**General Terms and Conditions of Business**

Miles Fahrzeugbau GmbH

**§ 1 General, Scope**

(1) These General Terms and Conditions (GTC) apply to all our business relationships with our customers (hereinafter "Customer") or suppliers (hereinafter "Supplier"). These GTC only apply if the Customer or Supplier is an entrepreneur (Section 14 of the German Civil Code), a legal entity under public law, or a special fund under public law.

(2) These General Terms and Conditions apply to contracts for the sale and/or delivery of brand-new motor vehicles, trailers, or semi-trailers (hereinafter "Vehicle"), regardless of whether we manufacture the purchased item ourselves, in whole or in part, or purchase it from suppliers (§§ 433, 651 BGB). These General Terms and Conditions also apply to the sale of spare and wear parts (hereinafter "Material"), as well as the provision of services such as maintenance, repairs, overhauls, or technical inspections, such as accident prevention regulations (UVV) inspections or similar (hereinafter "Service").

(3) These General Terms and Conditions apply exclusively. Any deviating, conflicting, or supplementary general terms and conditions, in particular purchasing conditions, of customers shall only become part of the contract if and to the extent that we have expressly consented to their validity. This requirement of consent applies in all cases, for example, even if we carry out the delivery to the customer without reservation despite being aware of the customer's General Terms and Conditions or in the event of the customer's objection to our General Terms and Conditions.

**§ 2 Conclusion of contract**

(1) Our offers are subject to change and non-binding. This also applies if we have provided the customer with catalogs, technical documentation (e.g., operating instructions, illustrations, plans, technical drawings, calculations), other product descriptions (brochures, etc.) or documents – including in electronic form.

(2) The customer's order shall be deemed to be a binding contractual offer. Unless otherwise stated in the order, we are entitled to accept this contractual offer within six weeks of its receipt.

(3) Acceptance by us can be declared either by order confirmation in text form (in writing, by letter, fax, email, etc.) or by delivery of an ordered vehicle, ordered material or the provision of a service to the customer.

(4) For vehicles, the technical specifications contained in the order confirmation and any associated technical drawings are binding. These must be checked by the customer and returned signed within seven working days. Any deviations must be expressly noted, and a corrected order confirmation must be requested by the customer. For materials consisting of individually manufactured assemblies (such as tailgates, side protection, custom-made profiles, or similar), any deviations must be pointed out immediately.

(5) We reserve the right to make changes to the design or shape, deviations in colour and changes to the scope of delivery during the delivery period, provided that the changes or deviations are reasonable for the customer, taking our interests into account.

(6) Legally relevant declarations and notifications that the customer must make to us after conclusion of the contract (e.g. setting of deadlines, notifications of defects, declarations of withdrawal or reduction) must be in writing to be effective.

**§ 3 Delivery period, delay in delivery, force majeure**

(1) The delivery time stated by us in the order confirmation for vehicles is non-binding unless otherwise agreed in writing. For spare or wear parts, an estimated and non-binding delivery period will be communicated to the customer upon order. For spare or wear parts not in stock, the delivery period may also be stated as indefinite or open, depending on the current delivery availability of our suppliers. For services such as repairs or maintenance, a non-binding date for repair and completion may be stated. This is only valid if the repair effort and the scope of the required parts correspond to the description or assessment of the damage. If a repair exceeds the initially determined effort, the completion date will also be postponed accordingly.

(2) If we are unable to meet binding delivery deadlines for extraordinary and/or unforeseeable reasons and/or reasons beyond our control (unavailability of the service), we will inform the customer immediately and at the same time provide the expected new delivery deadline. Such reasons may include, for example, difficulties in procuring materials, operational disruptions, strikes, lockouts, lack of means of transport, official interventions, energy supply difficulties, or similar events affecting us or our suppliers. If the service is not available within the new delivery deadline, we are entitled to withdraw from the contract in whole or in part. We will immediately reimburse any consideration already provided by the customer. Our statutory rights of withdrawal and termination, as well as the statutory provisions governing the execution of the contract in the event of an exclusion of the obligation to perform (e.g., impossibility or unreasonableness of the service and/or repair), remain unaffected. The customer's rights of withdrawal and termination pursuant to Section 8 of these General Terms and Conditions also remain unaffected. If the delivery time is extended or we are released from our delivery obligation, the customer may not derive any claims for damages from this. We may only invoke these circumstances if we notify the customer immediately.

(3) In the event of a delay in delivery for which we are responsible, the customer is entitled to grant us a grace period reasonable under the circumstances. If we fail to meet this deadline for reasons for which we are responsible, the customer is entitled to withdraw from the contract. The customer is only entitled to claims for damages in the event of an intentional or grossly negligent exceeding of the grace period.

(4) Our delay in delivery shall be determined by statutory provisions. In any case, a written reminder from the customer is required.

(5) Compliance with the delivery deadline by us requires the timely and proper fulfilment of the customer’s contractual obligations, in particular his payment obligations.

(6) If dispatch is delayed at the customer's request, the customer shall bear the resulting additional costs as well as the risk of accidental loss or accidental deterioration of the delivered goods from the time of notification of readiness for collection or dispatch.

**§ 4 Delivery, transfer of risk, obligation to accept, return**

(1) Vehicles are delivered by pickup by the customer from our headquarters, which is also the place of performance. We can arrange for vehicles to be delivered to the customer. This will then be at the customer's expense and risk. Ordered spare or wear parts can be picked up from our headquarters after notification of availability. We can also arrange for them to be shipped to the customer. For parts that can be shipped by parcel, this will be done by a parcel service provider in accordance with our quoted shipping costs. For parts that must be shipped by freight forwarder or direct delivery due to their size and/or weight, an individual quote will be provided for the resulting shipping costs. Additional costs for any returns and reshipments that arise due to non-delivery to the customer (e.g., if the recipient cannot be found, the shipping address provided is incorrect, or there is no unloading option) will be borne by the customer.

(2) We are entitled, but not obligated, to insure the goods in the name and for the account of the customer. Damage occurring during transport to the customer must be reported to us immediately. This damage must be documented with appropriate photographs.

(3) The customer is obligated to take delivery of the vehicle within 14 days of receiving notification that it is ready for collection. In the event of later delivery, we are entitled to charge storage fees for the vehicle. These fees currently amount to €50 per calendar day. In the event of non-delivery of the vehicle, we are entitled to exercise our statutory rights. If we claim damages for non-delivery, this shall amount to 25% of the purchase price. We reserve the right to provide evidence of greater damages.

(4) If the customer cancels the purchase of ordered material that is ready for collection or has already been delivered, a restocking fee of 25% of the value of the goods will be charged. Any shipping costs already incurred will be due regardless. If the condition of the parts has deteriorated in the meantime (e.g., due to transport or improper storage), we are entitled to document this and deduct it from the total. Material for which notification of availability, collection, or shipping occurred more than three months ago cannot be returned. Material consisting of custom-made assemblies (such as tailgates, side impact protection, custom-made profiles, or similar) cannot be returned.

(5) The risk of accidental loss and accidental deterioration of the item passes to the customer upon notification of the availability of the vehicle or material. If acceptance has been agreed, this shall be decisive for the transfer of risk. In all other respects, the statutory provisions of the law governing contracts for work and services shall apply accordingly to an agreed acceptance. It shall be deemed equivalent to handover or acceptance if the customer is in default of acceptance.

**§ 5 Prices and payment conditions**

(1) Unless otherwise agreed in individual cases, our prices valid at the time of conclusion of the contract plus statutory VAT shall apply.

(2) Unless otherwise agreed, the purchase price for vehicles is due within 7 working days of the invoice date or upon completion or acceptance of the vehicle. For replacement or wear parts, the purchase price is due within 7 working days of the invoice date. We reserve the right to charge for advance payment (particularly for new customers or customers from abroad, but also for orders of custom-made materials).

(3) Upon expiration of the above payment deadline, the customer shall be in default. If the customer is in default, we are entitled to demand default interest at a rate of 3% per annum above the current discount rate of the Deutsche Bundesbank as damages for the duration of the default, unless the customer proves that the damages are less. We reserve the right to assert further damages for default. With regard to merchants, our claim to commercial default interest (Section 353 of the German Commercial Code) remains unaffected.

(4) The customer shall only be entitled to rights of set-off or retention to the extent that his claim has been legally established or is undisputed. In the event of defects in the delivery, Section 7, Paragraph 8 of these General Terms and Conditions remains unaffected.

(5) If, after conclusion of the contract, it becomes apparent that our claim to the purchase price is jeopardized by the customer's inability to perform (e.g., due to a petition for the opening of insolvency proceedings against the customer's assets), we are entitled, in accordance with the statutory provisions, to refuse performance and – if necessary, after setting a deadline – to withdraw from the contract (Section 321 of the German Civil Code). In the case of contracts for the manufacture of non-fungible items (custom-made vehicles), we may declare withdrawal immediately; the statutory provisions regarding the dispensability of setting a deadline remain unaffected.

(6) Bills of exchange and checks are accepted only as payment and without guarantee of correct presentation and protest. Bank, discount, and collection fees are to be borne by the customer. Payments based on bills of exchange and checks are only considered fulfilled after the respective amount has been credited to our account.

(7) The customer is not entitled to withhold the purchase price due to any counterclaims that do not arise from this contractual relationship. A right of set-off exists only if the claim is undisputed, ready for decision, or has been legally established.

**§ 6 Retention of title**

(1) We retain title to the vehicle sold or the delivered material until full payment of all our current and future claims arising from the purchase contract, in connection with the purchased item (e.g. from services and material deliveries) as well as from an ongoing business relationship with the customer (hereinafter "secured claims").

(2) A vehicle or material subject to retention of title may not be pledged to third parties, transferred as security or sold before full payment of the secured claims.

**§ 7 Customer’s claims for defects**

(1) The statutory provisions apply to the customer's rights in the event of material and legal defects, unless otherwise provided below. We expressly point out the shortened limitation period of one year pursuant to Section 9 of these General Terms and Conditions. Reporting of a defect or warranty or guarantee claim must be made using the form provided by us.

(2) Our liability for defects in vehicles is primarily based on the agreement regarding the condition of the vehicle. The agreement regarding the condition is deemed to be the product descriptions designated as such (including those of the manufacturer), which were provided to the customer prior to placing the order or incorporated into the contract in the same way as these General Terms and Conditions.

(3) If the quality has not been agreed upon, the existence of a defect shall be determined according to the statutory provisions (Section 434 (1) Sentences 2 and 3 of the German Civil Code). However, we assume no liability for public statements made by the manufacturer or other third parties (e.g., advertising statements).

(4) The customer's claims for defects presuppose that they have complied with their statutory obligations to inspect and give notice of defects (Sections 377 and 381 of the German Commercial Code (HGB)). If a defect becomes apparent during the inspection or later, we must be notified immediately in writing within one week. Notification is deemed to be immediate if it is made within one week; timely dispatch of the notification is sufficient to meet the deadline. Irrespective of this obligation to inspect and give notice of defects, the customer must notify obvious defects (including incorrect and short deliveries) in writing within one week of delivery; timely dispatch of the notification is sufficient to meet the deadline. If the customer fails to carry out the proper inspection and/or give notice of defects, our liability for the undisclosed defect is excluded.

(5) Our warranty obligation is subject to the condition that the vehicles and parts supplied by us are properly assembled and used and operated in strict compliance with our instructions (the operating and maintenance instructions included in the user manual upon delivery of the product). No warranty obligation exists if the defect is causally related to:

- the delivered vehicle or parts have been improperly handled or overstressed,

- the delivered vehicle or the parts have been modified in a manner not approved by us, - spare parts and/or accessories not supplied or approved by us have been installed in the delivered vehicle,

- our instructions regarding maintenance and care of the delivered vehicle or parts have not been followed.

Natural wear and tear due to use are excluded from the warranty.

(6) If a delivered vehicle is defective, the customer may only demand the rectification of the defect (repair) as subsequent performance, but not the delivery of another, defect-free replacement vehicle. In the case of spare or wear parts, subsequent performance may be achieved by subsequent or replacement delivery. If necessary, the defective parts must be inspected by us before dispatching a replacement delivery. The defective parts will be picked up by us or a transport company commissioned by us. The customer is obligated to cooperate in this process by restoring the packaged condition of the parts and making them available for collection.

(7) We are only liable for defects in third-party products that we have purchased from suppliers or the manufacturer to the extent that we assign to the customer all warranty rights to which we are entitled against the manufacturer and/or sub-supplier. Furthermore, we undertake to provide the customer with all information and documents necessary to pursue and protect the claims. For such defects, the warranty conditions of the respective supplier or manufacturer shall apply. As Miles Fahrzeugbau GmbH, we transfer all claims we have against the respective manufacturer and/or supplier to the customer.

(8) We are entitled to make any repair owed dependent on the customer paying the purchase price due. However, the customer is entitled to retain a portion of the purchase price that is reasonable in relation to the defect.

(9) The customer must give us the time and opportunity necessary to carry out the repairs owed, in particular in the case of vehicles, to provide us with the defective vehicle for inspection purposes.

(10) We will bear the expenses required for inspection and repair, in particular transport, travel, labor, and material costs, if a defect actually exists. However, if the customer's request for remedy of the defect proves to be unjustified, we may demand reimbursement from the customer for the resulting costs. Costs for restocking may also be incurred. (Section 4, Paragraph 5)

(11) Only in urgent cases, e.g., if operational safety is at risk or to prevent disproportionate damage, does the customer have the right to remedy the defect themselves and to demand reimbursement from us for the objectively necessary expenses. We must be notified immediately of such self-repair, and written consent must be obtained. The right to self-repair does not apply if we would be entitled to refuse corresponding subsequent performance under statutory provisions.

(12) Liability for damages not caused by the delivered item itself is excluded. This also applies to consequential damages of any kind, unless we are guilty of intent or gross negligence or the warranty covers the risk of consequential damage. This exclusion of liability does not apply in cases where we are liable for personal injury and property damage to privately used items due to defects in the delivered item under the Product Liability Act.

**§ 8 Limitation Period**

(1) Notwithstanding Section 438 (1) No. 3 of the German Civil Code (BGB), the general limitation period for claims arising from material and legal defects shall be one year from delivery of new goods. Warranty claims are excluded for used goods. If acceptance has been agreed, the limitation period begins upon acceptance.

(2) The above limitation periods under the law of purchase also apply to contractual and non-contractual claims for damages by the customer based on a defect in the item, unless the application of the regular statutory limitation period (§§ 195, 199 BGB) would lead to a shorter limitation period in the individual case. The limitation periods under the Product Liability Act remain unaffected in any case. Otherwise, the statutory limitation periods apply exclusively to the customer's claims for damages pursuant to § 8.

**§ 9 Place of performance, choice of law and place of jurisdiction**

(1) The place of performance for all obligations arising from this contract (delivery and payment) is, unless otherwise agreed in writing, our registered office.

(2) These General Terms and Conditions and all legal relationships between us and the customer are governed by the law of the Federal Republic of Germany, excluding all international and supranational (contractual) legal systems, in particular the UN Convention on Contracts for the International Sale of Goods. However, the conditions and effects of the retention of title pursuant to Section 6 shall be subject to the law of the respective location of the vehicle, insofar as the choice of law in favor of German law is inadmissible or ineffective.

(3) If the customer is a merchant within the meaning of the German Commercial Code (HGB), a legal entity under public law, or a special fund under public law, the exclusive – including international – place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship shall be our registered office in Bremen. However, we are also entitled to bring legal action at the customer's general place of jurisdiction.