General Terms and Conditions of Sale of Hemscheidt Engineering GmbH & Co. KG, Feucht

I. Scope / Offers

- 1. These General Terms and Conditions of Sale apply exclusively to all including future contracts and other deliveries / services of Hemscheidt Engineering GmbH & Co. KG ("Hemscheidt") in the commercial sector. Conditions of the customer are explicitly contradicted. Other conditions are not accepted, neither by silence nor by performance of deliveries / services.
- 2. Changes, ancillary agreements, or amendments to these General Terms and Conditions of Sale, offers/orders based on them, and the waiver of the written form requirement must be in writing.
- 3. References to the applicability of legal provisions are only for clarification. Thus, legal provisions apply unless they are directly amended or expressly excluded in these General Terms and Conditions of Sale.
- 4. Offers from Hemscheidt are subject to change. The written order confirmation from Hemscheidt is decisive for the conclusion of the contract. Documents provided with the offer, such as catalogs, brochures, illustrations, drawings, and technical data, contain approximate information and descriptions and do not constitute quality specifications or guarantees unless they are explicitly designated as such in writing. Customer orders are considered binding offers of contract.
- 5. Deviations in deliveries / services from offers, samples, trial and preliminary deliveries are permissible in accordance with the applicable DIN standards or other relevant technical standards. The respective DIN standards are the basis of the contract where applicable.
 6. Hemscheidt reserves the right to technically and/or design-wise change the deliveries / services within a reasonable scope for the customer, especially if the change serves technical progress.
- 7. Hemscheidt does not owe a specific success when providing services.

II. Prices

- 1. Unless otherwise agreed, prices are in Euros, EX WORKS Feucht, according to INCO-TERMS 2020, plus value-added tax.
- The customer bears unforeseen additional expenses arising from the execution of the contract for which no price surcharges have been agreed, unless Hemscheidt is responsible for their occurrence.
- 3. If forecasted quantities (total or annual quantities) are not met, Hemscheidt is entitled to charge for unrequested delivery quantities at the end of the delivery period or annually, deducting saved expenses, unless Hemscheidt is at fault for not meeting the quantities.
- 4. If pricing in foreign currency is exceptionally agreed, the conversion rate of the Euro to the foreign currency on the order confirmation day in Germany applies. If this rate changes by the payment day, either party may request a corresponding price adjustment.

III. Payment

1. Invoices are payable by bank transfer within 30 days net from the invoice date, unless otherwise agreed. The invoice amount must be available to Hemscheidt by the due date.

- 2. Counterclaims do not entitle the customer to withhold or offset payment unless the counterclaim is legally established or undisputed.
- 3. If Hemscheidt becomes aware of circumstances after the conclusion of the contract indicating a significant deterioration in the customer's financial situation, Hemscheidt may demand immediate payment of all claims from the business relationship and require security deposits.
- 4. If the customer defaults on payment, Hemscheidt may retrieve the goods after setting a reasonable deadline, withdraw from the contract, and claim compensation for expenses and damages due to the delay. The interest rate during the delay is 9 percentage points above the base interest rate.

IV. Delivery Deadlines / Force Majeure

- 1. Delivery is made from the factory (EXW Incoterms 2020). The stated delivery time is non-binding. A binding delivery deadline is only agreed upon if confirmed in writing by Hemscheidt.
- 2. Delivery times, especially binding delivery deadlines, start on the date of Hemscheidt's order confirmation, but not before the order is fully technically clarified and any agreed advance payment is received. Customer modification requests extend delivery times and deadlines appropriately if Hemscheidt agrees to accommodate them.
- 3. Delivery dates and deadlines extend appropriately in the event of force majeure, such as labor disputes, strikes, lockouts, and unforeseen obstacles beyond Hemscheidt's control, significantly affecting the production of goods. This also applies if such circumstances occur with sub-suppliers. Hemscheidt will immediately inform the customer of such circumstances. If executing the contract becomes unreasonable for one of the parties, they may withdraw from the contract to that extent.
- Continuing with the translation of the General Terms and Conditions of Sale from Hemscheidt Engineering GmbH & Co. KG:

V. Reservation of Ownership

- 1. All delivered goods remain the property of Hemscheidt (reserved goods) until all claims arising from the business relationship for any legal reason, including future or conditional claims, are fulfilled.
- 2. Processing and transformation of the reserved goods occur for Hemscheidt as the manufacturer within the meaning of § 950 BGB (German Civil Code), without obligating Hemscheidt. The processed goods are considered as reserved goods in the sense of no. V.1. In the case of processing, mixing, or blending of the reserved goods with other goods by the customer, Hemscheidt acquires co-ownership of the new item in the ratio of the invoice value of the

- reserved goods to the invoice value of the other goods. If Hemscheidt's ownership expires by blending or mixing, the customer already transfers his ownership rights of the new stock or item to Hemscheidt to the extent of the invoice value of the reserved goods, and keeps them in custody for Hemscheidt free of charge. The resulting co-ownership rights are considered as reserved goods in the sense of
- 3. The customer is permitted to resell the reserved goods in the ordinary course of business under his normal terms and conditions and as long as he is not in default, provided that the claims from the resale are transferred to Hemscheidt according to nos. V.4 to V.6. The customer is not entitled to other dispositions of the reserved goods.
- 4. Claims of the customer from the resale of the reserved goods are already assigned to Hemscheidt. They serve as security to the same extent as the reserved goods. If the reserved goods are sold by the customer together with other goods not purchased from Hemscheidt, the assignment of the claim from the resale applies only to the amount of the resale value of the respective reserved goods sold. In the case of the resale of goods in which Hemscheidt has co-ownership shares according to no. V.2, the assignment of the claim applies to the amount of these co-ownership shares.
- 5. The customer is authorized to collect claims from the resale until Hemscheidt's revocation, which is permissible at any time. Upon Hemscheidt's demand, the customer is obliged to immediately inform his customers about the assignment to Hemscheidt and to provide Hemscheidt with the necessary information and documents for collection.
- 6. The customer must immediately notify Hemscheidt of any seizures or other impairments by third parties.
- 7. If the existing securities exceed the secured claims by more than 10%, Hemscheidt is obliged to release securities of Hemscheidt's choice upon the customer's request.
- 8. The customer is obligated to make all necessary declarations, submit applications, and take other measures necessary and appropriate for securing Hemscheidt's ownership. In particular, in the case of foreign orders, the foreign customer is obliged to cooperate fully in implementing the reservation of ownership or an equivalent security (pledge) and to comply with the respective formal requirements.
- 9. Upon cessation of payments, the application or opening of insolvency proceedings or an out-of-court settlement process, and in case of rejection of such a process due to lack of assets, the right to resell, use, and install the reserved goods, as well as the authorization to collect the assigned claims, expire. Hemscheidt is entitled to retrieve the goods. If the customer has mixed the reserved goods, Hemscheidt is entitled, in agreement with the customer, to separate them based on invoice documents. If the customer does not cooperate, Hemscheidt is solely entitled to separate with an expert.

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VI. Delivery/Performance, Transfer of Risk, Packaging, Proof of Delivery

- 1. The risk passes to the customer upon handing over the goods to a carrier or freight forwarder, but no later than when the goods leave the warehouse or - in the case of direct deliveries - the factory, unless otherwise agreed. If shipment is delayed for reasons not attributable to Hemscheidt, the customer is in default of acceptance. The risk passes to the customer upon notification of readiness for shipment.
- 2. Hemscheidt, in the name of the customer, determines the shipping route and method, as well as the carrier and freight forwarder, unless otherwise agreed in writing.
- Hemscheidt is not obliged to deliver goods subject to approval requirements due to relevant export control regulations and (indirect) embargoes, especially those of the European Union, EU member states, or the USA.
- 4. The goods are delivered packaged, with packaging costs charged separately to the customer. A return of packaging is only possible for those packages (in particular transport and outer packaging) for which there is a corresponding obligation under the Packaging Act. If the customer decides to return these packages, they must be sent back to Hemscheidt's factory (DAP) at the customer's expense, completely emptied. Returnable packaging must also be returned to Hemscheidt's factory (DAP) in a usable condition within a reasonable period.
- 5. Hemscheidt is entitled to make partial deliveries to a reasonable extent. For custommade products, over and under deliveries of up to 5% of the contracted quantity are permissible.
- 6. For call-off orders, Hemscheidt is entitled to produce or have produced the ordered quantity for 6 months in total. Change requests cannot be considered after the order has been placed unless explicitly agreed. Call-off dates and quantities can only be adhered to within the framework of Hemscheidt's delivery or production capabilities unless fixed agreements have been made. If the goods are not called off in accordance with the contract, Hemscheidt is entitled to invoice them after the expiry of a reasonable deadline.
- 7. For deliveries within EU member states ("intra-Community deliveries"), the customer must immediately cooperate in an appropriate manner in providing proof of intra-Community deliveries. Hemscheidt may require, in particular, a dated and signed confirmation of the intra-Community delivery (so-called "proof of arrival") containing at least the following information: name and address of the goods recipient, quantity and commercial designation of the goods, as well as place and date of receipt of the goods. If the customer fails to cooperate in this regard, he is liable for the resulting damage, especially for the sales tax incurred by Hemscheidt.
- 8. If services are to be provided at the customer's location, the customer shall provide Hemscheidt with the necessary infrastructure,

- workplaces, and operating resources, and grant unhindered access to enable Hemscheidt to perform the services without disruption.
- 9. The customer does not have the right to request the provision of services by specific employees of Hemscheidt. Hemscheidt is entitled to use subcontractors to perform the services.

VII. Warranty and Liability

- 1. The customer is responsible for the accuracy and completeness of the templates, dimensions, and other information or specifications provided to Hemscheidt for the execution of the order. Errors on the part of the customer regarding these aspects cannot justify a defect in the goods from Hemscheidt. 2. Upon receipt of the goods, the customer must immediately inspect the packaging for damages and note any damages on the CMR document. The goods must be inspected immediately by the customer, and any visible defects must be reported in writing without delay, but no later than 10 days after delivery. Non-visible defects that were not detectable upon inspection must be reported in writing without delay, i.e., no later than 10 days after discovery. 3. Hemscheidt will remedy any defects that are legitimately claimed, at its option, by rectifying the defect or delivering
- a defect-free item. If the remedy fails twice within a reasonable period set for this purpose, the customer may withdraw from the contract or reduce the purchase price. If the defect is minor, the customer only has the right to reduce the purchase price. Hemscheidt bears transport, installation, and/or removal costs only to the extent that Hemscheidt is legally obligated to do so. 4. Claims for defects expire 12 months
- apply where the law prescribes longer periods. If an acceptance is agreed, the limitation period begins with the acceptance. In cases of remedy of defects, the limitation period does not start anew. 5. Any recourse claims of the customer against Hemscheidt according to § 478 BGB (German Civil Code) exist only to the extent that agreements exceeding the statutory warranty claims have not been made in the supply chain between Hemscheidt and the consumer.

after the transfer of risk. This does not

Any warranty is subject to the condition that the goods supplied by Hemscheidt have been properly maintained and handled. In particular, no warranty is assumed for the consequences of improper use, incorrect assembly or commissioning by the customer or third parties, natural wear and tear, faulty or negligent handling, unsuitable operating materials, or substitute materials. Warranty rights are void if changes or repair works are carried out improperly without the prior written consent of Hemscheidt by the customer or third parties.

- 7. As long as the customer does not provide Hemscheidt with the contested goods or samples thereof upon request, he cannot invoke the defect. Hemscheidt only bears expenses in connection with the remedy of defects to the extent that they are reasonable in relation to the purchase price.
- 8. Claims for damages by the customer, for whatever legal reason, especially due to breach of duties arising from the contractual obligation and from tort, are excluded. This does not apply in cases of intent or gross negligence, injury to life, body, or health, liability under the Product Liability Act, a warranty assumed by Hemscheidt in writing for the quality of the goods, damages resulting from the culpable violation of essential contractual obligations, or in cases of a legally mandatory liability. Essential contractual obligations are the respective contractual main performance obligations and other contractual (ancillary) obligations, the breach of which may endanger the achievement of the purpose of the contract. However, liability for the violation of essential contractual obligations is limited to the compensation of the foreseeable, typical damage. 9. Claims other than those mentioned in item VII.4 expire 6 months after the customer becomes aware or negligently unaware of them, unless evidence of later knowledge is provided.

VIII. Copyrights

- 1. Hemscheidt reserves the ownership and copyright of estimates, designs, drawings, other documents, and information. They may only be made accessible to third parties with Hemscheidt's explicit written consent. Drawings and other documents belonging to offers must be returned upon request.
- 2. If Hemscheidt delivers items based on drawings, models, samples, or other documents provided by the customer, the customer guarantees that third-party rights are not infringed. If third parties prohibit Hemscheidt from manufacturing and delivering such items by invoking protective rights, Hemscheidt is entitled, without being obliged to examine the legal situation, to stop any further activity in this respect and, if the customer is at fault, to demand compensation. The customer is obliged to indemnify Hemscheidt from all related claims by third parties at the first request.

IX. Prototype Parts, Molds, Tools

- 1. If the customer is to provide parts for the execution of the order, they must be delivered to the production site free of charge, at the customer's risk, with an agreed or otherwise reasonable excess quantity for potential scrap, on time and without defects. If this is not done, the resulting costs and consequences are borne by the customer. Hemscheidt exercises care in the production used machinery and tools as for its own affairs. Maintenance, care, and replacement costs are borne by the customer unless otherwise agreed between the
- 2. The production of prototype parts, including the costs for molds and tools, is at the expense of the customer.
- 3. Unless explicitly agreed otherwise, Hemscheidt becomes the owner of the prototype parts, molds, and tools produced by

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Hemscheidt or on behalf of Hemscheidt. As far as necessary for fulfilling the agreed output quantity, Hemscheidt provides free replacement of unusable molds and tools unless the customer is responsible for their unusability. Hemscheidt will use these parts solely for the customer's purposes. This restriction ceases if the customer does not meet his payment and acceptance obligations despite reminders and deadlines. Hemscheidt stores these parts for 2 years from their last use for the customer. At the customer's request and expense, the parts are insured by Hemscheidt.

4. If it is explicitly agreed that the customer becomes the owner of the molds and tools, the ownership transfers only upon complete processing of the order for which these molds and tools were produced. If the customer does not assert his claim for release thereafter, Hemscheidt is not obliged to store these parts free of charge for more than two years, unless a separate agreement has been made. Storage is at the customer's risk.

X. Confidentiality

The customer shall keep all information from the business relationship strictly confidential. The information provided shall be used exclusively for the purpose of the respective order and not for the customer's own purposes unless Hemscheidt has previously given its explicit written consent. This does not include information that the customer has legally received from third parties in a non-confidential manner or information that is publicly available.

XI. Final Provisions

- 1. The place of fulfillment for all deliveries/services is the Hemscheidt factory unless a different location has been individually agreed upon.
- 2. The place of jurisdiction is the headquarters (Feucht) of Hemscheidt. Notwithstanding this, Hemscheidt is entitled to sue the customer at the court competent for the customer's location.
- 3. The legal relationships between Hemscheidt and the customer are governed by the law of the Federal Republic of Germany, excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG) and those provisions of conflict of laws that would justify the applicability of another legal system.
- 4. Should a part of the contract or these General Terms and Conditions of Sale be invalid, this does not affect the validity of the rest of the contract or these conditions. Instead of the invalid provision, a valid provision that most closely approximates Hemscheidt's economic intention shall apply. The same applies in the case of a regulatory gap.

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