

Megamat Office Vertical Carousel Proposal for: City of Augusta

Procurement Department Filing Carousel

Date Prepared: 04 / 15 / 2025

Created by:

Robert Horton
Kardex Remstar, LLC
robert.horton@kardex.com
8644340049

Prepared for:

Darrell White
City of Augusta

City of Augusta
Attn: Darrell White
535 Telfair Street, Suite 605
Augusta, GA 30901

Subject: Procurement Department Filing Carousel

Thank you for your interest in our products and services. We are pleased to present a proposal for replacing the existing Lektriever vertical filing carousel. Below is a summary of the proposed Vertical Carousel (VC), along with detailed specifications and pricing included further in this proposal.

This revision addresses potential tariff charges that may apply to your purchase. As this is a variable situation, if a tariff surcharge does apply, we will only charge you for the actual costs incurred. We are working to source as many components as possible from within the U.S. to help mitigate the impact of tariffs; however, much of the carousel still needs to be sourced from our factory in Bellheim, Germany. Additionally, we have changed the freight terms to a "Not to Exceed" (NTE) amount of \$3,800.00, as shown on the pricing page. We feel confident in this NTE pricing based on the shipping costs our logistics department is currently observing. If the actual freight cost is less than the amount stated, we will invoice you for the actual amount.

We have removed the features pages from this proposal for brevity. The features are displayed in the previous version and remain the same with this offer.

This proposal is based on the Sourcewell contract we discussed. Please note that our marketing team has changed the name of the machine from Lektriever to Megamat. Rest assured, it is still the same machine, just under a new name.

Megamat Vertical Carousel, Model 125-1411S

Qty. 1

Overall Unit Size: 103.54" W x 47.32" D x 95.48" H

14 Legal lateral carriers for side tab folders

Carrier dimension: 89.37" W x 15.19" D x 10.23" H Clear, 242 lbs. per Carrier

Total of 1,246 LFI Provided

Two-year parts & labor warranty

In addition to the carousel above, we are offering the option to remove the existing Lektriever, along with pricing for additional years of warranty, which can be extended to a total of five years.

This quotation is valid for three months from the date above. The Sourcewell and our standard payment and delivery terms apply, which you will find included in the proposal to follow. Your Sourcewell member number is 38869, assigned to Augusta Richmond County Consolidated Government.

We hope that our quotation meets your expectations. If you have any questions, please do not hesitate to contact our team at any time.

Regards,



Robert Horton
Area Sales Manager
Kardex Remstar, LLC

Table Of Contents

Scope & Supply

Pricing

Project Timeline

System Drawings / Layouts

Division of Project Responsibilities

Warranty Program

Terms & Conditions

TERMS & CONDITIONS

This document contains information that is proprietary to Kardex Remstar, and the customer identified herein. Reproduction and distribution of this document is restricted for exclusive use by the above named entitled. The information contained herein is subject to change without notice, and shall supersede information in similar documents produced for the above named entity. Warranties governing the suitability and contents, whether expressed or implied, are limited to use of this document in the manner in which it is intended, as described herein. Kardex Remstar makes no warranties for consequential or incidental damages connected with the furnishing and use of this material.

Scope & Supply Pricing

Quote/Proposal ID #: 649531 Augusta Procurement

Name	Price	QTY	Discount	Subtotal
Lektirever Vertical Carousel Model: 125-1411S <ul style="list-style-type: none"> Overall Unit Size: 103.54" W x 47.32" D (+11.82"D for stainless steel work counter) x 95.48" H 14 Legal lateral carriers for side-tab folders Carrier dimension: 89.37" W x 15.19" D x 10.23" H Clear, 242 lbs. per Carrier T0 Controller Located in Work Counter Access Opening Light-LED Manual Handcrank for emergency access during power outage Mechanically Adjustable Work Counter with Light Gray Top 110V @ 16A Single Phase Power 1,246 LFI Provided Per Unit Two-year parts & labor warranty 	\$54,847.00	1	-\$21,527.45	\$33,319.55
Mechanical Equipment Installation <ul style="list-style-type: none"> Includes all equipment and labor to unload, stage, and install the abpve carousel Three (3) Preventative Maintenance visits on six month intervals included 	\$13,777.00	1	\$0.00	\$13,777.00
				\$47,096.55

Optional Items (Not Included In Pricing Unless Box is Checked)

<input type="checkbox"/> Tear out and removal of existing Lektriever Carousel <ul style="list-style-type: none"> Removal of carousel from building The removal is to be performed at the same time as the installation of a new VC Does not include the unloading, storage, or loading of materials within the carousel 	\$5,907.00	1	\$0.00	\$5,907.00
<input type="checkbox"/> Additional Year of Warranty <ul style="list-style-type: none"> Must be ordered with machine Includes two (2) preventative maintenance visits per year Priced per year; Three year extension of standard warranty limit 	\$3,998.00	1	\$0.00	\$3,998.00
				\$0.00

Subtotal	\$47,096.55
Freight (Not to exceed)	\$3,800.00
Total	\$50,896.55

Exceptions/Limitations/Disclaimers/Clarifications

- Mechanical and electrical installation to be non-union unless otherwise specified.
- Delay of work due to site obstructions, lack of electrical power, etc. could result in additional charges.

Delivery Schedule

All equipment will be scheduled to ship 16-19 weeks after receipt of purchase order.

Invoicing, Freight & Payment Terms

All freight is F.O.B. Factory (Westbrook, ME US) Pre-Pay & Add Actual Costs

Standard terms: Net 30 day payment terms

All above pricing is good for 90 days.

Prices and terms are not subject to verbal changes unless approved in writing by the seller.

Should the buyer cancel before completion, he will assume responsibility for all work performed prior to receipt of written cancellation.

Terms inconsistent with those stated therein which may appear on the purchaser's formal order will not be binding to the seller.

Please see our full terms and conditions in the Appendix section for more details.

TAXES

The prices given do not include any Federal, State, or local taxes based upon or measured by sales or use. Taxes in effect at the time of shipment will be billed separately and will be due and payable within thirty (30) days of shipment.

GOVERNMENT IMPOSED TARIFF'S

On April 3, 2025, the US Government implemented tariffs that will increase the landed cost of Kardex Remstar products. The newly imposed tariffs will impact all products manufactured in Germany. These tariffs are collected upon entry into the United States.

The following tariffs are being monitored:

Effective April 5th, 2025 a government-imposed baseline tariff of 10% on finished goods.

Effective April 9th, 2025 a government-imposed reciprocal tariff of 20% (total) on finished goods.

***NOTE: The reciprocal tariff is currently paused for 90 days from April 9th, 2025 by the US Government but is subject to change again without notice.**

However difficult, these unprecedented government-imposed tariffs constitute circumstances beyond our control and necessitate an additional fee for the tariff cost in order to maintain our quality standards and service levels. Due to these circumstances beyond our control, Kardex Remstar will be adding a tariff adjustment to any final invoices for new equipment and spare parts.

We will continue to monitor developments regarding these tariffs, and should the situation change, Kardex Remstar will make the appropriate adjustments as needed. If a tariff is not charged on your goods by the US Government a tariff adjustment **WILL NOT** be made on any invoicing.

We value your continued partnership and appreciate your understanding as we navigate the evolving economic landscape.

Project Timeline

Milestone	Approximate Time To Complete
Product Delivery (After Receipt of Order)	16-19 Weeks
Equipment Installation Per Unit	1 Week
Operator Training	W/Installation
Estimated Total Weeks Until Project Completion	17-20 Weeks

Kardex Megamat 125 VCM

Equipment Specifications

Overall Unit Specifications:

Base Unit includes lockable bi-parting door (unless automatic door has been chosen), dust cover/top, all safety circuits, safety light curtain, emergency stop left & right side, touch bars (upper and lower), motor, manual handcrank, electronics and TUV label.

Quantity of Carousels	: 1	
Model Number	: 125-14115	
Overall Unit Width	: 103.54 inches (2630 mm)	
Overall Unit Depth (without posting board)	: 47.32 inches (1202 mm)	
Work Counter (posting board) Depth	: 11.02 in. (280 mm)	
Overall Unit Height	: 95.48 inches (2425 mm)	Minimum Ceiling Height: 96.27 inches (2445 mm)
Unit Weight Empty (includes carrier weight)	: 2461 lbs.	
Unit Weight - Fully Loaded	: 5863 lbs.	
Max. Total Load (including carrier dead weight)	: 4070 kg (8,973 lb)	*Important Note: Unit may fit in an 8'H room with a dropped ceiling and/or dust cover not installed. With shimming and/or a hard ceiling, unit will be too tall.
Top Tolerance at Balanced Load	: +/- 15mm (.059")	

*Units can be placed side by side, or back to back. When a unit is to be installed through a ceiling or in a niche, free space of approximately 1.2" (30 mm) is required all around the unit.

Average Floor Load (based on Unit weight - fully loaded)	: 1.2 lbs./in ² (172.32 lbs./ft ²)
Supporting contact surface	: 130.5 in ² /842 cm ²
Dynamic Unit Weight (Newtons)	: 35,220
Dynamic Floor Load Bearing Capacity	: 1.62 lbs./in ² (233.28 lbs./ft ²)

Maximum Imbalance Load	: 300 kg (660 lbs)
Cycle Speed	: 7.0 inches / second
Average Access Time (1/4 carousel revolution)	: 5.5 seconds
Color Selection (Endframes)	: Standard-Light Gray
Color Selection (Panels)	: Standard - Silver Fir Blue
Noise Level	: < 60 db(A)

Access Opening Information:

Work Counter Type & Height	: Mechanically Adjustable Between 30.31 in. and 39.37 in. (770mm and 1000mm)
Work Counter Finish	: Standard Light Gray Finish
Door Type	: Standard Manual Bi-parting Door w/Keylock
Opening Clear Height	: Maximum of 29.25 in. (743mm) or Minimum of 19.41 in. (493mm)
Access Lighting	: Full Width Light Above Access Opening

Power & Controls:

Power Supply	: 110 Volt /1-60 Hz	
Drive, Gear Motor	: AC - Gear Motor - 1.5 kva	
AMP Draw	: 16 AMP	Breaker Size: 20*
Average Power Consumption	: 2.0 KVA	*Cannot be wired to a breaker or outlet that uses a GFI circuit.
Control	: TO Control	
Controller Location	: Work Counter/Table	
E-Stop	: Included Left & Right Side of Access Opening	
Emergency Service Switch	: Included	
Computer Interface	: No	
Imbalance Detection	: Imbalance Detection Module Included	

Standard Safety Features

Expanded Error Indicator	Upper and Lower Mechanical Safety Bars (Doors)
Safety Light Curtain	Safety Switches for Lower Front Access Panel and Hand Crank Opening
E-Stop Left & Right Side	Emergency Service Switch

Standard Features Included in Base unit

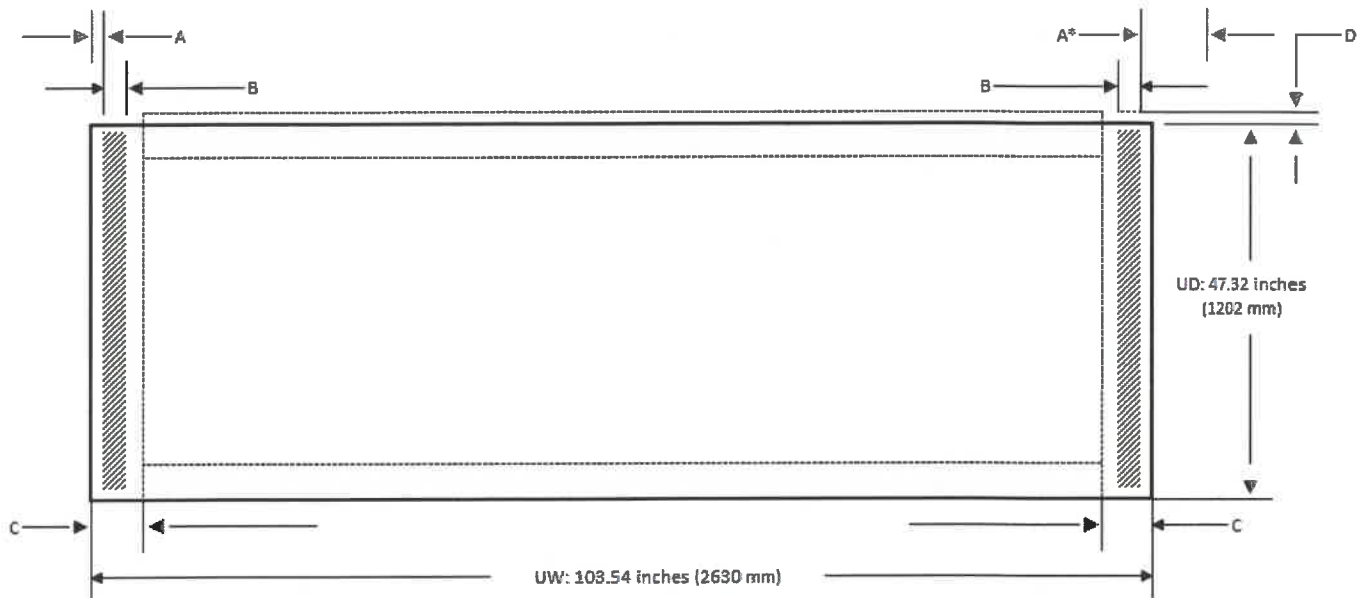
Electronics Located in the Bottom Access Panel	Top Dust Cover
Hand Crank for Installation of Carriers and Service	Access for Service from Front

Additional Features and Options

Plastic Carrier Dividers, (2) Packs of 35

Carrier Specifications:

Carrier's Carrier Configuration		Specifications Per Carrier						
		Qty	Clear Height	Clear Width	Clear Depth	Max. Capacity	*Avg. Capacity	LFI Per Carrier
Letter Lateral Carrier w/4 fixed dividers & BRF	:							
Legal Lateral Carrier w/4 fixed dividers	:	14	10.23	89.37	15.19	242 lbs.	242 lbs.	89
Letter Tray Carrier w/4 fixed dividers- Top Tab Trays	:							
Special Letter Hanging Tray Carrier w/4 fixed dividers	:							
Legal Tray Carrier w/4 fixed dividers- Top Tab Trays	:							
Legal Tray Carrier w/4 fixed dividers- Hanging Trays	:							
Carrier with 60 deg.Up	:							
	:							
	:							
	:							
Letter File Drawer Carrier (3+4 Configuration)	:							
Legal File Drawer Carrier (3+2 Configuration)	:							
Letter Hanging Frame Carrier (3+3 Configuration)	:							
Legal Hanging Frame Carrier (2+3 Configuration)	:							
Total Linear Filing Inches (LFI) for 1 unit(s)	:	1246	Multimedia Carriers/Drawers are not included in Total LFI calculation					
(Does not include carriers with additional shelves or drawers)			*Avg. capacity is based on a unit configured with one carrier type.					



MODEL	Supporting Unit surface (Weight Loading)**			UNIT DEPTH	A	A*	B	C	(Rear Panel Offset)
	cm ²	inches ²							D
115	647	100.28	mm	925	4.5	51.5	35	120	n/a
			inch	36.42	0.18	2.03	1.38	4.72	n/a
120	808	125.24	mm	1155	4.5	51.5	35	120	20
			inch	45.47	0.18	2.03	1.38	4.72	0.79
125	842	130.5	mm	1202	4.5	51.5	35	120	n/a
			inch	47.52	0.18	2.03	1.38	4.72	n/a

Configured Model: 125-14115	
Dynamic Unit weight (Newtons) = unit mass x 9.81 x dynamic coefficient (1.35)	
Unit mass (kg.) = (Unit Weight empty) + No. of carriers x (carrier load + carrier dead weight)	
Unit mass (kg.) : 2659	
Newton	= 35,220
** Only when weight loading surface is completely in contact with floor (a plain surface).	
Reactions of the support: If dynamic forces (brakes) have to be taken into account, please consult factory.	

Division of Project Responsibilities

Responsibility	Kardex Remstar	Customer
Provide a designated project manager, with authority to authorize changes or system modifications	X	X
Provide facility drawings for system engineering purposes		X
Prepare system layouts for customer approval prior to commencing manufacturing	X	
Prepare Installation drawings for Customer approval	X	
Coordinate equipment and software installation and testing	X	X
Provide electrical specifications to customer's electrician	X	
Provide power drops to base of units to specifications		X
Provide adequate power outlets for installation and general use		X
Provide internet access and voice telephone line for installation and continuing support services (if applicable)		X
Provide clear equipment staging area(s)		X
Provide fork lift (of suitable size) and other equipment required for installation	X	
Unload equipment from trucks and stage near installation area	X	
Provide dumpster for installation materials		X
Uncrate materials for installation, dispose of packaging materials & broom clean installation area daily and at completion of installation activity	X	
Mechanical and Electrical installation of equipment	X	
Perform sub-system testing to ensure all equipment runs according to product specifications	X	
Perform software testing to ensure it meets specifications	X	
Perform detailed acceptance testing of the entire system	X	X
Train personnel in electromechanical operations and general maintenance	X	
Train personnel in software operations and troubleshooting	X	
Provide a materials (parts) list for data import (if applicable)		X
Host Integration Services and data mapping between two systems (if applicable)	X	X
Provide documentation including online help and user's manuals	X	
Database Maintenance and Daily Backups (if applicable)		X
Provide IT hardware including Networks, Switches, Servers, PCs, Printers, Scanners, Wireless Devices, etc. (if applicable)		X

Warranty Program

Megamat 115/120/125 Lateral File Vertical Carousel

Warranty Statement

Kardex Remstar warrants all new Megamat 115/120/125 to be free from defects caused by substandard material or inferior workmanship. This liability is limited to the obligation to repair, or at Kardex Remstar's discretion, replace without charge any part found to be defective under normal wear and tear within two (2) years from the commencement of this warranty. The warranty period begins upon completion of installation, or within four (4) weeks of the originally scheduled delivery date of equipment, whichever date is first.

For an additional cost, Kardex Remstar offers an optional Extended Warranty on its vertical carousels. Megamat 115/120/125's are eligible for up to five (5) total years of warranty (the standard two years plus three additional years of coverage). The extended warranty period is subject to the same terms covering inclusions, exclusions, invalidations, payment policies, and geographical scope that exist for the standard warranty period.

Kardex Remstar warranty coverage, both standard and extended, is contingent upon the complete performance of scheduled maintenance on the equipment. Scheduled maintenance must be performed at minimum biannually, including during the first two years, by Kardex Remstar Certified Technicians, and performance of that scheduled maintenance must be reported to Kardex Remstar promptly via your local Kardex Remstar dealer. For more information on extended warranty coverage, including the associated costs, please contact your Kardex Remstar dealer.

Lifetime Motor Warranty

Under the terms of the warranty, Kardex Remstar will replace free of charge any vertical carousel drive motor that fails while using standard maintenance and operating conditions for the life of the carousel providing scheduled maintenance is completed biannually. To confirm that your machine meets these requirements, contact Kardex Remstar's Warranty Administrator.

Extent of Coverage

This warranty pertains to all Kardex Remstar Megamat 115/120/125's. This warranty is limited to the original purchaser of equipment and is not transferable.

Invalidation

This warranty will be invalidated if any of the following occur:

1. The Kardex Remstar unit is operated outside the recommended parameters as specified in the operations manual and on the machine data plate.
2. The unit is modified in any way which is not authorized in writing by Kardex Remstar prior to the modification.
3. Scheduled maintenance is not carried out at least biannually (or as recommended by Kardex Remstar for individual application) by Kardex Remstar Certified Technicians.
4. Any installation, service, relocation or other work is performed by anyone other than Kardex Remstar Certified Technicians.*
5. Scheduled Maintenance Checklist is not reported to Kardex Remstar within thirty (30) days of performance of scheduled maintenance.
6. The conveyor chains of the vertical carousel are not re-tightened within five (5) days of machine loading.

Exclusions

The following are not covered under the scope of the warranty:

1. The replacement of fuses.
2. The replacement of fluorescent or LED bulbs.
3. Ancillary equipment supplied by others, or damage caused by such equipment.
4. The replacement of lost, damaged, or broken keys.
5. Routine adjustments (e.g., photocells, microswitches, reinitialization of controls, belt/chain tensioning).
6. Damage or intermittent failure caused by connection to incorrect power supplies.
7. Damage caused by improper storage of materials within equipment.
8. Removal of obstructions internal or external to the unit (e.g., conveyors, dropped ceilings, computer floors).
9. Repairs necessitated by abuse, negligent care, deliberate damage, accident, fire, flood, power supply surges, riots, war, or acts of God.
10. Consequential damages.**

Geographical Scope

This warranty covers all 48 contiguous states, and Washington, D.C., and Canada. In Alaska, Hawaii, Puerto Rico and other worldwide locations, the warranty is the same, except that the warrantee is responsible for payment of the service technician's time and travel expenses to and from the nearest Kardex Remstar authorized service center, the cost of parts shipment and handling, and associated duties and customs fees.

The warranty is expressly in lieu of all other warranties, expressed or implied (including but not limited to the implied warranties of merchantability or fitness) and constitutes all of Kardex Remstar's liability in respect to its equipment.

* While Kardex Remstar maintenance training classes are available to its customers for a fee, scheduled maintenance, if performed by Customer technicians for the purpose of maintaining the standard or extended warranty, must be done under the direct supervision of a Kardex Remstar Certified Dealer Technician. Timely filing of the scheduled maintenance online form to Kardex Remstar is in this case the responsibility of the supervising Dealer, not the Customer. The supervising Dealer is responsible for costs associated with any repairs that result from improper, incomplete, or untimely scheduled maintenance, for the balance of the warranty period.

** Some states do not allow the exclusion or limitation of incidental or consequential damage, so the above limitation or exclusion may not apply to the warranty. This warranty gives you specific legal rights and you may also have other rights which may vary from state to state. To know what your legal rights are in your state, consult your statutes.

Terms & Conditions

Contract#: 110923-KRS
Category: Storage
Description: Storage and Retrieval Products
Contract Date: 12/29/2023 - 12/29/2027

Please make orders out to:
Kardex Remstar, LLC
Attn: Sourcewell Order Entry
41 Eisenhower Drive
Westbrook, ME 04092
Phone: 662-582-7295
Fax: 740-236-1525

*Please reference contract #110923-KRS on all PO's.



CUSTOMER INFORMATION FOR ORDERING ACTIVITIES:

1. Minimum Order: \$50.00 Net

2. Discounts from List Price (Discounts are applied to the product list price (before freight or any applicable taxes are added):

Product Type – Automated Equipment:
Lektriever, Megamat Vertical Carousel, Shuttle XP Vertical Lift

Applicable Discount - 39.25% Discount

Product Type – Inventory Software:
Power Pick System Inventory Tracking Software

Applicable Discount - 10% Discount

Product Type – TC Storage Products (Non-Automated):
Office Products, L & T Shelving and Drawers, Warehouse Shelving, Logic
Shelving, Workbench and Shop Equipment, Technical Workstations, &
Metal Lockers

Applicable Discount:
Order Value \$0 - \$50,000- 36% Discount
Order Value \$50,001 and up - 40% Discount

Product Type – FM Locker Products (Non-Automated):
Phenolic Lockers

Product Type – ASP Storage Products (Non-Automated):
Mobile, QUIK-LOK®, Side to Side, Wood-Tek™, Times 2, & Wire Shelving

Applicable Discount:
Order Value \$0 - \$50,000- 28% Discount
Order Value \$50,001 - \$100,00 - 32% Discount
Order Value \$100,001 and up - 34% Discount

3. Payment Terms: Net 30 days,

a. Prompt Payment Discount Of 1% -10 days (Discount Not Applicable On CC Orders)

4. Credit Card accepted: 2.75% handling fee per transaction will be assessed.

5. Time of Delivery:

a. Storage Products: 30-45 days after receipt of order unless otherwise noted

b. Automated Equipment: 90-120 days after receipt of order unless otherwise noted

6. Freight Not Included. Please contact for a freight quote.

a. Storage Products FOB: Dickson, TN, Chicago, IL, or Murrieta, CA depending on product

b. Automated Equipment FOB: Westbrook, ME or Columbia, SC depending on product

7. Payment Address: Kardex Remstar, LLC, TD Banknorth, N.A., P.O. Box 9540, Portland, ME 04112

8. Maintenance and Repair: Contact For Pricing.

9. Installation:

a. Automated equipment will require installation by a factory certified technician, please contact us for an installation quote for your area.

b. Most non-automated storage products within this catalog can be assembled by the end user. If professional assembly is required as denoted by product (High Density Mobile Product) please contact us for an installation quote by an authorized installer in your area.

10. Repair Parts: Contact For Pricing.

11. Service and Distribution Points: Contact Kardex Remstar LLC, at 800-639-5805 for authorized sales and service agent closest to you.

12. Participating Agents (Dealers): Contact Kardex Remstar LLC, at 800-639-5805 for authorized sales and service agent closest to you.

13. Reconfiguration and Relocations: Contact For Pricing.

Ordering instructions

**FSC Group 36
CAGE #69785
DUNS 00-255-5654
Federal ID #27-384-6558
NAICS #s 33721 & 333922**

**Automated Storage & Retrieval Systems
Lektriever ELF's; Vertical Carousels & VLMs**

All orders against Kardex Remstar, LLC Sourcewell Contract are to be made out to Kardex Remstar, LLC as shown below:

Kardex Remstar, LLC
Attn: Sourcewell Order Entry
41 Eisenhower Drive
Westbrook, ME 04092

*Please reference contract #110923-KRS on all PO's.

TERMS & CONDITIONS

These Terms and Conditions ("T&C") are structured as follows:

- **Part A (general provisions)** applies to all transactions, except where a provision of the applicable parts B and C contains deviating regulation (other than merely adding further details), which then takes precedence;
- **Parts B and C** contain the applicable specific provisions for **supply of products and software programming services with or without installation (Part B), and individual service orders and service contracts (Part C)**;

These T&C are provided in English. Translations of these T&C into other languages are solely for convenience and are not legally binding.

A. General Provisions

1. Scope of the T&C

- 1.1. These T&C apply to all transactions between Kardex Remstar, LLC ("KARDEX") and City of Augusta ("Buyer") named in the attached Proposal (ID #649531 Augusta Procurement) ("Proposal"), and individual service orders and service contracts (if applicable), the special letter/standard acceptance form, the Estimated Delivery Confirmation, and the Invoice (collectively, the "contract"), unless expressly otherwise agreed in writing. In the event of any conflict between the terms of this T&C and any other agreement or document executed by the parties, the terms of this T&C shall control.
- 1.2. On acceptance of the Proposal by the Buyer, these T&C are deemed to be acknowledged and agreed, and will also apply for future transactions with the Buyer.
- 1.3. Any deviating, contradictory or supplemental terms and conditions of the Buyer apply only if expressly accepted by KARDEX in writing.
- 1.4. Any amendments of and additions to the contract must be made in writing. All agreements and legally binding declarations of the parties require written confirmation by KARDEX.
- 1.5. The version of the T&C current at the time of the Proposal applies. In the case of continuing contractual relationships, the draft of the amended T&C will be sent to the Buyer in writing no later than one month before the proposed date of their entry into force. The Buyer is deemed to have given its consent to the amendments if it has not rejected them by the planned date for entry into force. The amended T&C will then apply to any further transactions between the parties.
- 1.6. The general provisions of these T&C (Part A) apply to all transactions and legal relations between the parties unless otherwise stated in the specific provisions (Parts B and C) or agreed in writing.
- 1.7. The term "**Product(s)**" used in Part A is individually defined for each of Parts B and C. The meaning of this term in Part A shall therefore have the meaning as defined in the applicable Part B and C.
- 1.8. The phrase "**KARDEX Related Parties**" means KARDEX, its directors, officers, shareholders, managers, members, owners, attorneys, employees, affiliates, licensors, agents, vendors, suppliers, subcontractors, subsidiaries, partners, successors and/or assigns.
- 1.9. Any prevention, delay, impediment or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain (or delays in obtaining) services, labor, or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, supply chain issues, viruses, illness, pandemics, epidemics, adverse weather, emergencies and other

4.3. In the event of Buyer default, KARDEX is entitled to withdraw from the contract and claim back any Products already supplied and/or enter the site

causes beyond the reasonable control of the party obligated to perform, (collectively, "**Force Majeure**"), shall excuse the performance of such party for a period equal to any such prevention, delay, impediment or stoppage; provided, however, that the foregoing provisions do not apply to the payment obligations of Buyer.

1.10. This contract constitutes the full and complete integrated agreement between the parties, thereby superseding all previous discussions, communications, agreements or commitments between the parties, whether oral or written, concerning the subject matter of this contract. The parties further agree that no verbal or other statements, discussions, representations or impressions have been made or relied upon by either party, and that no waiver, alteration or modification of any of the provisions of this contract or cancellation or replacement of this contract shall be valid and binding unless in writing and signed by both parties and made a part of this contract. Further, the parties agree that the invalidity or unenforceability of any provision(s) hereof shall in no way affect the validity or enforceability of any other provision(s). KARDEX shall be entitled to recover all attorneys' fees and expenses incurred by it in the enforcement of this contract. The terms of this contract shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

2. Offers from KARDEX

- 2.1. Unless expressly otherwise agreed, offers from KARDEX are non-binding; otherwise, the offers are valid for 60 days. A statement by the Buyer is deemed to be an acceptance only if it is fully consistent with the KARDEX offer.
- 2.2. A contract is only validly concluded if KARDEX (i) confirms the order in writing or (ii) starts to perform the contract by delivering the Products or by rendering the service.
- 2.3. Under no circumstances shall silence by KARDEX with respect to a counter-offer from the Buyer be construed as a declaration of acceptance.
- 2.4. The documents relating to offers and order confirmations, such as illustrations, drawings, and weight and measurement details, are binding only if this has been expressly agreed in writing. Unless otherwise agreed in writing, brochures and catalogues are not binding.

3. Provided Documents

Each party retains all rights to plans and technical documents that it has provided to the other party. The receiving party acknowledges these rights, and shall not make such documents available, in full or in part, to any third party without the prior written consent of the other party, or use them outside of the scope of the purpose for which they were provided for. This also applies after termination of the business relationship as well as in the event that no contract is concluded between the parties.

4. Prices and Payment Conditions

- 4.1. Unless otherwise agreed in writing or specified in the subsequent specific provisions, invoices from KARDEX are payable within 30 days net from the invoice date, without any deduction. Advance and prepayments are payable within 10 days from the invoice date without any deduction.
- 4.2. A Buyer failing to pay by the due date is in default without a reminder, and KARDEX is entitled to charge monthly default interest in the amount of 1%, except where a different default interest rate has been specified in the contract or in the offer.

claims from product liability under product liability laws to the extent these laws are mandatory to the legal relationship between the parties.

and render Products unusable. In addition, KARDEX is also entitled to claim direct damages and/or provide outstanding deliveries or services only against advance payment or the provision of collateral, or suspend the provision of services under other orders or service agreements for which payment has already been made.

4.4. If KARDEX becomes aware of circumstances casting doubt on the solvency of the Buyer, KARDEX shall have the right to demand full payment in advance or the provision of collateral.

5. Set-off and Assignment

5.1. Buyer is not permitted to make a claim for any set-offs except as provided in this T&C.

5.2. Claims of the Buyer against KARDEX may be assigned only with consent from KARDEX.

5.3. The transfer of any rights and obligations under or in connection with a contract between the parties is permitted only with the other contracting party's written consent.

6. Limitation of Liability

6.1. TO THE MAXIMUM EXTENT PERMISSIBLE UNDER APPLICABLE LAW, IN NO EVENT WILL KARDEX OR KARDEX RELATED PARTIES BE LIABLE, WHATEVER THE LEGAL BASIS FOR THE CLAIM, FOR ANY SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL, LIQUIDATED OR PUNITIVE DAMAGES OR FOR ANY DAMAGES FOR LOSS OF BUSINESS, LOSS OF PRODUCTION, LOSS OF CAPACITY AND DATA INCLUDING THEIR CONSEQUENCES, LOSS OF USE, LOSS OF ORDERS, DAMAGE TO REPUTATION, LOSS OF REVENUE OR PROFITS, LOSS ARISING FROM DELAYS, LOSS OF DATA AND OTHER LOSSES ARISING FROM VIRUSES, RANSOMWARE, CYBER ATTACKS OR FAILURES OR INTERRUPTIONS TO NETWORK SYSTEMS, ARISING OUT OF, BASED ON, OR RESULTING FROM THESE T&C OR THE USE OF, MISUSE OF, OR INABILITY TO USE THE PRODUCTS, EVEN IF KARDEX OR KARDEX RELATED PARTIES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

6.2. IN NO EVENT SHALL KARDEX'S OR KARDEX RELATED PARTIES' AGGREGATE LIABILITY UNDER THESE T&C OR OTHERWISE WITH RESPECT TO THE SPECIFIC PRODUCTS AND SERVICES PURCHASED HEREUNDER EXCEED THE AMOUNTS PAID TO KARDEX BY BUYER, FOR THE PRODUCTS OR SERVICES GIVING RISE TO SUCH LIABILITY, REGARDLESS OF THE CAUSE OR FAULT AND WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE.

6.3. IF KARDEX OR KARDEX RELATED PARTIES UNLAWFULLY AND CULPABLY DAMAGE PROPERTY OWNED BY THE BUYER, KARDEX'S AND KARDEX RELATED PARTIES' LIABILITY FOR DAMAGES TO PROPERTY SHALL BE LIMITED TO \$500,000.00.

6.4. The contractual and non-contractual liability of KARDEX and KARDEX Related Parties is also excluded for damages which are due to (i) incorrect information about operational and technical conditions or about the chemical and physical conditions for the use of the products provided by the Buyer, auxiliary persons and/or advisors of Buyer, or (ii) other actions or omissions of the Buyer, its auxiliary persons, advisors or third parties or other circumstances within the responsibility of the Buyer.

6.5. The above limitations and exclusions of liability do not apply (i) in cases of injury to life, body or health, (ii) in cases of willful misconduct or gross negligence on the part of KARDEX or KARDEX Related Parties, and (iii) for

6.6. If third parties are injured by the Buyer's actions or omissions or if objects of third parties are damaged or third parties are otherwise damaged and KARDEX is held liable for the same, KARDEX has a right of recourse against the Buyer, and such claims are covered by the indemnification provisions of section A.15 hereof.

7. Intellectual Property

7.1. The Buyer may not use the intellectual property of KARDEX (in particular technical protective rights, brands and other signs, designs, know-how, copyright to software and other works) for any purposes other than those expressly agreed between the parties.

7.2. Without the express permission of KARDEX, the Buyer may not transfer or otherwise provide KARDEX Products to third parties without the attached brands.

7.3. Where KARDEX supplies software to the Buyer, the Buyer only acquires a simple, non-exclusive and non-transferrable right of use. The Buyer is not granted any right to edit the software.

8. Data Protection

8.1. The protection of personal data is an important priority for KARDEX. KARDEX and the Buyer undertake to comply at all times with the applicable legal provisions on data protection. In particular, the Buyer assures that KARDEX is permitted to use personal data provided to them by the Buyer in accordance with this section A.8. and indemnifies and holds KARDEX fully harmless from any claims by the persons affected.

8.2. KARDEX collects, processes and uses the Buyer's personal data for the performance of the contract. The Buyer's data will further be used for the purposes of future Buyer service, in which context the Buyer has the right to object in writing at any time. In addition, the Buyer's machines and operational data may be used and evaluated in anonymized form and user information on the Buyer's employees may be used in pseudonymized form for diagnosis and analysis purposes, and in anonymized form for the further development of KARDEX products and services (e.g. preventive maintenance). All data deriving from such analysis and diagnosis shall belong to KARDEX and may be freely used by KARDEX.

8.3. The personal data of the Buyer will only be passed on to other companies (e.g. the transport company entrusted with the delivery) within the scope of contract processing and the provision of information technology and other administrative support activities. Otherwise, personal data will not be passed on to third parties. KARDEX ensures that companies that process personal data on behalf of KARDEX comply with the applicable legal provisions on data protection and that a comparable level of data protection is guaranteed, especially in the case of transfer abroad.

8.4. The Buyer may contact KARDEX free of charge with any queries regarding the collection, processing or use of its personal data.

8.5. When using web-based products of KARDEX (such as Buyer portal, remote portal) personal data will be recorded. The collection, processing and use of such data can, upon Buyer's request, be governed by a separate data processing agreement.

9. Confidentiality

9.1. Each of the parties undertakes to keep confidential all trade secrets and confidential information brought to their knowledge by the other party, in particular, all information on Buyer relationships and their details, other important information such as plans, service descriptions, product specifications, information on production processes and any other confidential information made available to it and/or otherwise disclosed by the other party

in written or other form, and, in particular, not to make direct or indirect use thereof in business dealings and/or for competitive purposes, and/or pass it

arbitrators in commercial disputes promulgated by the AAA. Each party shall appoint an arbitrator, obtains its appointee's acceptance of such appointment,

on to third parties in business dealings and/or for competitive purposes, and/or otherwise bring it directly or indirectly to the attention of third parties, either itself or through third parties.

9.2. The confidentiality agreement does not apply where the information is publicly known, was already known to the other party when received, has been made available by third parties without any breach of a party's confidentiality obligation, or whose disclosure is mandatory under legal provisions, official orders or court orders, in particular judgments. The party wishing to invoke these exceptions bears the burden of proof in this regard.

9.3. The parties will place all persons whose services they use for providing services or who otherwise come into contact with confidential information as per section A.9.1 under a confidentiality obligation in accordance with sections A.9.1. and A.9.2.

10. Severability

If any provision of the contract, including these T&C, are or become fully or partially unenforceable or invalid under applicable law, such provision shall be ineffective only to the extent of such unenforceability or invalidity and the remaining provisions of the contract or the T&C, respectively, shall continue to be binding and in full force and effect. Such unenforceable or invalid provision shall be replaced by such a valid and enforceable provision, which the parties consider, in good faith, to match as closely as possible the invalid or unenforceable provision and attaining the same or a similar economic effect.

11. Office Hours

Office hours are the usual working hours (Monday - Friday, 9:00 a.m. - 6:00 p.m.), with the exception of the public holidays at the registered office of KARDEX.

12. Arbitration, Class Action Waiver, and Jury Waiver

12.1. KARDEX and Buyer agree that all claims and disputes (whether contract, tort or otherwise), including all statutory claims and disputes, arising out of or relating to the contract or relationship between the parties and/or these T&C, including their construction, validity, binding effect, breach, termination or rescission, shall be resolved by binding arbitration on an individual basis, except that KARDEX and Buyer are not required to arbitrate any dispute in which either party seeks equitable relief for the alleged unlawful use of copyrights, trademarks, trade names, logos, trade secrets or patents. There will be no jury, the case will be heard before an arbitration panel, not in a court and arbitration shall be the sole and exclusive remedy. The arbitration shall be individual, not a class, collective or group arbitration proceeding. The arbitration proceeding shall be administered in Indiana, unless the arbitration panel decides it should be administered in Delaware. All disputes concerning the arbitrability of a claim (including disputes about the scope, applicability, enforceability, revocability, or validity of this provision) shall be decided by the arbitration panel, except as expressly provided below.

12.2. Arbitration Rules.

The Federal Arbitration Act, including its procedural provisions, govern the interpretation and enforcement of this dispute-resolution provision, and not state law. Either KARDEX or Buyer may commence the arbitration process by submitting a written demand for arbitration with the American Arbitration Association ("AAA"), and providing a copy to the other party. The arbitration will be conducted in accordance with the provisions of the AAA's Commercial Arbitration Rules in effect at the time of submission of the demand for arbitration, except to the extent those rules conflict with these T&C. Arbitration will be conducted before a tribunal composed of three neutral arbitrators each of whom shall sign an oath agreeing to be bound by the codes of ethics for

and deliver written notification of such appointment and acceptance to the other party within 30 days after delivery of the written demand for arbitration. The two persons so selected as arbitrators shall select a third arbitrator within 30 days of their appointment. Each arbitrator shall be a practicing lawyer or retired judge and have experience relating to commercial disputes. The AAA Rules and filing forms are available online at www.adr.org. Except as may be required by law as determined by the arbitration panel, no party or arbitrator may disclose the existence, content or results of any arbitration hereunder without the prior written consent of both parties. The arbitration award may be confirmed, modified, or vacated, and judgment entered, by any state or federal court having subject matter jurisdiction sitting in the state of Delaware.

12.3. Fees.

Unless the arbitration panel orders otherwise, the parties must share arbitration costs equally, including the arbitrators' fees and expenses. Each party must pay its own expenses and attorneys' fees.

12.4. Authority of Arbitrators.

The arbitration panel will decide the jurisdiction of the arbitration and the rights and liabilities, if any, of KARDEX and Buyer. The dispute will not be consolidated with any other matters or joined with any other cases or parties. The arbitration panel will have the authority to grant motions dispositive of all or part of any claim or dispute. The arbitration panel will have the authority to award monetary damages and to grant any non-monetary remedy or relief available to a party under law, the AAA's Commercial Arbitration Rules, and these T&C. The arbitration panel will issue a written award and statement of decision describing the essential findings and conclusions on which the award is based, including the calculations of any damages awarded. The arbitration panel has the same authority to award relief on an individual basis that a judge in a court of law would have. The award of the arbitration panel is final and binding on KARDEX and Buyer.

12.5. Waiver of Jury Trial.

KARDEX AND BUYER WAIVE ANY CONSTITUTIONAL AND STATUTORY RIGHTS TO GO TO COURT AND HAVE A TRIAL IN FRONT OF A JUDGE OR A JURY. With respect to any issue which is not subject to arbitration, KARDEX and Buyer each waive any right to a trial by jury in any action or proceeding to enforce or defend any rights (a) under this T&C or under any amendment, instrument, document or agreement delivered or which in the future be delivered in connection herewith, or (b) arising from any contemplated transactions in connection with this agreement or their relationship.

12.6. Waiver of Class or Consolidated Actions.

ALL CLAIMS AND DISPUTES WITHIN THE SCOPE OF THIS ARBITRATION PROVISION MUST BE ARBITRATED OR LITIGATED ON AN INDIVIDUAL BASIS AND NOT ON A CLASS BASIS. CLAIMS OF MORE THAN ONE BUYER OR ENTITY CANNOT BE ARBITRATED OR LITIGATED JOINTLY OR CONSOLIDATED WITH THOSE OF ANY OTHER BUYER OR ENTITY. Notwithstanding any other provision in these T&C or AAA's Commercial Arbitration Rules, disputes regarding the interpretation, applicability or enforceability of this waiver may be resolved only by the arbitration panel. If this waiver or class or consolidated actions is deemed invalid or unenforceable, neither Buyer nor KARDEX are entitled to arbitration; instead all claims and disputes will be resolved in a court as set forth in sections A.12 and A.13 hereof.

12.7. Right to Waive.

Any rights and limitations set forth in section A.12 hereof may be waived by the party against whom the claim is asserted. Such waiver will not waive or affect any other portion of section A.12 hereof.

12.8. No opt outs.

representations (whether oral, written, express or implied), suppression of information, or failure to disclose information of any kind by Buyer or

To the extent permitted by law, Buyer waives any statutory or other right to opt out of these mandatory arbitration provisions.

12.9. Arbitration Agreement Survival.

These Arbitration provisions will survive the termination of Buyer's relationship with KARDEX.

12.10. Exclusive Venue.

To the extent that these T&C or applicable law allow KARDEX or Buyer to initiate litigation in court to resolve issues that are not subject to arbitration, including, without limitation, whether to vacate or enforce an arbitration award, KARDEX and Buyer agree that all claims and disputes not covered by these arbitration provisions arising out of or relating to the T&C will be litigated exclusively in the United States District Court for the District of Delaware. If, however, that court would lack original jurisdiction over the litigation, then all such claims and disputes will be litigated exclusively in the Courts of Kent County, Delaware. KARDEX and Buyer consent to the personal jurisdiction of both courts.

13. Choice of Law.

These T&C and the entire legal relationship between the parties shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to applicable principles of conflicts of laws.

14. Limitation of Warranties.

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, AND EXCEPT AS STATED IN THE WARRANTY PROVISIONS OF THIS T&C (SECTIONS B.6 and C2.6), KARDEX MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND WITH RESPECT TO THE PRODUCTS (INCLUDING ANY OTHER PRODUCTS) AND SERVICES PROVIDED BY KARDEX, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND KARDEX DISCLAIMS ALL OTHER REPRESENTATIONS AND WARRANTIES WHATSOEVER, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, OR NON-INFRINGEMENT, AND ANY WARRANTY ARISING OUT OF ANY COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE. KARDEX NEITHER ASSUMES, NOR AUTHORIZES ANY OTHER PERSON PURPORTING TO ACT ON ITS BEHALF TO MODIFY OR TO CHANGE ANY WARRANTY APPLICABLE TO A PRODUCT OR SERVICE, NOR TO ASSUME FOR IT ANY OTHER WARRANTY OR LIABILITY CONCERNING ANY PRODUCT OR SERVICE. SOME JURISDICTIONS DO NOT ALLOW THE FOREGOING EXCLUSIONS AND LIMITATIONS. IN SUCH AN EVENT, SUCH EXCLUSION AND LIMITATION WILL NOT APPLY SOLELY TO THE EXTENT PROHIBITED BY APPLICABLE LAW, AND THE DURATION OF ANY IMPLIED WARRANTIES WILL BE LIMITED TO THE DURATION OF THE LIMITED WARRANTY PROVISIONS OF THIS T&C.

15. INDEMNIFICATION.

Except to the extent of any gross negligence or willful misconduct of KARDEX, Buyer shall indemnify, defend and hold harmless KARDEX and KARDEX Related Parties, from and against any and all claims, demands, losses, damages, costs, expenses or other liabilities (including, without limitation, attorneys' fees, litigation expenses and amounts paid in settlement) which may be suffered or incurred by any of them as a result of any claim, demand, suit, proceeding or cause of action arising in any manner from: (i) any acts or omissions by Buyer or its representatives, arising out of or relating to Buyer's purchase, handling, transportation, export, re-export, re-transfer, import, possession, use, demonstration, marketing, sale, disposition, distribution or maintenance of Products; (ii) any statements,

its representatives with respect to Products or Individual Services different or in addition to the applicable Product or Service warranty provided by KARDEX; (iii) the improper use or disclosure of KARDEX's or KARDEX Related Parties' intellectual property, including trademarks, patents, copyrights and proprietary marketing and business systems information; (iv) any intentional misconduct or negligent act or omission of Buyer, its employees or agents; (v) any contractual obligation assumed by Buyer toward any third-party; (vi) any misuse or modification of Products by Buyer or its employees or agents; or (viii) Buyer's failure to comply with any law applicable to these T&C or the performance of Buyer's obligations hereunder.

B. Specific Provisions for Deliveries

1. Delivery

- 1.1. The subject-matter of delivery contracts is the delivery of systems, machines and/or software products and individually customized software in accordance with the specifications in the order confirmation handed over to the Buyer by KARDEX (each individually or collectively "Product(s)").
- 1.2. Only the characteristics listed in the order confirmation are guaranteed features. Public statements, promotions and advertisements do not constitute guaranteed features of the Products. It is the Buyer's responsibility to assess whether or not the ordered Products are suitable for their intended purpose.
- 1.3. Any quality guarantees in addition to features guaranteed in the order confirmation must be confirmed by KARDEX in writing.
- 1.4. KARDEX reserves the right to make design and/or shape changes to the Products if the Product thereafter deviates only insignificantly from the agreed quality and the changes are reasonable for the Buyer or if the Buyer agrees to the change of the agreed quality.

2. Delivery Time

- 2.1. Delivery times are non-binding unless expressly agreed as binding by KARDEX in writing by way of the execution of the "Binding Delivery Date Agreement" attached hereto as Exhibit A.
- 2.2. Delivery periods start with the dispatch of the order confirmation or receipt of the order in case there is no order confirmation, but not before the receipt of any advance payment or collateral to be provided by the Buyer.
- 2.3. If subsequent change requests by the Buyer are accepted, the delivery period and delivery date are extended and postponed at least by the time required for implementation of the requested changes.
- 2.4. Delivery periods and delivery dates are met if on their expiry the Product has left the factory or notification of readiness for dispatch has been given. In the case of installation of Products, the delivery period is met by timely handover or acceptance of the installed Product. Delays beyond the control of KARDEX (e.g. failure by the Buyer to provide ancillary services, such as the provision of documents, permits and/or clearances to be obtained by the Buyer, ensuring the availability of a suitable lifting platform or opening the building) will at least result in a corresponding extension of the delivery period. KARDEX has the right to charge incurred cost from such delays.
- 2.5. Force Majeure (as defined herein), strikes, lockouts and other impediments beyond the control of KARDEX will extend and postpone agreed delivery periods and delivery dates by no more than the duration of the impediment, to the extent that such impediments can be proven to have a significant impact on completion or delivery of the Products or associated services. The same applies where the impediments to performance occur in the operations of KARDEX's upstream suppliers. KARDEX will further not be accountable for the above circumstances if they arise during an already existing delay. KARDEX will notify the Buyer without delay of the beginning and end of such impediments.

2.6. If the dispatch of the Products is delayed at the Buyer's request, the Buyer will be invoiced as from one month after the notification of readiness for shipment issued by KARDEX for the resulting storage costs; in the case of storage in the factory, KARDEX may claim a storage fee in accordance with normal local rates. KARDEX is, however, entitled, after setting a reasonable deadline that has expired without effect, to use the Product otherwise, and to supply the Buyer with a similar product within a new delivery period.

2.7. Partial deliveries are permitted.

3. Late Delivery

3.1. In the event that KARDEX and Buyer execute a "Binding Delivery Date Agreement", the Buyer's entitlement to compensation for damages caused by delay is dependent on prior notification of the delay in writing by the Buyer to KARDEX, and provision of proof of damage incurred as a result of the delay. The damages caused by delay will in any case be limited to a maximum of 0.1% of the consideration per expired week of delay, and to a maximum of 5% of the total consideration. Further compensation claims by the Buyer due to delay are excluded; this does not apply in the case of willful misconduct or gross negligence by KARDEX.

3.2. The Buyer can only waive delivery and withdraw from the contract if, after the agreed delivery date has passed or the agreed delivery period has expired, (i) the Buyer provides KARDEX in writing two grace periods of reasonable length, whereby each grace period shall at least be 10 weeks, (ii) these two grace periods expire without success, and (iii) the Buyer, immediately after expiry of the second grace period, declares in writing that it waives delivery or withdraws from the contract.

3.3. To the extent permitted by law, all further claims and rights of the Buyer due to or in relation with the delay, in particular with respect to any further damages, are excluded.

4. Place of Delivery; Transfer of Risk; Inspection Obligation

4.1. Unless expressly agreed otherwise, the Product will be delivered "FCA KARDEX factory" (Incoterms 2020).

4.2. If an installation of the Product has been agreed, the Product will be delivered "DDP Buyer's factory/location of services" (Incoterms 2020), unless expressly agreed otherwise. In this case, the risk passes to the Buyer at the latest at the arrival of the Product at the Buyer's premises.

4.3. If shipment is delayed in the situation according to section B.4.1. due to circumstances beyond the control of KARDEX, the use and risk of the Products will pass to the Buyer when the goods are ready for dispatch.

4.4. In the situation according to section B.4.2., the Buyer is required to inspect the Product for externally visible damage immediately upon its delivery and, if a transport damage is suspected, to provide a written and photographically documented report of the damage in due course so that the deadlines for making insurance claims can be met.

5. Inspection and Acceptance

5.1. The Buyer is required to inspect the quality and quantity of the Product supplied immediately upon receipt. Any defects or incorrect deliveries must be reported immediately, but in any event within 10 days from receipt of the Product (or from detection in case of hidden defects), in detail in writing and with photographic documentation. If the report is submitted late, the deliveries will be deemed accepted and no warranty will apply.

5.2. If an installation of the Product has been agreed, the Buyer is obliged to carry out an inspection and acceptance procedure on the Product as soon as KARDEX notifies the Buyer that the Products are ready for inspection. Defects must be recorded in a written report (Buyer acceptance certificate).

Immediately after the acceptance inspection, KARDEX is to be sent a copy of the Buyer acceptance certificate and KARDEX is to be notified about any defects in a detailed written report. If the Buyer fails to meet this complaint notification obligation, all warranty claims will lapse.

5.3. If acceptance is delayed for reasons beyond the control of KARDEX, the Product is deemed to be accepted 14 days after the receipt of the Products or, if it is a delivery with installation, the notification that the Products are ready for inspection. The Product is further deemed to be accepted if it is in productive use by the Buyer.

5.4. If the Product shows only minor defects in the acceptance inspection, the Buyer may not refuse acceptance; instead, in this case the Product is deemed to be accepted.

5.5. With acceptance, KARDEX is no longer liable for any defects which could have been discovered on normal inspection and which are not listed in the Buyer acceptance certificate.

6. Limited Warranty

6.1. KARDEX warrants that the Products shall be free from defects for a period of two (2) years from the date that the Products are installed, unless an additional warranty period is purchased by Buyer. Products shall be deemed defective if

(i) they are demonstrably afflicted with defects at the time of passing of risk which cancel or significantly reduce their value or (ii) guaranteed characteristics are not met.

6.2. In the event of breach of warranty by KARDEX, KARDEX shall have the right and the duty to rectify the defect within a reasonable period of time after written notice from Buyer. If KARDEX's first attempt to rectify the defect is unsuccessful or if KARDEX does not take any action, the Buyer has to grant KARDEX an additional thirty (30) days to rectify the defect. If the second attempt to rectify is unsuccessful or if KARDEX allows this second reasonable deadline to expire without taking any action, KARDEX, at its own discretion, shall offer the Buyer either replacement delivery or repair without charge. KARDEX is obliged to bear all costs necessary to rectify, repair or replace a defective Product, in particular costs for transport, labor and materials, unless such costs are increased due to the fact that the Product has been moved to a location other than the agreed place of delivery.

6.3. If the rectification, replacement delivery or repair ultimately fails, the Buyer may make demand for a price reduction reasonably related to the alleged defect or problem. Only if the Product has physical defects that render it unsuitable for the intended purpose may the Buyer alternatively rescind the contract.

6.4. If KARDEX has guaranteed a specified level of performance (throughput) or a specified availability of a device and, at the time of acceptance by the Buyer, the shortfall with respect to the guaranteed performance or availability is no more than 15%, the Buyer, to the extent permitted by law, shall not have the right to rescind the contract, request a replacement delivery or claim damages. As a remedy, KARDEX, at its own choice, shall offer the Buyer either rectification or a price reduction.

6.5. If (a) KARDEX has guaranteed a specified level of performance (throughput) or availability of a device, (b) the Buyer subsequently changes the device specification or places additional orders, and (c) this reduces the performance or availability, the guaranteed values shall be deemed adjusted accordingly.

6.6. Warranty claims become null and void if any attempted repairs or modification are carried out by persons who are not KARDEX certified or authorized technicians, if the Product is operated or maintained inappropriately or contrary to the manufacturer's instructions, or if the Product is moved by the Buyer to another location without the involvement of KARDEX.

7. Prices and Payment Conditions

7.1. If the legal or regulatory requirements for the Product change after conclusion of the contract and this makes it significantly more difficult for KARDEX to deliver the Products in accordance with the contract, KARDEX may charge a reasonable increase of the consideration. An agreed delivery period, where applicable, will be extended by the delay resulting from the change.

7.2. In deviation from section A.4.2., the purchase price will be due for payment as follows: if KARDEX has undertaken to install the Product, 30% is payable upon placement of the order, 60% upon delivery (or no later than 30 days after notification of delivery) and 10% within 30 days of acceptance. If KARDEX has not undertaken to install the Product, the full purchase price is payable 30 days after supply and invoicing, without deduction. Advance and prepayments are payable within 10 days from date of the invoice without deduction.

7.3. If the purchase price is specified in a currency other than in USD, KARDEX is entitled to additionally charge the Buyer for any currency effects occurring between the order confirmation and the final invoice.

8. Retention of Title

8.1. KARDEX retains title to the Product sold until full payment of the purchase price.

8.2. If this is necessary or possible, KARDEX is entitled to have the retention of title registered at the competent registration office, even without the Buyer's involvement.

8.3. The Buyer is obliged to carry out all actions and measures necessary to protect the property of KARDEX. In the event of pledging or other interference with the property rights of KARDEX, the Buyer must notify KARDEX immediately. As long as the purchase price has not been paid in full, the Buyer may not pledge, lease, resell or otherwise make the Product available to third parties.

9. Spare Parts; Wear Parts; Maintenance Commitment

9.1. KARDEX gives the Buyer an assurance of the availability of non-electronic spare and wear parts ("Parts") for a period of 10 years, and electronic Parts for a period of 6 years, from the delivery of the Machine.

9.2. With respect to software, the maintenance commitment of KARDEX is subject to any maintenance contract concluded between KARDEX and the Buyer.

10. Technical Support by the Buyer

10.1. If the installation of the Product has been agreed, the Buyer is obliged to provide technical support at its own expense. This includes in particular:

- a) Any necessary under-pouring or plugging of the steel framework and laying of the underfloor (screed flooring) after installation. The Buyer is to provide the installation surface for the Product at the new location in well-swept condition.
- b) Provision of and, if and to the extent requested by KARDEX in each particular case, operation and maintenance of the necessary equipment and heavy tools (e.g. scissor lift) as agreed with KARDEX, and the required auxiliary items and materials (e.g. underlays, wedges, lubricants, fuel, etc.).
- c) Provision of heating, lighting, site energy supply, water, including the necessary connections.
- d) Provision of suitable, burglar-proof personnel rooms and work rooms with heating, lighting, washing facilities and sanitary facilities, and first aid for the installation personnel.

e) Transport of installation parts to the installation location, protection of the installation location and installation materials from harmful effects of all kinds, cleaning of the installation location.

f) Provision of materials and carrying out any other actions required for initial adjustment of the Product and carrying out testing as specified in the contract.

g) Ensuring the floor load capacity at the installation location, and providing an installation surface that is robust, level on all sides and horizontal.

h) Prior to the start of installation, provide at the location of the machine as per relevant regulations the required energy supply, internet and data connection in accordance with KARDEX specifications.

i) Providing the structural prerequisites for correct, problem-free installation (for example, moving of ventilation ducts, batten light fittings, water pipes, if these obstruct the installation of the Product).

10.2. The technical support provided by the Buyer must be such as to ensure that the work on providing the services can begin immediately on the arrival of the KARDEX technician and can be carried out without delay until acceptance by the Buyer. The technician should be able to work at optimum capacity between 7:00 a.m. and 6:00 p.m. If special plans or instructions from KARDEX are needed for the installation, KARDEX will supply these to the Buyer sufficiently in advance.

10.3. The Buyer will provide, when needed, assistance to the KARDEX technician on site with its own personnel to the best of its ability; this applies in particular where work is to be carried out that a single person cannot reasonably be expected to perform, or that cannot be carried out safely by a single person. KARDEX cannot be charged for such assistance. The Buyer is to confirm the work carried out by the KARDEX technician by signing off the technician's work report.

10.4. If the Buyer fails to meet its obligations, KARDEX, after issuing a non-compliance notice, is entitled, but not obliged, to carry out the actions incumbent on the Buyer in the Buyer's place, and at Buyer's expense, or have them carried out by third parties. In addition, there can be no delay on the part of KARDEX to the extent and for as long as the Buyer has failed to meet its obligations.

C. Provisions for Life Cycle Services

The terms and conditions for Life Cycle services are arranged in three major parts. Part C1 contains general definitions, Part C2 describes the terms and conditions for individual services and Part C3 outlines the terms and conditions for service contracts.

C1: General Definitions

1. Individual Service Orders

1.1. Subject matter of individual service orders is the provision of individual services, such as repairs, installations and commissioning without delivery of a system, relocation of a system, maintenance, modifications, retrofits and upgrades of any Product as delivered under Part B (hereinafter referred to individually or collectively as "Individual Service(s)" or "Individual Order").

1.2. The scope of services is determined in the subsequent provisions as well as in the order confirmation, which specify (a) the services to be provided, (b) the system, machine and/or software (hereinafter referred to individually or collectively as "Product(s)") for which the services are to be provided, (c) place of delivery and delivery times, and (d) the remuneration owed therefor.

2. Service Contract

2.1. The subject matter of a service contract is the performance of maintenance, repair work or other services ("Maintenance" or "Service(s)") on Products over several years.

2.2. The scope of the services is determined by the service contract, specifying (a) the chosen service package (BASE, FLEX or FULL Care), (b) the Products for which Maintenance is to be provided, and (c) the remuneration payable as the annual fee.

3. Response Times

"Helpdesk Reaction Time" is defined as the time from when the Buyer's fault report is received by the KARDEX Central Call Desk ("CCD") to when KARDEX Remote Support or telephone-based service begins. **"OnSite Reaction Time"** is defined as the time from when the Buyer's fault report is received by the CCD to the service technician's arrival on site. Only the reaction time during normal office hours is relevant, with continuation on the next working day, where applicable. Times outside normal office hours will not be taken into account when calculating the response time, unless an extended "Onsite & Helpdesk support" is agreed upon in the corresponding service contract. KARDEX guarantees to the Buyer that it will meet response times as described in the service contract.

4. Fault Reports

- 4.1. All faults must be reported to KARDEX by telephone, online or using the Remote Help Request button, so that recording and classification of the fault can be undertaken within the Helpdesk Reaction Time, and so that the necessary arrangements can be initiated without delay.
- 4.2. The elimination of the fault is carried out by telephone support, Remote Support (if agreed) or an on-site callout of a technician. The choice of the suitable measure(s) is at the sole discretion of KARDEX.
- 4.3. If a Buyer submits fault reports outside the contractually agreed On-site & Helpdesk support hours, KARDEX is not obligated to initiate a service intervention such as telephone support, Remote Support or an on-site callout. If an on-site callout does, however, take place, the Buyer will be charged at double the applicable hourly rate of the KARDEX Buyer service.
- 4.4. KARDEX is obliged to investigate a fault only if it has been properly reported by the Buyer, and if the fault at the client's location is reproducible or can be demonstrated by machine-generated outputs.
- 4.5. For software fault special conditions apply. A software fault is present only if the use of core functions of the software is impossible or severely impaired, and/or
- the software produces incorrect results, which cannot be attributed to operating errors by the Buyer; or
 - there is an uncontrolled interruption of the running of the software that is not caused by a program interface; or
 - use of the software is severely impaired or prevented in another manner contrary to correct functionality.
- 4.6. A software fault is not present in the case of problems for which the cause cannot be attributed to software supplied by KARDEX, but in particular rather to the software of other manufacturers, the Buyer's hardware or operating system, the database or a parameterization error on the part of the Buyer.

5. Timing / Agreement on Dates

- 5.1. If the Buyer cancels or postpones a service intervention arranged less than 48 hours before the start of the intervention, the Buyer is required to bear the costs associated therewith at the usual KARDEX rates.
- 5.2. KARDEX is entitled to invoice the costs for unnecessary travel to the Buyer's location or on-site waiting times in excess of 30 minutes separately at the usual KARDEX Buyer service hourly rates applicable at the time of the scheduled intervention.

6. Liability

- 6.1. To the extent permitted by law, KARDEX will not be liable for damage resulting from incorrect use of the Products, telephone or electronic transmission failures, faulty execution of support instructions by the Buyer, attempted repairs carried out by the Buyer itself or third parties, service parts not being available on site, untrained or unauthorized staff of the Buyer or third parties, or delay in reaching the on-duty service technician because of being engaged in another service intervention. Nor will KARDEX be liable for the consequences of any loss of data.
- 6.2. To the extent permitted by law, any liability for merchandise and goods stored in the Products is excluded.

C2: Individual Services

1. Individual Services Contain the Following Services

- 1.1. Installation and Commissioning Service to install newly and/or rebuild the Product by skilled technicians. This may include operation and/or maintenance training of Buyer personnel.
- 1.2. On-site support intervention for repair and recommissioning after a break down or loss of productivity. On-Site Services include the provision of labor by skilled technicians, materials such as spare parts, wear parts and consumables, travel costs and fees for daily allowance, as well as special fees for outside office hours call outs.
- 1.3. Remote Support or telephone support interventions are designed to enable the Buyer to bring back its system to normal operation in a short period of time and to therefore increase the operating time. The continuous monitoring via Remote Support can even prevent downtimes.
- 1.4. Relocation Service of KARDEX offers its Buyers the relocation and moving of the products manufactured by KARDEX, either within the same or to a different site, within domestic territory or abroad ("**Relocation Service**"). The Relocation Service comprises the dismantling of the Product at the old location, transport of the components from the old to the new location (if so agreed), interim storage of the components (if so agreed), installation at the new location, and commissioning of the Product. The relocation service does not include the rectification of defects and the replacement of wear parts, both of which require the placement of a separate order against a separate fee to be executed and handled independently from the relocation service. If the new location is in a different country than the old location, the Buyer is required to perform all the actions necessary for transportation to the other country and also the operation in the other country. The Buyer bears all the costs arising in this context (necessary modification of the Product, customs, clearance fees, etc.). Necessary modifications to the Product require a separate order for Individual Services (for a separate fee). The Buyer has to remove all the contents (goods in storage) from the Product, before relocation can take place.
- 1.5. Training services are designed to empower the Buyer's staff to operate the system according to its intended use, to increase the adherence to safe working methods and to positively influence the system's overall availability and performance.
- 1.6. Maintenance and Safety Tests are intended to maintain the system's reliability, to prevent unexpected break downs, to ensure the testing of safety equipment on a regular and professional basis as well as to reduce premature loss of the system's value.
- 1.7. Modification services are intended to adapt the system to the changes implied by the Buyer's business operation in mechanics and software to ensure that it meets changed operational requirements.
- 1.8. Upgrade and Retrofit Services are intended to bring the system up-to-date with the latest technology, with regards to mechanics and software.

1.9. The Spare Part Delivery Service is intended to enable the Buyer to purchase single parts to be fitted into the Buyer's systems or spare part packages with carefully selected assortments of parts which are stored at the Buyer's premises to ensure their availability in case of an on-site intervention.

2. Use of Third Party Sub-Contractors

In order to meet its obligations under Individual Services, KARDEX may make use of the services of third parties. KARDEX is not obliged to perform the Individual Service itself. If KARDEX makes use of a third party, KARDEX will ensure by means of suitable contractual provisions with such party that the obligations of KARDEX under the Individual Service are fulfilled by the third party.

3. Unauthorized Intervention in Kardex Systems

The Buyer is obliged to inform KARDEX before KARDEX commences its work about any external or internal work or renewal of parts carried out on the Product by the Buyer or third parties, whereby KARDEX shall be entitled to request a thorough chargeable inspection of such amended or renewed Product or decline to perform the Individual Service.

4. Technical Support by the Buyer

The Buyer is obliged to provide technical support to KARDEX for the performance of the Individual Service at its own expense. Section B.10. applies accordingly in the case of an installation order or relocation order.

5. Acceptance

5.1. As soon as KARDEX notifies the Buyer of the completion of the Individual Service, the Buyer must carry out an acceptance inspection of the performed services and/or delivered products. The results of such acceptance inspection including a detailed report of any defects are to be recorded in writing in a Buyer acceptance certificate, a signed copy of which must be immediately handed over/sent to KARDEX. If the Buyer fails to meet this complaint notification obligation, the respective warranty claims will lapse.

5.2. If acceptance is delayed for reasons beyond the control of KARDEX, the Products are deemed to be accepted 14 days after notification of completion by KARDEX. KARDEX is entitled to invoice the cost incurred from such delays.

5.3. If only minor defects are found in the acceptance inspection, the Buyer may not refuse acceptance. In such case, the Individual Service shall be deemed accepted.

5.4. With acceptance, KARDEX is no longer liable for any defects which could have been discovered on normal inspection and which are not listed in the Buyer acceptance certificate.

6. Limited Warranty

6.1. KARDEX warrants the faultless provision of the services in accordance with the legal regulations, the applicable norms and directives as well as the recognized rules of technology.

6.2. In the event of breach of warranty by KARDEX, KARDEX shall have the right and the duty to rectify the defect within a reasonable period of time after written notice from Buyer. If KARDEX' first attempt to rectify the defect is unsuccessful or if KARDEX does not take any action, the Buyer has to grant KARDEX an additional thirty (30) days to rectify the defect. If the second attempt to rectify is unsuccessful or if KARDEX allows this second reasonable deadline to expire without taking any action, the Buyer is entitled to claim a reduction of the remuneration. The Buyer is also entitled to claim a reduction of the remuneration if KARDEX seriously and ultimately refuses to carry out the rectification from the outset. However, the Buyer may only withdraw from

the contract if the services carried out by KARDEX repeatedly show serious defects and KARDEX repeatedly fails to remedy breaches of warranty in accordance with this provision.

6.3. The Limited Warranty is voided in case of: (a) improper or unintended use, (b) faulty installation or commissioning by the Buyer or a person who is not certified or authorized by KARDEX, (c) modification, maintenance, repair or relocation of the Product by the Buyer or a third party, (d) excessive wear and tear due to circumstances within the Buyer's control, (e) faulty operation or negligent treatment of the Products, (f) use of inappropriate service fluids or replacement materials, (g) faulty construction or unsuitable soil on the Buyer's premises, (h) chemical or electronic effects, if these are not due to fault of KARDEX, (i) untrue indications by the Buyer or its advisers on the operational and technical conditions for the use of the products, and (j) cases of Force Majeure as defined herein.

7. Remuneration

7.1. The remuneration for Individual Services will be charged on a time and material basis according to KARDEX's current price list, unless a lump sum fee has been expressly agreed.

7.2. KARDEX has the right to charge the Buyer any costs for unnecessary travel to the Buyer or if the Individual Service could not be performed for reasons for which the Buyer is responsible.

7.3. Any waiting times caused by the Buyer's lack of support can be charged by KARDEX to the Buyer.

C3: Specific Provisions for Service Contracts

1. Service Packages

1.1. The services provided by KARDEX in the context of service contracts are determined by the product and service descriptions of the Service Contract, the technical requirements, the specified maintenance intervals as well as the defined software upgrades, service releases and software updates. Such services can include all products delivered under Part B.

1.2. In general, KARDEX will carry out maintenance work during normal office hours. To have access to services outside normal office hours, the Buyer can opt for the "FLEX Care" or "FULL Care" service packages, which must be ordered separately.

1.3. Without prejudice to the warranty under delivery contracts, KARDEX does not provide any warranty that the Product will remain free of defects and/or will function without interruption during the term of the service contract. The warranty for services provided by KARDEX is based on section C3.4.

1.4. The inclusion of a Product in a service contract requires that the Product and its components are in a technically perfect condition and that the Buyer has acquired a right to use the current version of the software. Products for which the warranty commencing on delivery has already expired will only be included in the service contract after they have been subjected to an inspection by KARDEX. The costs for the inspection and any expenses incurred for bringing the Product to be included back into a proper condition shall be borne by the Buyer, according to the applicable rates and price lists.

1.5. The KARDEX remote support portal ("KARDEX Remote Support") allows the condition of the product to be monitored by the assessment of technical data from the control unit. All personal data and Buyer related data exchanged in the context of the services will be used exclusively for the purposes defined in these terms of use. A connection to the KARDEX Remote Support does not guarantee that malfunctions can be diagnosed or eliminated by means of the KARDEX Remote Support. If the malfunction cannot be solved by means of KARDEX Remote Support, KARDEX will send a service technician to the concerned Product to eliminate the malfunction and will separately charge its services pursuant to the applicable rates and price lists.

2. Buyer Obligations

2.1. The Buyer shall treat and use the Product in accordance with KARDEX operating recommendations. The Buyer shall enable KARDEX to eliminate malfunctions arising due to incorrect operation, at the Buyer's expense.

2.2. Faults are to be reported solely by the Buyer authorized person commissioned with operating the machine in accordance with the KARDEX operator manual to the on-duty KARDEX service technician. The fault report must be submitted from the location of the Product concerned using a suitable means of communication, specifying the Product name, the model and serial or license number and the best possible description of the fault. The disclosure of KARDEX contact details or premises access codes to any third parties is expressly prohibited in the interests of ease of access. The Buyer is obliged to keep his technical equipment available in such a way that the support by KARDEX via telephone or KARDEX Support Portal is possible. Connection costs shall be borne by the Buyer.

2.3. With the conclusion of a KARDEX Remote Support contract, the Buyer undertakes to provide a functional data transmission device (remote connection for KARDEX Remote Support), sufficiently protected against unauthorized third-party access, to allow KARDEX appropriate access to the Buyer's system for support tasks. As a prerequisite for this, the Buyer must provide KARDEX the required authorizations. Remote support is carried out via a suitable separate remote service software application, such as the KARDEX Remote Support application, or in exceptional cases, TeamViewer. Any data transmission costs incurred and any other costs arising from remote service are borne by the Buyer. Further details on this may be provided in the support contract. If the Buyer does not have data transmission facilities as defined above available, the Buyer shall reimburse KARDEX for the resulting increased expense. KARDEX is relieved from its duty to perform remote service, if – for reasons for which KARDEX is not responsible – no connection can be established from the system or if Buyer fails to provide remote access as set forth herein, and as may be required under the terms of the service contract.

2.4 When required, the Buyer will support the KARDEX service technician on site with its own personnel to the best of its ability and to a reasonable extent; this applies in particular if the work to be carried out is beyond what a single person can reasonably be expected to do, or can do safely. There is no reimbursement claim against KARDEX for this. The Buyer will sign off the work done by the KARDEX service technical on the technician's work report, as the basis for invoicing.

2.5. The Buyer must ensure that the Products are exclusively available at the agreed timeslot to the KARDEX service technician executing the service, and that they can be shut down from operation for this purpose.

2.6. During the term of the service contract, the Buyer is obliged to have all maintenance and repairs on the Products carried out solely by KARDEX or an authorized subcontractor of KARDEX. Where applicable, it is to inform KARDEX of any prior work on the Products itself or parts replacements carried out by the Buyer itself or third parties, before the work starts. In such cases, KARDEX is entitled to require a thorough check of the Products in question by KARDEX or an authorized subcontractor of KARDEX at the Buyer's expense or otherwise to decline to perform the service.

2.7. The Buyer will not change the location of the Product without prior written notice to KARDEX. Upon request, and at the Buyer's expense, KARDEX will carry out or supervise the relocation. If the Buyer does not have the relocation carried out or supervised by KARDEX, KARDEX services under the service contract will be suspended during the relocation and KARDEX will perform a system audit to ensure the correct and safe functionality of the Products before reinstating the services. Such a system audit will be charged separately according to the applicable rates and price lists. Any damages

caused by an improper relocation will not be covered by the service packages.

2.8. The Buyer undertakes to actively accompany and support KARDEX in case of a maintenance issue in fault diagnosis and elimination conducted in the context of the KARDEX Remote Support. The Buyer notifies to KARDEX in writing qualified employees educated by KARDEX as contact persons authorized to perform and take all actions and decisions for the Buyer which are necessary in connection with the ordinary use. The contact person remains with the Product during the whole process of remote service ready to intervene, where appropriate, e.g. by operating the emergency shutdown. The Buyer is solely responsible for taking the necessary safety precautions to ensure that persons and property are not endangered during maintenance.

2.9. Employees of the Buyer require a password for the use of the KARDEX Remote Support. Every person, legitimating him or herself via password, is deemed to be authorized towards KARDEX, and all entries and instructions based on a formally error free legitimization will be attributed to the Buyer.

3. Remuneration for Service Contracts

3.1. An annual fee is charged for the services specified in the service contract, the amount of which depends on the selected service packages (BASE, FLEX, or FULL Care).

3.2. The first annual fee is invoiced on the signing of the service contract, and thereafter before the start of each contract year.

3.3. KARDEX reserves the right to increase or decrease the annual fee. If the increase is more than 5% of the agreed annual fee, the Buyer has an extraordinary right of termination for cause. The Buyer may then terminate the contract early, within one month of receiving the invoice for the increased annual fee, to take effect for the first contract year to which the increased annual fee applies.

3.4. KARDEX is entitled to charge the Buyer for unnecessary travel to the Buyer's location or if the service or part of the service cannot be performed on site if the Buyer is responsible for the impediment. If the Buyer, according to the service contract, has undertaken to keep certain parts in stock or if the Buyer failed to order from KARDEX the parts necessary for the service as specified by KARDEX, the Buyer may be charged for any waiting times caused by the required service parts not being available on site.

3.5. Additional inspections following the repair of Products or the replacement of missing technical documents or service booklets are not included in the annual fee and will be invoiced separately at the hourly rates of KARDEX Buyer service applicable the time.

4. Limited Warranty

4.1. KARDEX warrants the faultless provision of the Services in accordance with the relevant rules of law, the applicable norms and regulations and the recognized rules of technology.

4.2. In the event of breach of warranty by KARDEX, KARDEX shall have the right and the duty to rectify the defect within a reasonable period of time after written notice from Buyer. If KARDEX's first attempt to rectify the defect is unsuccessful or if KARDEX does not take any action, the Buyer has to grant KARDEX an additional thirty (30) days to rectify the defect. If the second attempt to rectify is unsuccessful or if KARDEX allows said reasonable deadlines to expire without taking any action, the Buyer is entitled to claim a reduction of the remuneration for the improperly rendered service. The Buyer is also entitled to claim a reduction of the remuneration if KARDEX seriously and ultimately refuses to carry out the rectification from the outset. The Buyer has a right to withdraw from the contract only if the services carried out by KARDEX repeatedly show serious defects and if KARDEX repeatedly fails to remedy breaches of warranty in accordance with this provision.

4.3. The warranty runs as from acceptance of the service. The Buyer is obliged to immediately inspect and accept any service performed for defects and to immediately notify KARDEX in writing of any defects. The Buyer's warranty claims are forfeited to the extent that it fails to meet this obligation to raise a complaint.

4.4. The warranty is void if work or attempted repairs are carried out on the Products by maintenance companies not approved or certified by KARDEX.

4.5. Unless explicitly agreed otherwise, KARDEX does not warrant that maintenance and inspections will be carried out within a particular time frame. KARDEX further does not warrant that in the case of KARDEX Remote Support a third party does not gain unauthorized access to the Products.

5. Term and Termination of the Service Contract

5.1. The service contract enters into force at the time specified in the service contract and has an initial term of 2 years.

5.2. It will be extended by further periods of one year in each case unless terminated in writing by either party, with at least 3 months' notice to the end of the respective contractual period.

5.3. The service contract may be terminated in writing for cause by either party with immediate effect if one of the contracting parties has significantly breached its obligations under the service contract and fails to remedy the breach, in spite of a compliance notice from the other party giving it a deadline of 2 weeks to do so. Section C3.4 shall apply to breaches of duty in connection to warranty claims.

5.4. KARDEX may demand that individual Products be excluded from the service contract after a notice period of 3 months, if the Products concerned can no longer be properly maintained because of excessive wear and tear, excessive efforts and lack of availability of spare parts or obsolescence (section B.9.).