

**Terms and Conditions
for Services of the
Institute for International Product Safety GmbH**

1. Scope

- 1.1 These terms and conditions (“**terms and conditions**”) govern the legal relationship between the Institute for International Product Safety GmbH (“**I²PS**”) and its customers.
- 1.2 All services of I²PS are subject to these terms and conditions unless expressly agreed otherwise in individual cases. Terms and conditions of the customer shall not be recognized, even if I²PS does not explicitly object.
- 1.3 These terms and conditions apply to all current and future business relations between the contractor and the customer.

2. Performance object and performance scope

- 2.1 I²PS provides testing services in the field of electrical engineering, electronics and environmental requirements such as:
- Testing of low-voltage devices and power distribution systems for low voltage and medium voltage
 - Implementation of environmental simulations and EMC tests
 - Material testing and consulting
 - Motion analysis
 - Calibration services
 - Mediation services within the scope of the license service
- 2.2 The performance scope – particularly in relation to the test object, the underlying testing standards and the testing programme to be conducted – will be agreed separately by the contracting parties in the individual orders as per item 3.
- 2.3 Without prejudice to the provisions in the respective individual order, the responsibility for the functionality and usability of the test samples and any products based on them remains the responsibility of the customer; I²PS assumes no manufacturer’s responsibility for the products of the customer. The customer bears the responsibility for the product even while the test samples are at I²PS.

3. Offers and order placement

- 3.1 Except as expressly provided by I²PS to the contrary, all offers of I²PS regarding contractual services are subject to change.
- 3.2 Contracts for services of I²PS provided to the customer come into being by written order of the customer on the basis of offers of I²PS and subsequent written acceptance confirmation by I²PS or performance of contractual services by I²PS.
- 3.3 I²PS reserves the right to accept orders only subject to the customer presenting an adequate insurance covering personal and material damages that are caused by employees or products of the customer on the premises of I²PS.

4. Performance of contractual services

- 4.1 The customer will provide I²PS with specimens, samples and other objects of investigation (“test samples”) in sufficient number and free of rights of third parties.
- 4.2 The test samples shall be delivered to I²PS at the cost and risk of the customer and on the agreed delivery dates.
- 4.3 The customer must provide to I²PS the information necessary for testing, documentation and any product-specific devices, particularly:
- The information necessary for testing (especially clear and comprehensible descriptions of the test object with drawings, parts lists or other means of documentation that fully describe the state of manufacture and qualities), documentation and any product-specific devices must be provided to I²PS.
 - The use of hazardous substances which may leak from the test samples during the test in gaseous, liquid or solid form and/or which require special care in handling must be indicated.
 - Elevated risks known in advance must be indicated.
 - If available, manuals and identity certifications of the test samples and underlying products must be made available.
 - The test samples must be prepared according to the technical specifications of I²PS in order to ensure a smooth test setup and sequence.
 - All auxiliary equipment and fixtures not present at I²PS must be provided no later than the date of delivery of the test samples.
- 4.4 A prerequisite for I²PS carrying out the tests is that the test sample can be set up using the included setup and operating manual without special knowledge on the part of I²PS. If the information provided by the customer does not allow setup and safe operation, the customer must provide knowledgeable personnel familiar with its products to ensure setup/assembly, adjustment and commissioning as well as functional checking of the test samples.
- 4.5 If the customer does not provide the information required pursuant to item 4.3 or if the customer does not fulfil its duty to cooperate in accordance with item 4.4 within a week of written notice from I²PS, I²PS is entitled to an extraordinary right of termination.
- 4.6 I²PS is entitled to perform the contractual services using qualified subcontractors as long as I²PS informs the customer and no objection is received within one week of notification.

- 4.7 Upon request, the customer is entitled to participate in the tests and view the test documentation of I²PS.
- 4.8 Unless otherwise agreed between the contracting parties, the dates and deadlines contained in the offers of I²PS are standard and customary deadlines and dates that need not be precisely observed. Complying with deadlines and dates for services requires timely receipt of all documents, necessary permits and approvals to be provided by the customer as well as compliance with the agreed terms of payment and other obligations of the customer. If these conditions are not met, the deadline for performance of services shall be extended accordingly.
- 4.9 Claims of the customer against I²PS due to delay or impossibility of contractual services are excluded if contractually agreed deadlines and dates are not met or performance of the contractual services fails due to circumstances for which I²PS is not responsible. This applies in particular to force majeure and other events for which the customer is not responsible, such as breakdowns of any kind, difficulties with the supply of power, transport delays, labour disputes, etc. The deadlines for performance of contractual services shall be appropriately and reasonably extended or postponed in these cases.
- 4.10 The test samples are to be retrieved by the customer at I²PS latest 14 days after notice of completion of the test. In case of delayed retrieval, I²PS is entitled at its discretion to return, store or dispose of the test sample at the expense of the customer.
- 5. Acceptance**
- 5.1 The customer undertakes to promptly examine the contractual services of I²PS and to declare acceptance within a reasonable time, no later than one week after receipt of the test report (acceptance period), in writing or by e-mail, provided that the agreed requirements are met and no defect as to quality exists.
- 5.2 If the requirements are met, the contractual service shall be deemed accepted if the customer does not declare acceptance explicitly within the acceptance period and I²PS has advised the customer of this at the beginning of the period.
- 6. Prices and payment terms**
- 6.1 The prices are net prices in accordance with the relevant offer of I²PS. Any resulting freight or transportation costs, duties, taxes, handling charges and disposal costs plus VAT at the applicable rate will be charged to the customer, separately invoiced if necessary, unless otherwise expressly agreed.
- 6.2 The prices of I²PS apply under the condition that the tests can be conducted without interruptions, repetitions and other additional work for which the customer is responsible and which goes beyond the agreed scope of work and/or the agreed test parameters. I²PS is otherwise entitled to a reasonable price adjustment and a deadline adjustment if required.
- 6.3 Changes in prices by I²PS are permitted if more than four months lie between conclusion of the individual contract and performance of the service. The customer is entitled in this case to withdraw from the contract unless the increase is not more than 5 % of the agreed price for the service.
- 6.4 The agreed prices for the provision of test facilities and test equipment must be borne by the customer even if the conditions for conducting the test are not met for reasons for which the customer is responsible (such as late delivery of the test sample / late arrival of employees of the customer, etc.).
- 6.5 If the tests are discontinued by the customer, the following applies: If the discontinuation is required or reasonable for technical reasons, then I²PS will perform best efforts to use the free capacity for other tests. If no such tests can be performed, despite I²PS' best efforts, then I²PS can charge the full price agreed.
The same applies if the test was discontinued by the customer, even if the discontinuation was not required or reasonable for technical reasons.
- 6.6 If the customer cancels an appointment that was agreed and confirmed by I²PS, this is free of charge if the cancellation arrives at I²PS latest 4 weeks before the agreed date. If the cancellation occurs latest 2 weeks before the agreed date, customer is obliged to pay 70% of the agreed price as cancellation fee. If the cancellation occurs shorter than 2 weeks before the agreed date, customer is obliged to pay 100% of the agreed price as cancellation costs. Customer is generally responsible for all and any circumstances of a delay/cancellation. I²PS recommends to customers to expedite deliveries with sufficient time buffers, so even with delays like e.g. at customs administrations the deliveries arrive at I²PS on time, and I²PS can perform an inspection for completeness usually at least 14 days before the agreed testing date.
- 6.7 Unless another arrangement is explicitly made in the individual contracts with the customer, customer payments are due without deduction within 30 days of receipt of the invoice.
- 6.8 In the event of delayed payment by the customer, I²PS is entitled to demand liquidated damages caused by delay of 8 percentage points above the base interest rate (section 247 of the German Civil Code). The customer is entitled to prove that I²PS suffered reduced or no damage; the liquidated damages are then reduced or eliminated accordingly. This shall not affect the right of I²PS to pursue a claim for damage due to delay going beyond the liquidated damages.
- 7. Offsetting**
- Offsetting by the customer is permitted only with undisputed or legally established claims.

8. Rights to performance results

- 8.1 All copyright and other intellectual property rights to the performance results achieved by I²PS in the course of implementing the contract, especially in regard to the test reports, remain with I²PS. Upon full payment of the compensation owed to I²PS, the customer receives a simple, non-exclusive right to use the work results exclusively for internal purposes or for disclosure to competent authorities, courts and/or licensing bodies.
- 8.2 Dissemination of the work results to third parties requires the prior written consent of I²PS. The test report shall be disseminated, reproduced and/or published only in its entirety.
- 8.3 I²PS remains entitled to any use at no charge of the ideas, experiences, concepts, tools, methods, programme development modules and techniques which underlie the work results and which I²PS used or developed in the performance of the services. This applies without prejudice to the duty of confidentiality pursuant to item 11.
- 8.4 I²PS has the right to archive the test results.

9. Claims for defects

- 9.1 I²PS ensures that all tests were performed according to the agreed test programme and comply with the recognised state of the art. I²PS also ensures that the test results are compiled in accordance with the generally recognised state of the art and the agreed test standard.
- 9.2 In addition, I²PS assumes no warranties or guarantees – particularly not for:
- Issuance of regulatory approvals
 - Issuance of certifications and approvals by licensing bodies
 - Licensing of test marks of third parties, in particular of licensing bodies
 - Testing of finishing methods
- 9.3 If the work performance provided by I²PS exhibits a defect as to quality, I²PS is entitled and obliged to address the defect at its discretion through:
- a) Rework, replacement or new production or
 - b) Reduction of the remuneration in the amount attributable to the deficient work performance or
 - c) Issuance of a credit to the customer in the amount attributable to the deficient work performance
- 9.4 If the customer wishes to demand compensation instead of performance or remedy the defect themselves, failure of the rework is only present after a second unsuccessful attempt. The statutory cases concerning the dispensability of setting a deadline remain unaffected.
- 9.5 The statute of limitations of the customer is one year after the start of the statutory limitation period. This does not apply to fraudulent concealment of the defect as to quality by the contractor, intent or gross negligence.

10. Limitation of liability

- 10.1 I²PS is not liable for damage caused to the test samples due to the nature of the tests to be performed (such as short circuit or EMC tests, etc.). Customer acknowledges that in such cases the test samples can be heavily damaged or destroyed.
- 10.2 Unless provision is otherwise expressly agreed between the contracting parties or contained in these terms and conditions, damage claims of the customer and claims of the customer for reimbursement of expenses are excluded, regardless of legal reason, especially in case of infringement of duties arising from the contract or tortious acts. I²PS is not liable for lost profits, loss of use, claims of third parties and/or any other indirect or consequential damages.
- 10.3 The exclusion of liability in accordance with item 10.2 does not apply in the following cases:
- a) In the event of wilful and/or grossly negligent behaviour of I²PS and/or its agents
 - b) In the event of death or injury to life and/or health of a person and/or
 - c) In the event that I²PS is liable for personal injury and/or damage to private property in accordance with mandatory provisions of applicable product liability law and/or
 - d) In the event that I²PS has accepted guarantee liability for the quality of contractual services on an exceptional basis.
- 10.4 The exclusion of liability in accordance with item 10.2 shall also not apply in case of violation of essential contractual obligations (cardinal obligations) by I²PS. In case of violation of such cardinal obligations, the liability of I²PS is limited to foreseeable and typical damage. The liability of I²PS pursuant to item 10.3 remains unaffected.
- ## 11. Confidentiality
- 11.1 If not otherwise regulated in the individual contract, I²PS undertakes to maintain strict confidentiality regarding operating and business secrets and other technical and business information of the customer that it has received in the execution of this contract, to impose on its employees and agents a corresponding duty of confidentiality and to use confidential information solely in connection with the execution of this contract.
- 11.2 The confidentiality obligation shall not apply in relation to information that:
- a) Is already public knowledge at the time it is received
 - b) Was already known to I²PS prior to this contract or
 - c) Is required to be submitted by I²PS to the relevant licensing bodies or
 - d) Is required to be submitted to courts and/or authorities by I²PS due to legislation or administrative order
- 11.3 The confidentiality of information transmitted over the Internet in unencrypted e-mails is not guaranteed. No party to the contract shall be liable to the other party to the contract for violation of the duty

of confidentiality under these terms and conditions if unauthorized third parties gain knowledge over the Internet of the content of unencrypted e-mails unless an agreement has been made between I²PS and the customer in advance that the information concerned may only be transmitted on an encrypted basis.

- 11.4 Data Protection: To the extent that customer or I²PS transfer personal data, the recipients will process any such data only in compliance with the applicable laws, and provide technical and organizational measure to verify compliance with them.

12. **Applicable laws and codes**

In the performance of testing services, I²PS will observe all applicable laws and codes, including the Code of Ethics that can be viewed on the website of I²PS. Customer acknowledges that this Code of Ethics covers all relevant areas of lawful and ethical behaviour, and is therefore equivalent to special codes of conduct that customer may have, which therefore does not need to apply directly to I²PS.

13. **Final provisions**

- 12.1 These terms and conditions and the contracts concluded between I²PS and the customer are subject to the law of the Federal Republic of Germany.
- 12.2 Deviations from these terms and conditions must be in writing. This also applies to changes to this written form clause.
- 12.3 If the customer is a merchant, a corporate body under public law or a special fund under public law, the exclusive place of jurisdiction for all disputes arising out of or in connection with any contract between the customer and I²PS is Bonn. I²PS is also entitled to pursue claims in the customer's general place of jurisdiction.
- 12.4 Should one or more provisions of these terms and conditions be or become invalid, the validity of the remaining terms and conditions will not be affected.