

GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY

NEUMAN & ESSER Deutschland GmbH & Co. KG (NEAD)

(Version 06/2023)

1. SCOPE OF APPLICATION / CONCLUSION OF CONTRACT

- 1.1 The sale and delivery of goods, including any software contained therein or delivered together with the goods (hereinafter collectively referred to as "Deliveries") to our customers is performed exclusively based on these General Terms and Conditions of Sale and Delivery (hereinafter "GTC"), provided that the customer is an entrepreneur, a legal entity under public law or a special fund under public law. Any terms and conditions of the customer, which are contrary to or deviate from our GTC or from statutory provisions, shall not apply, unless we expressly agree to their validity in writing.
- 1.2 These GTC shall also apply within the framework of an ongoing business relationship to all our future Deliveries to the customer, even if we do not refer to these GTC in each individual case.
- 1.3 Our quotations are - unless otherwise specified - binding and may only be accepted by the customer within thirty (30) days after receipt.
- 1.4 Changes to the Deliveries at the request of the customer (e.g. in design and process) are performed exclusively on the basis of a written agreement, in which the consequences of such a change are to be resolved, especially with respect to additional costs or delivery dates.
- 1.5 Legally relevant declarations and/or notifications of the customer in relation to the contract (e.g. changes in delivery time or deadlines, notification of defects, notification of claims) shall be made in written or text form.

2. PRICES / TERMS OF PAYMENT

- 2.1 Unless otherwise agreed, our prices are net prices in Euro on the basis of "EXW NEAD workshop" (according to ICC Incoterms 2020) plus packaging, storage, insurance and legally owed value added tax and/or any other taxes and legal duties.
Value-added tax is not charged, if the legal conditions for a tax exemption are met, e.g., delivery into EU member states. NEAD can demand a dated and signed confirmation of receipt of the intra-Community delivery. The receipt shall contain at least the name and address of the consignee, the quantity and usual description and the place and date of receipt. In addition, the customer shall provide his valid VAT identification number. If the relevant documents are not provided to NEAD, the tax exemption of intra-Community deliveries shall not apply.
- 2.2 If no fixed price, but our list or catalog price is agreed, the following applies: If, in accordance with the agreement, the delivery takes place more than four months after conclusion of the contract, our list prices valid at the time of delivery shall apply (in each case less any agreed discount). If the delivery takes place within the framework of a continuous supply obligation, the list price valid at the time of delivery shall apply in each and any case.
- 2.3 If, after conclusion of the contract, cost reductions or cost increases occur (e.g. because of changes in wages or material prices), each party may demand negotiations on a price adjustment.
- 2.4 Payments by the customer shall be made to one of our bank accounts within thirty (30) days of the invoice date. We are entitled to perform deliveries only against advance and/or simultaneously payment.
- 2.5 In the event of default of payment, we are entitled - without prejudice to further claims - to declare all claims under this contract due so that they are due immediately or to demand adequate securities. Further we have the right to perform any outstanding deliveries only against advance payments or provision of adequate securities.
- 2.6 If it becomes obvious after conclusion of the contract (e.g. through an application to open insolvency proceedings or comparable proceedings regarding the customer's assets) that our claim to the purchase price is endangered by the customer's lack of ability to pay, we shall be entitled to exercise the right of retention and - if necessary after setting a grace period - to withdraw from the contract.
- 2.7 The customer shall only be entitled to offset counterclaims or withhold payments to the extent that his counterclaims are undisputed or have been established with legally binding effect or are legally pending.

3. DELIVERY / DELAY IN DELIVERY

- 3.1 Unless agreed otherwise, our Deliveries are performed "EXW NEAD workshop" (according to Incoterms 2020), which is also the place of performance for our Deliveries and any following performance.
- 3.2 Delivery periods and dates are agreed on an individual basis or determined in our quotation. The compliance with the agreed delivery periods and dates shall be subject to customer's fulfillment of all cooperation obligations, in particular the timely provision of all documents, permits, investigations, releases, provisions, and customer's compliance with the agreed payment terms. If these requirements are not properly fulfilled by the customer in good time, delivery periods shall be extended, and delivery dates postponed reasonably. Further claims of NEAD shall remain unaffected.
- 3.3 We are entitled to make partial deliveries and to issue corresponding invoices if the customer doesn't prove any considerable additional work or additional costs in advance.
- 3.4 The occurrence of our delay in delivery shall be determined in accordance with the law.
- 3.5 If non-compliance with agreed delivery periods is due to force majeure or any other unpreventable events beyond our reasonable control (e.g. epidemics, war, terrorist attacks, including those affecting our suppliers and sub suppliers), the delivery periods and delivery dates shall be extended reasonably. If force majeure events or equivalent events continue for more than six (6) months, each party has the right to terminate the contract, provided that a reasonable and mutually change of the contract is not possible.

4. SCOPE OF DELIVERY

- 4.1 The quantity and quality of our deliveries is conclusively described in the agreed product respectively performance descriptions and specifications. Any quality of the deliveries deviating from this shall be deemed accepted by the customer, to the extent the customer accepts these deliveries.
- 4.2 The responsibility for the integration of the deliveries into the customers plant and/or production system lies with the customer. We do not assume any warranty for the customers engineering and/or construction of the plant.
- 4.3 If our deliveries contain software our license conditions do apply. Upon transfer of risk, the customer shall be granted non-exclusive rights to use the software, to the extent the software is required for the use of the deliveries intended under the contract. The customer has no right to modify or manipulate the software code. Any changes require commissioning and consent of NEAD.
- 4.4 To the extent our deliveries contain other electronics, licenses for the use of the industrial property rights of third parties respectively patents, these are not part of NEAD deliveries. The customer is obliged to obtain these directly from the owners of the property rights or from the administrator of the respective patents. The Deliveries also do not include licenses for other industrial property rights of third parties.

5. DEFECTS / WARRANTY

- 5.1 Unless otherwise provided for in these GTC, including the following provisions, the legal provisions shall apply in the event of material defects and defects of title.
- 5.2 The customer claim for defects, requires that the customer inspected and notified any defect in strict accordance with the legal provisions.
- 5.3 At NEAD request, the customer shall return allegedly defective Deliveries to us at his own expense. In the event the complaint is justified, we reimburse the costs of the most favorable manner of transport; this shall not apply if the costs increase because the Deliveries are located at a place other than the place of intended use. In the event of unjustified notification of defects, we are entitled to demand reimbursement from the customer for the expenses incurred by us (e.g. labor, material and other costs).
- 5.4 Subsequent performance shall be affected at our discretion by rectification of defect or replacement delivery. In the case of software, we fulfill our obligation to remedy the defect, if we provide a software version, which no longer contains the defect. Our right to refuse subsequent performance according to statutory provisions remains unaffected.
- 5.5 We remedy defects or carry out replacement deliveries as a gesture of goodwill and without any recognition of a legal obligation. A new start of the warranty period shall only exist, if NEAD expressly declare this towards the customer.

- 5.6 Warranty claims are excluded, if the failure occurred after the transfer of risk because of e.g. natural wear and tear, the violation of operating, maintenance and installation instructions, unsuitable or improper use, incorrect or negligent handling, storage or installation or because of interventions in the deliveries by the customer, his suppliers and/or third parties.
- 5.7 The customer must ensure that its staff and any third parties intended to work with the deliveries, are aware of all our operating instructions, manuals, or instructions for use of the deliveries. The customer must instruct the aforesaid staff and any suppliers and third parties in relation to the handling, use, storage, transport of the deliveries.
- 5.8 In case of a breach of duty other than relating to a defect, the customer may only withdraw or terminate the contract in accordance with legal provisions, if NEAD is responsible for the breach of duty.
- 5.9 The limitation period for claims for defects is 12 months from the statutory commencement of the limitation period. Deviating from the above, the statutory limitation period shall apply in the case of § 438 (1) No. 1 a) BGB (right in rem of a third party) and § 438 (1) No. 1 b) BGB (right entered in the Land Register), §§ 438 (1) No. 2 BGB (building; object that has been used for a building in accordance with its usual purpose and causes the defectiveness of the building) and in the case of fraudulent intent.
- 5.10 The customer's claims for damages and reimbursement of expenses, even in case of defects, shall only exist in accordance with the provisions of Section 7 and is excluded in all other cases.
- 5.11 NEAD shall not be liable for claims arising from the infringement of industrial property rights or copyrights of third parties (hereinafter "Property Rights") if the customer or companies in which the customer directly or indirectly holds a majority of the capital have or had the Property Right or the right to use.
- 5.12 We shall only be liable for claims arising from the infringement of Property Rights, if at least one Property Right of the same Property Rights family has been published either by the European Patent Office or in either the Federal Republic of Germany, France, the U.K., Austria, or the U.S.
- 5.13 The customer shall inform us immediately on infringement risks and alleged infringements that become known to him and give us the opportunity to jointly oppose such claims. At our request – as far as possible and permissible – the customer shall allow us to conduct the litigation (including out of court).
- 5.14 At our discretion, we are entitled to obtain a right of use for the deliveries, which infringe a Property Right, to modify the deliveries in such a way that they no longer infringe the Property Right, or to replace deliveries by an equivalent substitute, which no longer infringes the Property Right. We reserve the right to take these measures even if the infringement of Property Rights has not yet been legally acknowledged by us.
- 5.15 Any claims of the customer shall be excluded to the extent that the customer is responsible for or has caused the infringement of Property Rights, if the customer does not reasonably support us in the defense against claims asserted by third parties, if the Deliveries have been manufactured in accordance with the specifications or instructions of the customer, if the infringement of Property Rights results from use in combination with another product (including software) not delivered by NEAD, or if the deliveries are not used in accordance with the contract.
- 6. COMPENSATION FOR DAMAGES**
- 6.1 Unless otherwise provided for in these GTC, including the following provisions or a separate liability agreement, we shall be liable - irrespective of the legal basis (contract, tort, indemnity, or any other legal basis) - for damages and reimbursement of expenses (hereinafter "Damages") only in accordance with the legal provisions.
- 6.2 We shall be liable for Damages in cases of gross negligence and willful misconduct. In the case of simple negligence, we shall only be liable for damages resulting from injury to life, body or health, and for damages resulting from the breach of a material contractual obligation (obligation whose fulfillment is essential for the proper execution of the contract and on whose compliance the contractual partner regularly relies). In these cases, NEAD's liability shall be limited to the compensation of the typically foreseeable damage.
- 6.3 The limitations of liability shall not apply if we have fraudulently concealed a defect or have assumed a guarantee for the quality of the goods, and for claims of the customer under the Product Liability law.
- 6.4 Contractual and non-contractual claims of the customer for damages based on a defect in the Deliveries shall become statute-barred two years after delivery unless statutory law mandatorily provides for a longer period of limitation.
- 6.5 Insofar as our liability for Damages is excluded or limited in accordance with the above provisions, this also applies regarding the personal liability for damages of our employees, representatives, suppliers, and agents.
- 7. RESERVATION OF TITLE**
- 7.1 We reserve title to the deliveries until all claims to which we are and will be entitled under the business relationship have been fulfilled in total.
- 7.2 Insofar as maintenance and inspection work is required on the Reserved Property, the customer shall carry this out according to the specified times and extent at his own expense.
- 7.3 The customer shall be entitled to process or combine our Reserved Property during his usual business operations. We shall acquire co-ownership of the products resulting from the processing or combination in order to secure our claims. The customer shall store the Reserved Property free of charge as a contractual accessory obligation. The amount of our co-property share is determined by the ratio of the value of our Deliveries (calculated according to the final invoice amount including VAT) to the value of the products resulting from the processing or combination at the time of processing or combination.
- 7.4 At our request, the customer shall inform us immediately in writing to whom he has sold the Reserved Property and which receivables he is entitled to from the resale, as well as issue us at his expense with publicly certified documents on the assignment of the receivables.
- 7.5 If the customer acts in breach of contract, in particular if he fails to pay the due purchase price, we shall be entitled to withdraw from the contract in accordance with the statutory provisions and/or to demand the return of the deliveries on the basis of the reservation of title. The demand for return does not at the same time include the declaration of withdrawal; we are rather entitled to demand only the return of the deliveries and reserve the right to withdraw from the contract. If the customer does not pay the due purchase price, we may only assert these rights if we have previously set the customer a reasonable deadline for payment without success or if such setting of a deadline is dispensable according to the statutory provisions.
- 8. EXPORT CONTROL**
- 8.1 Each party is entitled to refuse to perform its obligations under this GTC insofar as the performance is prohibited or impaired by foreign trade law (including, without limitation, national and international [re-]export control and customs regulations, including embargos and other sanctions which is – in accordance with this law – applicable to this contract (hereinafter "Foreign Trade Law"). In such cases, either party is entitled to terminate this contract to the extent necessary.
- 8.2 In case of delay in the performance of obligations under this Delivery Terms caused by licensing, authorization or similar requirements or caused by other Foreign Trade Law procedures (hereinafter "Authorization"), the time of performance for such obligations is extended/moved accordingly and neither party shall have any liability for non-compliance related to such delay. Should an Authorization be denied or not granted within twelve (12) months after filing the application, we are entitled to terminate this contract to the extent the performance of the obligation requires this Authorization.
- 8.3 Each party shall notify the other party within a reasonable time period upon becoming aware of a Foreign Trade Law, which may prohibit or impair performance.
- 8.4 Upon our request, the customer shall provide any information and documents necessary to comply with Foreign Trade Law or requested by authorities in relation to Foreign Trade Law. Such information and documents including, without limitation, information on the end customer/user, the destination, and the intended end use of the deliveries. NEAD may, at its sole discretion, refuse to perform obligations under this GTC or terminate the contract, if the customer does not provide us with such information or documents within a reasonable time period.
- 8.5 If the customer provides to any third party or affiliate any deliveries, the customer shall comply with applicable Foreign Trade Law. We are entitled to refuse to perform our obligations under this GTC and to terminate the contract for cause if the customer breaches this obligation.
- 8.6 To the extent permitted by applicable law, NEAD shall have no liability for any claims of the customer for damages related to or arising from our refusal to perform obligations under this GTC or termination of the contract in accordance with previous clauses.
- 8.7 For delivery of goods across customs borders to NEAD, the customer is obliged to provide us with all required documents and information such as commercial invoice and delivery note, for a complete and correct import customs declaration.
- 9. CONFIDENTIALITY / DATA PROTECTION**
- 9.1 Confidential Information shall mean all trade secrets and business or technical information (including documents or software, as well as other knowledge or experience) made accessible by NEAD, irrespective of whether it is marked as confidential or not. Regarding the protection of trade secrets in accordance with the German Trade Secrets Act, the customer acknowledges that NEAD's secrecy measures are appropriate.

- 9.2 Confidential Information shall be kept secret from third parties to the extent, it is not proven to be public knowledge or has not been designated by us for disclosure by the customer. It may only be made available in the customer's own business to those persons who necessarily have to be involved in their use and who are also obliged to maintain confidentiality. Confidential Information may not be duplicated or used commercially without our written consent; the customer is also not entitled to reverse engineer the Deliveries without our explicit consent; the information shall remain our exclusive property.
- 9.3 The customer shall inform us immediately, if he becomes aware that Confidential Information has been disclosed. In this case, the customer must use his best efforts to ensure that this disclosed Confidential Information is not passed on/used by the unauthorized receiver and is deleted. At our request, all Confidential Information (including any copies or records made) must be returned to us immediately and completely, destroyed or deleted. We reserve all rights to the Confidential Information (e.g., patents, utility models, and semiconductor protection).
- 9.4 If personal data is processed, we observe the legal regulations for data protection. In this case, the details of the data collected, and their respective processing are set out in a data protection declaration provided by us or in a separate agreement on data processing.

10. COMPLIANCE / CODE OF ETHICS / HEALTH SAFETY ENVIRONMENT (HSE)

- 10.1 NEAD and the customer are committed to a strict legal compliance in all regards, activities, measures, and any other procedures.
- 10.2 NEAD's Code of Ethics as well as all legal HSE Standards shall apply with regard to all contractual relations.

11. APPLICABLE LAW/PLACE OF JURISDICTION

- 11.1 The laws of the Federal Republic of Germany apply exclusively. The United Nations Convention on Contracts for the International Sale of Goods of 04/11/1980 (CISG) is excluded.
- 11.2 Exclusive place of jurisdiction for all disputes arising from or in connection with the business relationship between the customer and NEAD is Aachen, Germany. Mandatory exclusive places of jurisdiction remain unaffected.

12. SEVERABILITY CLAUSE

- 12.1 Should a provision of these GTC or any other agreement be or become invalid, the validity of the remaining provisions shall remain unaffected. The parties are mutually obliged to replace the invalid provision with a provision that comes as close as possible to the invalid provision in terms of its economic sense/purpose.