

GENERAL TERMS AND CONDITIONS OF SALE AND PAYMENT

of
Maschinenfabrik Kaspar Walter GmbH & Co. KG
Konrad-Zuse-Bogen 18
D-82152 Krailling

HRA 46630 Local Court of Munich,
Register Court
VAT ID No. DE 130002107

(valid since 15.07.2021)

All of our deliveries and services, including also future deliveries and services, are based on these General Terms and Conditions of Sale and Payment. Any purchasing conditions of the Buyer are hereby expressly objected to, unless they correspond to our conditions; otherwise they shall not even become part of the contract if we do not separately object to them again after they have come to our knowledge.

I. Quotations, Conclusion of Contract, Leasing

- 1.) Except as otherwise agreed in writing in individual cases, our quotations are made without obligation.
- 2.) All contracts with us, in particular contracts on deliveries and services or on alterations of and/or additions to such contracts, shall in all cases only become effective with our written confirmation of the order; our confirmation of the order shall be authoritative with regard to the scope of delivery and service.
- 3.) We reserve the title to and the copyright in samples, estimates of costs, invoices and other information of a tangible and intangible kind - also in an electronic form -; they must not be made accessible to third parties without our consent.
- 4.) Commercial representatives and agents of Kaspar Walter GmbH & Co. KG are not entitled to represent our house in legal transactions, except under an express and written power of attorney granted for individual cases; any information given and promises made by the aforementioned persons shall not be binding on us, unless they have been expressly confirmed by us in writing.
- 5.) If the Buyer wishes to incorporate a lessor for the fulfillment of the contract, K. Walter must be informed thereof before the offer is accepted, where K. Walter is entitled to refuse the conclusion of a contract (caveat) in this case. Notwithstanding this caveat, any transaction of the purchase via a lessor requires that the lessor has fixed the conditions with regard to the delivery, payment, etc. agreed by K. Walter with the final customer, including the full acceptance of the General Terms and Conditions of Sale and Payment of K. Walter.

In the event that Kaspar Walter GmbH & Co. KG expresses its willingness in an individual case to meet the Buyer's wish to transfer the contract, which has already been entered in with it, to a leasing company, the Buyer even today undertakes to assume responsibility vis-à-vis Kaspar Walter GmbH & Co. KG in case any modifications claimed by the leasing company to the already existing, original contract turn out to be of disadvantage to us; to the extent to which the Buyer's liability is excluded for the modifications claimed by the leasing company, the Buyer shall continue to be liable in line with the original contractual conditions as if the contractual relationship had not been transferred to the leasing company to that extent.

If the modifications claimed by the leasing company constitute a new liability for Kaspar Walter GmbH & Co. KG which was not agreed under the original contract with the Buyer, the Buyer shall exempt us as the original contractual partner from this liability.

II. Prices, Conditions, Interest

- 1.) Our prices are understood ex works and in euro.
- 2.) The agreed prices are based on the cost factors (e.g. raw material prices, wages and costs of energy) applicable to us and our suppliers upon conclusion of the contract and are understood, for deliveries within the Federal Republic of Germany, plus value added tax at the rate applicable on the date of delivery. In case, the above-mentioned cost factors should change in the period between conclusion of the contract and delivery, we are entitled to apportion the additional costs to the Buyer and to charge the prices applicable on the day of delivery if, for reasons attributable to the Buyer, a manufacturing or delivery of the contractual object of delivery or service was not possible within 6 months from the confirmation of the order at the latest, unless expressly agreed otherwise in writing.
- 3.) Costs or additional costs caused by packaging, special marking, commissioning and the like, shall be charged separately and are not included in the agreed price in the absence of a different express written agreement; in the same manner, there are not included the costs of shipment, erection and installation on site as well as in particular the costs of a possible correspondence with authorities, the preparation of the place of installation, the provision of power current and lighting current, service water and compressed air during the period of assembly and test operation, the provision of a telephone line for the above-mentioned period as well as, if applicable, the preparation of a safety concept for the contractual machines/plants, including the procuring of operating permits that may be required.
- 4.) Every individual invoice must be paid in such a manner that the amount required for it is available to us without limitation in one of our accounts on the agreed date of payment. In case the agreed date of payment is exceeded, we are entitled, without prejudice to any possible further claims, to demand default interest according to Art. 288 BGB (German Civil Code). Also in case of a subsequent extension of the period for payment, the interest shall continue to accrue until the payment is received by us, unless expressly agreed otherwise in writing.
- 5.) Unless expressly agreed otherwise in writing in individual cases, the agreed purchase price is to be paid net cash as follows:

1/3 upon receipt of the confirmation of the order by the Buyer;

2/3 upon readiness of the machine for shipment, subject to the condition that the Buyer, after conclusion of the contract, has to open at one of below mentioned banks, an irrevocable and confirmed L/C, payable against submission of the shipping documents

Deutsche Bank München
Konto-Nr. 312 2611 00 (BLZ 700 700 10)

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- 6.) All of our claims, irrespective of the term of any bills of exchange that may have been accepted on account of performance or credited, shall become immediately due if contractual agreements, in particular agreements regarding the payment, are not observed or we get knowledge of any circumstances that reduce the creditworthiness of the Buyer. In such case, we shall be entitled to perform any outstanding deliveries and services against prepayment only and shall be entitled to a provision of security for our claims as usual according to type and scope, even if they are conditional or limited in time. We shall also be entitled, at our choice, to rescind contracts or claim damages for nonperformance upon expiration of a reasonable additional period.
- 7.) Without prejudice to the above regulations, a set-off or the exercise of a right of retention is only admissible against or with regard to claims of the Buyer against us that are undisputed or have become res judicata.

III. Retention of Title

- 1.) **We retain title to the item of delivery until settlement in full of all of our claims (including ancillary claims) from the underlying contractual relationship of the delivery; i.e. title to the item of delivery and its components shall only pass to the Buyer after/upon payment in full of our claims under this contractual relationship.**

In case the legal system of the state to which the item of delivery was delivered according to the contract (= receiving state) does not recognize the reservation of title agreed upon above, the Buyer obliges itself already upon conclusion of the contract of sale/delivery, to create for the benefit of the firm K. Walter Maschinenfabrik GmbH & Co. KG a(n equitable) lien or an equivalent security interest (e.g. mortgage) in the item of delivery in accordance with the regulations of the receiving state for securing our claims; such lien/security interest shall expire upon full settlement of the payment.

- 2.) The Buyer is obliged to keep the item subject to retention of title/pledged as security in custody exercising the due care of a prudent businessman; utilization shall only be permissible with our express written approval that, however, can be revoked by us any time. Until full settlement of the above-mentioned claim, we must be granted access to the item subject to retention of title/pledged as security any time and must be allowed to affix to it a note indicating our title and security interest. We can insure, at the Buyer's expense, the item subject to retention of title/pledged as security against, theft, breakage, fire, water and other damage as long as the Buyer does not prove the existence of such insurance to us.
- Upon conclusion of the contract, the Buyer assigns to us, by way of security, its claims against the above-mentioned insurer; we accept such assignment.
- The Buyer must neither sell nor pledge the item subject to retention of title/pledged as security nor assign it to a third party by way of security. We must be immediately informed about any attachment of the item subject to retention of title/pledged as security or any other measures that affect or may affect our rights.

- 3.) In case of a behaviour of the Buyer in breach of the contract, in particular default in payment, we are entitled to take the delivery item back after giving a reminder and fixing an additional period; the Buyer shall be obliged to return the item. Due to the retention of title and/or security interest, however we can only demand return of the item when we rescind from the contract. If there is filed an application for the institution of insolvency proceedings against the Buyer's assets, we are entitled to rescind the contract and demand return of the item of delivery.

IV. Periods of Delivery and Performance, Dates

- 1.) Dates and periods of delivery stated by us refer to the time of readiness for shipment at the factory and are observed when we have advised readiness for shipment. Agreed periods of delivery shall commence on the date of our confirmation of the order or, in case of subsequent alterations of or additions to the original order, on the date of the last subsequent confirmation of the order of our firm. In all cases, however, it is a condition for the start of agreed periods of delivery that all commercial and technical details of the order have been fully clarified and all duties to cooperate incumbent on the Buyer, especially but not limited to the provision of all national and foreign permissions and technical drawings, have been fulfilled. Periods of delivery shall be suspended as long as the Buyer has not duly met its payment obligations, in particular as long as it has not provided an L/C to be opened by it. For deliveries outside the Federal Republic of Germany, if the Buyer fails to submit the import licenses to be procured by it in good time, the periods of delivery shall be extended appropriately until submission of the import license.

The above applies analogously to agreed dates of delivery and performance.

- 2.) Adherence to agreed periods and dates of deliveries is subject to the reservation that we are supplied in good time by our suppliers; cases of a missing or delayed own supply will be immediately communicated to the Buyer.
- 3.) Any items under the contract notified as ready for shipment must be taken over by the Buyer immediately, but not later than on the agreed date. If the contractual item is not taken over within 5 working days from the notification of readiness for shipment or from the agreed delivery date, we can ship the contractual item to the Buyer or store it at the expense of the Buyer; in such case, we can invoice a purchase price/partial purchase price due upon readiness for shipment.
- 4.) If the non-observance of periods and dates of delivery is due to force majeure, labour disputes or other events outside our sphere of influence, the agreed periods and dates of delivery shall be extended appropriately. We will inform the Buyer as soon as possible about the beginning and the end of such conditions. In such a case, the Buyer can ask us to declare whether we withdraw from the contract or deliver within a reasonable period; if we do not give any statement, it can withdraw from the contract on its part. Claims for damages of whatever kind do not exist in such cases.
- 5.) If we get into default, the Buyer, after fixing a reasonable additional period, can rescind the contract as far as the contractual item is not notified as ready for shipment at the delivery factory until the end of the additional period. If a delay in delivery is attributable to a delay in delivery of the supplier of the contractual goods, we must, upon immediate request of the Buyer, assign our claims against such supplier, if any, to the Buyer up to the amount of the damage incurred by the latter.
- 6.) Partial deliveries are admissible.

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V. Force Majeure

- 1.) If the non-observance of periods and dates of delivery is due to a Force Majeure event, the agreed periods and dates of delivery shall be extended appropriately, but at least for the duration of the impediment to performance. We will inform the Buyer as soon as possible about the beginning and the end of such conditions. In such a case, the Buyer can, at the expiry of a period of 2 months, ask us to declare whether we shall withdraw from the contract or deliver within a reasonable period; if we do not give any statement within a reasonable period, it can withdraw from the contract on its part. This does not affect the Buyer's right to terminate the contract according to Art. 323 para. 2 of BGB (German Civil Code). Claims for damages on the part of the Buyer are excluded for the duration of periods of performance and delivery extended in accordance with the above.
- 2.) Force majeure events shall be deemed to be especially but not limited to war or warlike conditions, acts of terrorism, explosion, fire, pandemics/epidemics, transport hindrances, interruptions of operations, delays in the supply of raw materials, failure of telecommunications and information systems as well as all other events that, at the time of the conclusion of the contract, we could not reasonably have foreseen and whose detrimental or obstructive effect on our obligation to perform we could not reasonably have avoided or overcome.
- 3.) Any advantages which one of the parties gains through actions of the other party before the termination of the contract as a consequence of a force majeure event shall be returned to that other party or that other party shall be compensated accordingly.

VI. Place of Performance, Shipment, Risk

- 1.) Unless expressly agreed otherwise in writing, goods are sold ex-factory, irrespective of whether it is located within the country or abroad.
- 2.) The risk passes to the Buyer when the delivery item has left the supply plant, in particular when handed over to forwarders or carriers; this applies also when, under a specific agreement, we have assumed the shipment to a place of receipt specified by the Buyer or when we only bear the costs of the shipment. If formal acceptance has been agreed (cf. Item VII. below), the risk nevertheless shall pass to the Buyer at the above-mentioned point of time.
- 3.) In any case, the Buyer must guarantee at its expense that the transport vehicles will have access without impediment to the place of receipt (place of unloading) and the lifting equipment and staff required for unloading are present on site; it is understood in any case - also in favour of the forwarder or carrier instructed - that lifting equipment and staff must wait at least 4 hours beyond the scheduled time of delivery without a reimbursement of costs.

VII. Installation, Acceptance, Instruction

- 1.) The machine/plant according to the contract is to be erected by the Buyer at the place of installation and installed in accordance with our technical specifications and descriptions. We or a specialized firm instructed by us will supervise the installation on site, unless otherwise agreed in writing.
- 2.1) As far as expressly agreed in writing in individual cases, there shall be performed, after the installation of the machine/plant, a test operation under our guidance or under the guidance of the specialized firm instructed by us, in the course of which the Buyer's staff shall be acquainted on the basis of examples with the function and operation of the machine/plant.

The test operation shall be interrupted when there are detected defects in the delivery item or scope of delivery that substantially

disturb the operation or make/may make it impossible; after removal of the defect, the test operation shall be resumed.

The defects detected during the test operation shall be recorded in a report to be undersigned by both parties.

- 2.2) If the test operation has been successful or if the test operation has only revealed defects that do either not or only inconsiderably affect the utilization of the contractual machine for the intended purpose, the Buyer must accept the plant.
- 3.1) Unless expressly agreed otherwise in writing in individual cases, there shall be made a formal acceptance of the delivery item. For this purpose, the delivery item shall be checked as to completeness and compliance with the contract and the result shall be recorded in a report to be signed by both parties.
- 3.2) If the Buyer puts the plant into operation (other than test operation), that is to be regarded as acceptance; in the same manner an acceptance shall be simulated in our favour if the Buyer is not ready to accept the machine/plant that is in conformity with the contract at a date of acceptance specified by us or if the Buyer does not accept the machine in the case described under Subsec. 2.2) above.
- 4.) All costs resulting from our cooperation in the erection, installation, test operation, instruction of the staff and acceptance of the plant shall be at the Buyer's expense and shall be charged according to expense (travel by rail 1st class, flight economy class, hotel, daily allowance, and the like); these costs shall be due and payable within 10 days from the receipt of the respective invoice by the Buyer.

VIII. Warranty of Quality

- 1.1) The machines, plants and/or parts thereof delivered by us correspond to our product description, to the state of the art, existing permissions, if any, and/or special contractual agreements and can be used for their intended purpose under usual conditions. All values and dimensions stated in the permissions and parts of the contract are understood to apply with the usual tolerance according to applicable customs or DIN, unless expressly agreed otherwise in writing.
- 1.2) Machine parts visible from the outside provided with a paint coating are delivered in the colour RAL 7035 Lichtgrau (light grey); other paint coatings can only be delivered against additional price, but need to be agreed in writing upon conclusion of the contract. Our plants are designed for a voltage of 3 x 400 V and a frequency of 50 Hz, unless expressly agreed otherwise in writing.
- 2.) Changes in design and manufacturing that do not or only inconsiderably affect the purpose of use remain reserved.
- 3.) We do not assume warranty within the meaning of Art. 434 BGB (German Civil Code).
- 4.) Complaints about defects that are apparent in a proper examination of the delivery item must be expressed immediately by the Buyer, but not later than within 5 working days from the date of acceptance or arrival at the place of receipt. Defects that can only be detected at a later time (so-called hidden defects) are to be complained about without delay then. Timeliness of a complaint depends on its receipt by us. In any event, immediate complaints must be made in writing, by telex or telegram, exactly stating the defect, otherwise the Buyer will forfeit its rights.
- 5.1) We do not give warranty for wearing parts.
- 5.2) No warranty is assumed in the following cases: Unsuitable or improper utilization, defective assembly or commissioning by the Buyer or a third party, natural wear and tear, defective or negligent treatment, improper maintenance,

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unsuitable operating materials, defective construction work, unsuitable subsoil/foundation, chemical, electrochemical or electrical influences - unless we are responsible for them .

If the Buyer or a third party do any repair on the delivery item without our involvement and/or without prior arrangement with us or if the delivery item is altered without our consent, the Buyer will forfeit any possible warranty claims.

- 6.) In case of justified notices of defects of quality, we can, at our choice, either rectify the defect or deliver replacement for the defective goods. In case rectification of defects and/or delivery of replacement should fail or be economically unreasonable for us, the Buyer can, at its choice, either reduce the purchase price or rescind the contract.

IX. Warranty of Title

- 1.) If the utilization of the delivery item leads to an infringement of industrial property rights or copyrights, we will on principle, at our expense, procure for the Buyer the right of further utilization or modify the delivery item, in a manner reasonable for the Buyer, in such a way the protective right is not infringed anymore.

If that is not possible on economically reasonable terms or within an appropriate time, the Buyer shall be entitled to rescind the contract. Under the circumstances mentioned above, we shall be entitled to rescind the contract, too.

- 2.) Beyond this, we will indemnify the Buyer against claims of the respective owners of protective rights that are undisputed or have become res judicata. The Buyer, however, is obliged to inform us immediately in writing if any third parties should claim an infringement of industrial property rights of copyrights; it shall give us an opportunity to jointly defend such claims, in particular to entrust lawyers of our confidence with the conduct of possible legal disputes if we undertake to assume the costs.
- 3.) Claims according to the above, however, shall only exist when the defect of title is not based on an instruction given by the Buyer and/or the defect of title was not caused because the Buyer has altered the delivery item without authorization or has used it in a manner not in accordance with the contract.

X. Liability

- 1.) To the extent we are obliged to pay damages under contract or law, we shall only be liable for grossly negligent or intentional fault of our vicarious agents, our legal representatives or our staff members.
- 2.) The limitation of liability named above does not apply to any claims against us for product liability and/or in case of injury of life, body or health or breach of a material contractual duty the failure of fulfilment of which may endanger the achievement of the contractual object ("cardinal duties"). In the case of a slight negligent breach of such cardinal duties, our liability for damages shall as a rule be limited to compensation for the reasonable foreseeable, direct damage typical of the contract.
- 3.) Any further claims are excluded, if they are legally permitted at all.

XI. Statute of Limitation

- 1.) The warranty periods starts upon the acceptance (cf. Items VII 3.1 and 3.2), in any case not later than 5 months after the contractual plant has been delivered to the Buyer.
- 2.) Claims of for warranty against us shall become statute-barred within 12 months, unless we can be blamed for malice and/or fraudulent intent or a case of damage to body, life or health exists.

XII. Utilization of Software

- 1.) As far as the scope of delivery includes software, the Buyer is granted a non-exclusive right to use the delivered software, including its documentation. It is delivered for use on the delivery item that it is intended for. A utilization of the software on more than 1 system is prohibited.
- 2.) The party ordering may reproduce, edit or translate the software or convert it from object code to source code only to the extent permissible by law (Art. 69 a. et seq. UrhG (German Copyright Act)). The Buyer obliges itself not to remove or alter any manufacturer's notes - in particular copyright notices -, unless with our prior express written approval.
- 3.) All further rights in the software and in the documentation, including copies, are kept by us or the respective software supplier. A grant of sublicenses is not permissible.

XIII. Export clause

- 1.) In the absence of any different contractual agreements with the Buyer, the item of delivery is intended to be brought into circulation for the first time in the Federal Republic of Germany, or in the case of a delivery outside the Federal Republic of Germany, in the country agreed on for the initial delivery (initial country of delivery).
- 2.) The sale, the deliveries and services are subject to the reservation that no obstacles as a consequence of national or international export control legislation, especially but not limited to embargoes and other sanctions, stand in the way of their performance. Where delays occur as a consequence of export inspections (export controls) or licensing procedures, the (agreed) periods and delivery times shall be extended appropriately. In the event that any licences that are required are not issued or the delivery or service is not licensable, the contract shall, with regard to the parts concerned, be deemed not concluded. The seller shall neither provide a guarantee for the export, nor for the import.
- 3.) With due regard to any declarations about the end-use of the item and in compliance with the relevant export regulations and embargoes, especially but not limited to those of the EU, Germany or other EU member states, and also those of the USA, Asian and Arab countries and all third countries concerned, the Buyer shall be personally responsible for checking to see whether and under which conditions the export of the item delivered to it is admissible. In the event of deliveries to a country different to the initial country of delivery that was agreed on with us, it shall ensure that the product licensing and registration requirements of that country are complied with and also that the regulations enshrined in the laws of that country regarding the provision of user information in the respective local language and the import regulations are met.
- 4.) The Buyer shall check and ensure, and if so requested shall furnish the appropriate proof, that
 - the delivered products shall not be used for any purpose related to armaments, nuclear technology or weapons;
 - no military recipients shall be supplied with the products delivered by us;
 - no recipients shall be supplied who have violated other export control regulations, especially but not limited to those of the EU or ASEAN member states;

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- no organisations and persons shall be supplied whose names appear on the list of Specially Designated Terrorists, Foreign Terrorist Organisations, Specially Designated Global Terrorists or the Terrorist List of the EU, or other relevant negative lists used for export control.

- 5.) In the event that the goods delivered by us are passed on to third parties, the Buyer undertakes to commit this third party in exactly the same way as in Clause 1.) - 4.) above and exempts us from any and all claims arising from the culpable violation of the obligations regulated in the above.

XIV. Miscellaneous

- 1.) Oral side agreements do not exist. Any alterations or additions to the contracts with us must be made in writing to become effective; this applies also to a waiver of this written-form requirement.
- 2.) If any of the provisions set forth above or in the respective contract should be or become ineffective as a whole or in part, that shall not affect the effectiveness of the other contractual provisions and of the contract as a whole. For such case, the Buyer undertakes already now to agree with us, in place of the ineffective provision, on an effective one that leads to the same economic result.

- 3.) In case the party to the contract is a merchant within the meaning of Art. 1-6 HGB (German Commercial Code) and the transaction under the contract is a transaction within the meaning of Art. 310 para. 1 sentence 1 of BGB (German Civil Code), the following shall apply

- the place of performance with regard to all obligations of the Buyer is the seat of our company;
- the place of jurisdiction is the seat of our company, also for actions in proceedings based on documentary evidence and in proceedings on claims arising from bills and cheques; however, we are also entitled to sue the Buyer at its place of jurisdiction.

- 4.) There apply exclusively the laws of the Federal Republic of Germany, excluding the United Nations Convention of Vienna on Contracts for the International Sale of Goods of 11 April 1980.
