational reasons (e.g. changes in equipment requirements), at least fifty percent (50%) of the contractually agreed lease term has been completed, but in any event not less than twenty-four (24) months, and the Lessee concludes a new lease agreement for equipment with the Lessor. Any costs resulting from the premature termination may be incorporated into the new lease agreement or settled separately. In the event of premature termination, the Lessee shall compensate the Lessor for the losses incurred as a result thereof. The parties agree that such losses may generally be estimated at forty percent (40%) of the remaining rent plus the costs of return transport and dismantling. The Lessee shall be entitled to prove that the Lessor's actual loss is lower, and the Lessor shall be entitled to prove that the loss is higher.
3. The Lessee's statutory right to extraordinary termination for good cause shall remain unaffected; all other cases shall be governed by Section 15. If extraordinary termination by the Lessor is caused by circumstances attributable to the Lessee, the Lessee shall compensate the Lessor for the resulting loss of rent.
4. The Lessor shall be entitled to terminate the contract with immediate effect, in particular if enforcement measures are taken against the Lessee's assets, insolvency proceedings are filed against the Lessee, the Lessee is in arrears with rent payments for two (2) months or the accumulated arrears amount to two (2) months' rent, the Lessee's financial situation deteriorates to such an extent that the Lessor's interests are endangered, the Lessee transfers the equipment for use by third parties without authorisation, the Lessee neglects its maintenance obligations resulting in a serious risk of damage to the equipment, continuation of the contract can no longer reasonably be expected by the Lessor taking all circumstances into account, or the Lessee changes the intended use of the equipment or relocates the equipment without authorisation. Unless otherwise provided by mandatory law, termination shall generally require prior notice granting a reasonable period for remedy or a warning prior to termination.

## **§ 18. Jurisdiction and Governing Law**

1. If the Lessee is a merchant, a legal entity under public law, a special fund under public law, or has no general place of jurisdiction in Germany, the place of jurisdiction for all disputes arising from or in connection with the contractual relationship shall be Wiesbaden. The Lessor shall furthermore be entitled to bring legal action at the Lessee's general place of jurisdiction. Mandatory provisions on exclusive jurisdiction shall remain unaffected.
2. This lease agreement and these Terms and Conditions of Lease shall be governed by the laws of the Federal Republic of Germany.