

General Terms and Conditions of Sale and Delivery

Article I General Provisions

1. These General Terms and Conditions of Sale and Delivery shall govern the legal relations between the Supplier and the Purchaser in the context of deliveries and/or services provided by the Supplier (hereinafter referred to as "the Deliveries"). The Purchaser's General Terms and Conditions shall only apply if expressly accepted by the Supplier in writing. Any understandings reached between the Supplier and the Purchaser at the time of conclusion of the contract (including subsequent alterations and amendments) shall take precedence over these General Terms and Conditions of Sale and Delivery.

2. All quotations submitted by the Supplier are subject to change and non-binding. In order to be legally valid, all notices of acceptance and all purchase orders must be confirmed by the Supplier in text form; the same also applies to any subsequent amendments, alterations, and ancillary agreements. Any drawings, illustrations, dimensions and other performance data shall only be binding if expressly agreed in writing; Article VIII Clause 1 shall continue to apply.

3. The Supplier reserves the rights of use and exploitation of cost estimates, drawings and other documents (hereinafter referred to as "the Documents") under intellectual property and copyright law without restriction. The Purchaser must not disclose any such documents to third parties without the Supplier's prior consent. In the event that the order is not placed with the Supplier, the documents must be returned to the Supplier immediately on request. Clauses 1 and 2 shall apply accordingly to all documents of the Purchaser; however, these documents may be disclosed to any third parties permissibly commissioned by the Supplier to execute certain deliveries.

4. The Purchaser is granted the non-exclusive right of use of standard software and firmware with the performance features agreed in unmodified form on the devices agreed. The Purchaser is allowed to make a back-up copy of the standard software without the Supplier's express consent.

5. In these General Terms and Conditions of Sale and Delivery, the term "claims for damages" also refers to claims for expenses incurred in vain.

Article II Prices, Terms of Payment and Invoicing

1. Prices are quoted Ex Works, exclusive of packaging, plus the VAT applicable at the time of invoicing.

2. If the Supplier has been commissioned with setup or installation work and unless agreed otherwise, the Purchaser shall bear all necessary incidental costs (e.g. travel and transport costs as well as travel allowances) in addition to the compensation agreed.

3. Payments shall be made to the account designated by the Supplier, free of transfer fees.

4. The Purchaser may only offset financial receivables that have been established as undisputed or as final and absolute.

Article III Retention of Title

1. The delivery items (i.e. Goods Subject to Retention of Title) remain the property of the Supplier until the Purchaser has fulfilled all his obligations arising from the business relationship. If the value of all the security rights to which the Supplier is entitled exceeds the total amount of all secured receivables by more than 20 %, the Supplier shall release a corresponding part of his security rights at the Purchaser's request; for the release, the Supplier is free to choose between different security rights.

2. As long as the Retention of Title is effective, the Purchaser is prohibited from pledging the delivery items concerned or transferring them by way of security. The Purchaser is only allowed to resell the delivery items to resellers within the scope of the usual course of business, and only under the condition that he receives payment from his customer or makes the reservation that the passage of title to the customer takes place once the customer has fulfilled all his payment obligations.

3. By reselling Goods Subject to Retention of Title, the Purchaser assigns all future financial receivables arising from the resale to his own customers, including all ancillary rights such as balance receivables, to the Supplier by way of security without the need for any further explanation. If the Goods Subject to Retention of Title are resold together with other items without defining an individual price for the Goods Subject to Retention of Title, the Purchaser shall assign a percentage of the total invoice amount to the Supplier that corresponds to the price charged by the Supplier for the Goods Subject to Retention of Title.

4. a) The Purchaser is allowed to process any Goods Subject to Retention of Title, or combine and mix them with other items. In any such case, the processing is performed on behalf of the Supplier. The Purchaser shall store the newly created items for the supplier in a safe place with the due diligence of a prudent businessperson. The new items shall be considered as Goods Subject to Retention of Title.

b) The Supplier and the Purchaser already agree that – in the case of combining or mixing any Goods Subject to Retention of Title – the Supplier shall be entitled to co-ownership rights to the newly created items. These rights shall correspond to the value of the combined or mixed Goods Subject to Retention of Title in proportion to the value of the other components of the newly created items at the time of the combination or mixing. To this extent, the new items shall be considered as Goods Subject to Retention of Title.

c) The provisions set out in Clause 3 with regard to the assignment of receivables shall also apply to the newly created items. However, the assignment must not exceed the total price charged by the Supplier for the Goods Subject to Retention of Title subsequently processed, combined, or mixed.

d) In the case that the Purchaser combines the Goods Subject to Retention of Title with real estate or movable assets, the Purchaser – without the need for any further explanation – shall automatically assign all financial receivables arising from this combination, including any ancillary rights, by way of security. The amount of the assignment shall correspond to the value of the combined Goods Subject to Retention of Title in proportion to the other components of the newly created item at the time of the combination.

5. Until revocation, the Purchaser is entitled to collect any assigned receivables arising from the resale of the new item. Where good cause exists to do so – and especially in the case of default of payment, cessation of payment, the opening of insolvency proceedings, bill protest, or substantiated suspicion of the Purchaser's imminent insolvency – the Supplier is entitled to revoke the Purchaser's collection authorization. Following prior warning and subject to a reasonable notice period, the Supplier may disclose details of the assignment by way of security, realize the

receivables assigned, and request that the Purchaser demands an assignment by way of security from his own customer.

6. The Purchaser shall notify the Supplier immediately in the case of seizure, confiscation, or any other court order or intervention by a third party. In the case that the Supplier can reasonably demonstrate legitimate interests, the Purchaser shall immediately disclose all the information and documents that the Supplier may require in order to assert his rights toward the customer.

7. If it turns out that the Purchaser has breached his contractual obligations – and especially in the case of default of payment – the Supplier is entitled to reclaim the items sold and withdraw from the contract after the expiry of an appropriate performance deadline; all legal provisions stating that setting such a deadline is legally superfluous shall remain unaffected. The Purchaser is legally obliged to return the items sold, or invoking a Retention of Title, or requesting the seizure of Goods Subject to Retention of Title, the Supplier does NOT automatically withdraw from the contract, unless expressly stated otherwise by the Supplier.

Article IV Delivery Periods; Delays in Delivery; Partial Deliveries

1. For the supplier to be able to meet delivery deadlines, it is essential that the Purchaser submits all the necessary documents, approvals and releases in a timely manner. This especially applies to plans, compliance with the terms of payment agreed, and the performance of any other of the Purchaser's obligations. If the Purchaser fails to fulfil these requirements in good time, the deadlines shall be prolonged in a reasonable manner; however, this does not apply if the Supplier has caused the delay himself.

2. In the case that the failure to observe delivery deadlines is due to:

a) an Act of God (force majeure), e.g. general mobilization, war, act of terror, riot, epidemic/pandemic or similar events such as strike or lockout;

b) a virus attack or any other third-party attack on the Supplier's IT system, unless this event could have been avoided with reasonable care and appropriate protection measures;

c) obstacles based on German, US or other applicable national, EU or international foreign trade regulations, or due to other circumstances which are not attributable to the Supplier; or

d) untimely or improper delivery by the Supplier;

in these cases, the deadlines shall be extended in a reasonable manner.

3. If the Supplier fails to deliver the goods as scheduled, the Purchaser is entitled to compensation for delay in the amount of 0.5 % for each completed week of delay, but a maximum of 5 % of the price of the goods which could not be used as intended as a consequence of the delay – provided that the Purchaser can provide credible evidence of any such damage.

4. Any delay in delivery shall not entitle the Purchaser to claim damages, or compensation in lieu of performance that goes beyond the provisions set out in Clause 3. This also applies in the case of expiry of a delivery deadline set by the Purchaser. However, this does NOT apply if the Supplier is liable for damages caused by a willful act or negligence, or in the case of liability for damage to life, limb or health. In accordance with legal regulations, the Purchaser shall only be entitled to withdraw from the contract if the Supplier has caused the delay himself. The provisions above do not change the burden of proof to the detriment of the Purchaser.

5. In the event of a delay in delivery, the Purchaser is obliged to declare, at the Supplier's request and within a reasonable time, whether or not he intends to withdraw from the contract or insist that the delivery must be made.

6. If the shipment or delivery of goods is delayed by more than one (1) month at the Purchaser's request after the Supplier's notification of readiness for shipment, the Supplier is entitled to charge a storage fee in the amount of 0.5 % of the price of the delivery items per month commenced, but not exceeding a total amount of 5 % – notwithstanding both parties' right to provide evidence of higher or lower storage costs.

7. Partial deliveries are permissible insofar as they are reasonable for the Purchaser.

Article V Delivery Block

1. The Supplier shall notify the Purchaser of the amount of debt default insurance taken out by the Supplier to cover the loss of receivables from deliveries to the Purchaser ("Commercial Credit Insurance Limit").

2. The Supplier is entitled to hold back the entire delivery, provided that the financial receivables owed by the Purchaser exceed the Commercial Credit Insurance Limit; however, the Purchaser is NOT entitled to a partial delivery that corresponds to the equivalent of the partial amount up to the Commercial Credit Insurance Limit. The Supplier shall execute the deliveries immediately – in the event of several deliveries, in the order of the deadlines originally agreed – provided that the receivables arising thereof no longer exceed the Commercial Credit Insurance Limit.

3. With the Supplier's express consent, the Purchaser may have any of the Supplier's receivables from deliveries set out in Paragraph 2. separately secured by a written, irrevocable and directly enforceable guarantee issued by a financial institution or an insurance company located in the EU ("Separately Secured Receivables"). Provided that the Supplier's Commercial Credit Insurer is ready to increase the Commercial Credit Insurance Limit for a limited time on the basis of such a guarantee, the Supplier shall grant his consent in accordance with Clause 1. The Supplier shall execute the corresponding delivery immediately after receipt of the original deed of suretyship/surety bond and immediately return this document to the Purchaser once the full amount of the receivables secured has been credited to his account.

Article VI Passing of Risk

1. Even in the event of freight-paid delivery, the risk shall pass to the Purchaser upon dispatch or pick-up of the goods. At the Purchaser's request and expense, the Supplier shall take out insurance against all usual transport risks.

2. In the event of delayed shipment or delayed acceptance for reasons attributable to the Purchaser, as well as in the event of a default of acceptance for any other reasons, the risk shall pass to the Purchaser.

General Terms and Conditions of Sale and Delivery

Article VII Acceptance of Deliveries

The Purchaser is not entitled to decline the acceptance of deliveries due to insignificant defects.

Article VIII Material Defects

The Supplier has determined the specified technical data in a testing and inspection environment and shall provide relevant information about this environment on request; the quality and workmanship of the goods shall be defined on this basis only. The Purchaser himself is responsible to determine whether or not the goods are suitable for the intended purpose or use under specific operating conditions; the Supplier does not assume liability for suitability for the intended purpose.

The Supplier shall be liable for material defects in accordance with the following provisions:

1. The Supplier shall, at his discretion and free of charge, either rework, replace, or repeat all parts or services that contain a material defect, provided that the material defect already existed at the time of passing of risks.

2. All claims for rectification shall lapse twelve (12) months from the commencement of the statutory limitation period; the same applies to the rights of withdrawal from the contract and reduction for defect. However, this time limit does NOT apply:

- to the extent that longer periods are prescribed in accordance with §§ 438 Section 1 Clause 2 (Buildings and Building Materials) and 634a Section 1 Clause 2 (Construction Defects) of the German Civil Code (Bürgerliches Gesetzbuch, BGB);
- in the event of willful intent,
- in the case of fraudulent non-disclosure of a defect; as well as
- in the case of a breach of a quality guarantee.

The Purchaser's entitlement to reimbursement of expenses in accordance with § 445a of the German Civil Code (BGB, Recourse to the Seller) shall also lapse twelve (12) months from the commencement of the statutory limitation period, unless the last contract in the delivery chain is a consumer goods purchase. The legal regulations on the suspension of statute of limitations, suspension of limitation periods, and recommencement of limitation periods shall remain unaffected.

3. The Purchaser has the obligation to inspect the delivery items and send a notice of defects to the Supplier in accordance with § 377 of the German Commercial Code (Handelsgesetzbuch, HGB); this paragraph shall remain unaffected, especially with regard to the legal consequences of failure to comply with this obligation.

4. In the event of defect claims, the Purchaser is entitled to retain payments. However, the amount retained must be in reasonable proportion to the material defects occurred. The Purchaser's right to retain payments does not apply to statute-barred claims for defects. If the notice of defects was not justified, the Supplier is entitled to claim the reimbursement of any unnecessary expenses occurred.

5. The Supplier must be given the opportunity to remedy any defects within a reasonable period of time.

6. In the event that the remedy of defects fails, the Purchaser may withdraw from the contract or reduce compensation, notwithstanding any claims for damages in accordance with Clause 10.

7. However, minor deviations from the agreed nature and quality, insignificant impairment of serviceability, natural wear and tear, or any damages incurred after the passing of risk due to incorrect or negligent handling, excessive loads or unsuitable equipment, or any defects due to special external conditions not specified in the contract – unless the transfer corresponds to its intended use. In the event that the Purchaser or a third party has performed any improper modifications or mounting/dismantling or repair work, neither the Purchaser nor the third party are entitled to a claim for defects referring to these activities or the consequences arising therefrom.

8. Any claim filed by the Purchaser for additional expenses within the scope of retrospective rectification measures shall be excluded, provided that the expenses do not increase because the delivery item was subsequently transferred to a location other than the Purchaser's subsidiary originally specified in the contract – unless the transfer corresponds to its intended use. This applies accordingly to the Purchaser's entitlement to reimbursement of expenses in accordance with § 445a of the German Civil Code (BGB, Recourse to the Seller), unless the last contract in the delivery chain is a consumer goods purchase.

9. In accordance with § 445a of the German Civil Code (BGB, Recourse to the Seller), the Purchaser is only entitled to pursue recourse claims against the Supplier insofar as the Purchaser and his customer have not made any agreements that go beyond the statutory claims for defects.

10. Claims for damages due to material defects are excluded. However, this does not apply in the event of a fraudulent non-disclosure of a defect, breach of a quality guarantee, damage to life, limb or health, or if the Supplier's breach of contractual obligations must be considered a willful or grossly negligent act. The provisions above do not change the burden of proof to the detriment of the Purchaser. Any further claims, and any claims other than a material defect claim filed against the Supplier in accordance with Art. VIII, shall be excluded.

Article IX Industrial Property Rights and Copyrights; Defects of Title

1. Unless otherwise agreed upon, the Supplier is only obliged to execute the delivery in the country of the place of delivery, without violation of any third-party intellectual property rights (hereinafter referred to as "the Property Rights"). In the event that a third party pursues a legitimate claim against the Purchaser due to a violation of Property Rights in relation to the items delivered by the Supplier and used as specified in the contract, the Supplier shall be liable to the Purchaser, within the time period set out in Article VIII Clause 2, as follows:

a) The Supplier shall, at his discretion, either obtain a right of use for the delivery items at his own expense and modify them such that a violation of property rights is excluded, or replace the items in question. Should the Supplier not be able to achieve any of these solutions under reasonable conditions, the Purchaser is entitled to statutory rights of withdrawal from the contract and reduction.

b) The Supplier's obligation to pay damages is governed by the provisions of Article XII.

c) However, the Supplier's afore-mentioned obligations only apply insofar as: the Purchaser immediately notifies the Supplier in writing of the claim pursued by a third party; the Purchaser

does not admit to any violation of duty; and the Supplier is reserved the right to pursue any defensive measures and settlement negotiations. In the event that the Purchaser stops using the delivery items for reasons of damage mitigation or other important reasons, the Purchaser shall undertake to inform the third party that the discontinuation of use does not represent an admission of violation of property rights.

2. Any claims filed by the Purchaser shall be excluded in the case that the Purchaser himself is responsible for the violation of property rights.

3. Furthermore, the Purchaser is not entitled to claims if the violation of property rights was caused by special specifications defined by him and resulting in a type of application which could not be predicted by the Supplier; or if the Purchaser has modified the delivery items or used them in combination with products not delivered by the Supplier.

4. In addition, any property right claims pursued by the Purchaser in accordance with Clause 1 a) shall be governed by the provisions of Article VIII Clauses 4, 5, 8 and 9.

5. In the case of other defects of title, the provisions set out in Article VIII shall apply accordingly.

6. Any further claims, as well as any claims other than the Purchaser's rights toward the Supplier and his vicarious agents set out Article IX with regard to a defect of title, shall be excluded.

Article X Contract Execution Subject to Applicable Legal Regulations

1. The contract must be executed as agreed unless prohibited by German, US or any other applicable national, EU or international foreign trade regulations, and unless affected by an embargo or other sanctions.

2. The Purchaser shall undertake to provide all the information and documents required for export, transport, or import.

Article XI Impossibility of Performance; Contract Amendments

1. In the event that delivery is not possible, the Purchaser is entitled to claim damages if the situation which led to the impossibility of performance is beyond the Supplier's control. However, the amount of the Purchaser's damage claims must not exceed 5 % of the total value of the delivery which is not available for use as intended due to impossibility of performance. However, this limitation does not apply in the case that the Supplier is liable for damages caused by a willful act, gross negligence, or for damage to life, limb or health; this provision does not change the burden of proof to the detriment of the Purchaser. The Purchaser's right to withdraw from the contract shall remain unaffected.

2. To the extent that any of the events set out in Article IV Clause 2 a) to c) significantly modifies the economic significance or contents of the delivery or has a major impact on the Supplier's operations, the contract shall be adapted in a reasonable manner based on good faith. If it turns out that such an approach is not economically justifiable, the Supplier shall have the right to withdraw from the contract. The same applies if any necessary export licenses are not granted or are not usable. To make use of his right of withdrawal, the Supplier shall notify the Purchaser immediately after becoming aware of the severity of the event; this equally applies if an extended delivery period was initially agreed with the Purchaser.

Article XII Other Claims for Damages

1. Unless set out otherwise in these General Terms and Conditions of Sale and Delivery, the Purchaser's claims for damages shall be excluded – irrespective of the legal basis, especially due to failure to perform the contract or due to an unlawful act.

2. This shall not apply if the Supplier assumes liability as follows:

- a) in accordance with the German Product Liability Act (Produkthaftungsgesetz – ProdHaftG);
- b) in the event of willful intent;
- c) in the case of gross negligence of owners, legal representatives or senior executives;
- d) in the case of fraudulent intent;
- e) in the event of failure to honor a guarantee;
- f) due to culpable damage to life, limb or health; or
- g) due to a culpable violation of essential contractual obligations; the term "essential contractual obligations" refers to obligations which protect the Purchaser's essential rights arising from the content and purpose of the contract. The term "essential contractual obligations" refers to obligations the fulfillment of which is a prerequisite for the proper execution of the contract; furthermore, the Purchaser has always relied, and must always be able to rely on the fact that the Supplier fulfills these obligations.

However, claims for damages arising from the violation of essential contractual obligations are limited to foreseeable losses or damages considering the nature of the contract, unless any other of the afore-mentioned cases applies.

3. The provisions above do not change the burden of proof to the detriment of the Purchaser.

Article XIII Place of Jurisdiction and Applicable Law

1. Provided that the Purchaser is a merchant, the place of jurisdiction for any dispute arising out of or in connection with the contract shall be the place of business of the Supplier. However, the Supplier shall also have the right to lodge a claim before the competent court at the Purchaser's place of business.

2. This contract, including its interpretation, is subject to German law. The application of the UN Convention on Contracts for the International Sale of Goods signed on April 11, 1980 (CISG) shall be excluded.

Article XIV Legal Validity / Binding Nature of the Contract

The invalidity or unenforceability of any part of the contract, for any reason whatsoever, shall not affect the validity or enforceability of the remainder. However, this shall not apply in the event that holding on to the contract would involve undue hardship to one of the parties.

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