

General Terms and Conditions of Sales and Delivery of IFF Engineering & Consulting GmbH

(Status as of 01.12.2022)

1 General Information

- 1.1 The following terms and conditions apply exclusively; we shall not acknowledge any contractual terms and conditions of the customer unless expressly agreed to by us in writing in individual cases.
- 1.2 Our terms and conditions shall also apply if we carry out the respective delivery or service without reservation in the knowledge of the customer's contractual terms and conditions.
- 1.3 There are no verbal ancillary agreements. The text in the respective order confirmation shall apply.

2 Offer — Documents

- 2.1 Unless otherwise stated in writing in individual cases, our offers are always non-binding. Upon receipt of an order based on such an offer, we are obliged to immediately object if we are not willing to provide the respective delivery or service.
- 2.2 All documents, calculations, specifications belonging to the offer are also non-binding; para. 1 clause 2 applies accordingly.
- 2.3 We reserve the unrestricted copyright to all documents, calculations, specifications or other documentation. Copies may only be made if required for the execution of the respective contract. Upon request, the documents provided to us in accordance with clause 1 shall be returned to us.

3 Delivery Time

- 3.1 The schedule in an order provides orientation within the time frame of the order. Appointments shall only be binding if they have been expressly agreed as binding. This agreement shall only be effective made in writing. Any time limit shall only commence as of the complete provision of all cooperation actions owed by the customer and, if applicable, as of the provision of an agreed down payment. Subsequent requests for changes or delayed cooperation on the part of the customer shall extend the delivery and performance periods accordingly.
- 3.2 Where a binding delivery time is stated in our order confirmation, we shall be liable for the respective damage caused by delay, unless there is evidence that the delay occurred is due to reasons for which we are not responsible in accordance with the underlying contract.
- 3.3 However, liability for damages pursuant to para. 2 is also conditional upon the breach of duty underlying the delay being material, thus jeopardising the fulfilment of the contractual purpose. In such an event, the damages for delay to be compensated by us shall be limited to the amount reasonably foreseeable. Beyond this, compensation for damages is excluded.
- 3.4 Should the delay be caused by gross default, we shall be liable in accordance with the statutory provisions.

4 Cooperation by the Customer

- 4.1 Should our deliveries and services require the cooperation of the customer, the customer shall be obliged to provide the required services in accordance with the binding deadlines agreed upon.
- 4.2 Should the customer default on his obligations, we shall be entitled to demand compensation for all our own expenses as well as for expenses arising from deliveries and services of third parties additionally incurred as a result of the default.
- 4.3 Should the customer default on his obligations, we shall still be entitled to demand reasonable compensation, taking into account the degree of impairment of our services, or to carry out a substitute performance at the customer's expense.
- 4.4 Should the execution of a component test be cancelled up to 4 weeks prior to the agreed test date, we shall be entitled to invoice all costs incurred and services rendered up to that point.
- 4.5 Should the execution of a component test be postponed or cancelled up to 3 weeks before the agreed test date, we shall be entitled to charge the costs incurred in addition to those mentioned under 4.4.
- 4.6 Should the execution of a component test be postponed up to 2 weeks before the agreed test date, 25% of the execution costs may be charged in addition to 4.5. Should a cancellation be made up to 2 weeks before the agreed test date, 50% of the remaining order value of the total order after deduction of the costs from 4.4 shall be charged in addition to the costs from 4.5.
- 4.7 Should the execution of a component test be postponed up to one week before the agreed test date, 25% of the execution costs may be charged in addition to 4.5. Should a cancellation be made up to one week before the agreed test date, 75% of the remaining order value of the total order after deduction of the costs from 4.4 shall be charged in addition to the costs from 4.5.

5 Shipping - Transfer of Risk

- 5.1 The risk of accidental loss or deterioration of the delivery or service to be affected by us shall pass to the customer "ex works"; where a service has to be physically accepted as subject of our contractual obligation, the respective acceptance or otherwise approval of the service provided by us as being in accordance with the contract shall take the place of the "ex works" delivery. This shall apply unless otherwise agreed in writing.
- 5.2 Should the customer be in default of acceptance, the risk shall pass to him upon notification of readiness for dispatch.
- 5.3 Costs of packaging and shipping will be invoiced separately.

6 Prices - Terms of Payment

- 6.1 All prices are excluding the applicable statutory VAT.

- 6.2 The customer is obliged to make payments in accordance with the terms of payment and payment targets stated in the order confirmation. This applies in particular to any partial or instalment payments. Unless otherwise agreed, our invoices are due for payment within 30 calendar days as of the invoice date. Payment for software shall be made within 10 calendar days.

- 6.3 Upon expiry of our or the agreed payment deadline, default shall occur immediately. In such case, we shall be entitled to charge default interest of 9% above the base rate applicable at the time. We reserve the right to claim further damages.

- 6.4 The right of retention from earlier or other transactions of the business relationship is excluded. This shall not apply if the claim is undisputed or has become res judicata. The customer is only entitled to set-off if his counterclaim has been legally established, acknowledged by us or is undisputed.

- 6.5 The customer is only entitled to set-off if his counterclaim has been legally established, acknowledged by us or is undisputed.

- 6.6 We shall continue to notify the client immediately should it be foreseeable that the intended contractual target cannot be achieved with the agreed remuneration. Concurrently, we will propose an adjustment of the remuneration to the client. If such an adjustment becomes necessary for reasons that were neither foreseeable for us at the time of order placement nor for which we are responsible, and if no other agreement is reached with the client, the proposed adjustment shall become binding.

7 Retention of Title

- 7.1 We retain title to all items delivered by us until final payment of all claims arising from the business relationship with the customer.

- 7.2 With reservation of title, the customer is entitled to sell the goods delivered to third parties. However, the customer hereby assigns the claim against the third party to us as security in the amount of the respective purchase price/remuneration including VAT) of the contract existing between both parties. They shall remain entitled to collect this claim from the third party as long as they are not in payment default or insolvency proceedings have not been applied for or commenced against their assets. In these cases, we are entitled to revoke the collection authorisation of the customer and to collect the receivables ourselves by then disclosing the assignment.

- 7.3 If the customer combines or mixes the goods delivered with reservation with other goods, we shall receive pro rata joint ownership in the amount of the value of the purchase price/remuneration provided for pursuant to para. 2.

- 7.4 If the customer processes the goods delivered with reservation, such processing shall also be carried out on our behalf.

- 7.5 In the event of third parties executing the goods subject to retention of title or taking other seizure measures, the customer is obliged to file a third-party action. If the third party does not pay for the costs incurred by the customer as a result, the customer shall bear these costs.

- 7.6 Should the value of the reserved goods exceed the value of the securities to which we are entitled in accordance with this contract by more than 10%, we shall be obliged to release the surplus securities at our discretion upon the customer's request.

- 7.7 The customer shall not receive ownership of the research and development result until the agreed remuneration has been paid in full. At no time may our ownership be pledged or transferred by way of security.

- 7.8 In the event our ownership of the research and development result expires due to combination, mixing or processing, it shall already be agreed henceforth that the ownership of the uniform object created in this case shall pass to us on a pro rata basis (invoice value) until the agreed remuneration has been paid in full.

- 7.9 In the event of resale of the research and development result, the customer shall assign all rights from the resale to us with effect in rem until full payment of the agreed remuneration.

- 7.10 If deliveries are made to other jurisdictions in which the aforementioned retention of title provision does not have the same security effect as in Germany, the customer shall do everything in its power to provide us with corresponding security rights immediately. The customer shall cooperate in all actions, e.g., registration, publication, etc., which are necessary and conducive to the effectiveness and enforceability of such security interests.

8 Rescission, Liability

- 8.1 In the event of other breaches of duty not involving a defective delivery, the customer shall not be entitled to rescind the contract, provided the breach of duty is not our responsibility. This shall not apply to the extent that further adherence to the contract is unreasonable for the customer.

- 8.2 Any liability of the company, its legal representatives, employees and subcontractors arising from breaches of duty and tort shall be limited to intent and gross negligence. Upon breach of contractually essential obligations (so-called cardinal obligations), the company shall also be liable in the event of slight negligence. In any event, except in the case of injury to life or bodily injury, liability shall be limited to the foreseeable damage typical for the contract. There is unlimited liability in the event of injury to life, limb or health.

- 8.3 Where a limitation of liability for damages has been agreed within the scope of our order confirmation, this shall take precedence over these provisions.

- 8.4 Liability in accordance with the Product Liability Act remains unaffected.

- 8.5 Liability for damages in the event of a guarantee assumed by us shall also remain unaffected.

- 8.6 In the event that we owe the production or delivery of an item corresponding to the state of the art as a result of research and development on the basis of an express promise, the relevant provision of the law on sales or contracts for work and services shall only apply in the event of defects in accordance with the following paragraphs:

- 8.6.1 If the research and development result obtained by us proves to be defective, we shall first be given the opportunity to remedy the defect – depending on the type of research and development result, the defect and any other circumstances possibly multiple times – by way of supplementary performance, at our option by rectification or replacement delivery.
- 8.6.2 If we refuse subsequent performance or if subsequent performance fails or is unreasonable for the customer, the customer may choose either to rescind the contract or to demand a reduction in the remuneration owed (abatement) or damages. The right of withdrawal can only be exercised in the event of a significant defect. It expires if the customer does not declare the rescission at 14 days at the latest after receipt of the notification of the rejection or failure of the supplementary performance or at 14 days at the latest after the point in time at which the unreasonableness of the supplementary performance becomes apparent to the customer.
- 8.6.3 In the event of a defect of title due to the infringement of third-party property rights, we shall only be liable if these rights exist in the Federal Republic of Germany, the customer uses the research and development result in accordance with the contract and in this respect is justifiably claimed against by third parties and the customer has immediately informed us in writing of the claims asserted by the third party. Subsequent performance pursuant to No. 9 (1) shall be affected such that we, at our discretion, obtain the right of use for the customer in accordance with the contract or modify the result of the research and development in such a way that the property rights of third parties are not infringed or find a substitute solution with the customer which deviates from the contract.
- 8.6.4 The customer shall immediately inspect the research and development result provided by us and immediately give notice of any defects. Claims based on recognisable defects shall only be accepted if they are notified to us within a period of 14 days as of delivery.
- 8.6.5 Claims based on defects shall become time-barred pursuant to No. 9 (8).
- 9 Warranty**
- 9.1 To the extent that there is a material defect or defect of title, we shall be entitled and obliged to provide subsequent performance. The costs and expenses of remedying the defect or of subsequent delivery shall be borne by us.
- 9.2 If the subsequent delivery is not successful, the customer is entitled to rescind the contract, claim a reduction in price and damages instead of fulfilment in accordance with No. 8.
- 9.3 For any third-party deliveries or other essential third-party products purchased by us, our warranty liability towards the customer shall be limited to transferring the claims existing against the sub-supplier to the customer in writing upon request. The customer's claims for defects shall only be made against the respective third-party manufacturer. This shall also and in particular apply in the event of infringement of third-party industrial property rights by the third-party manufacturer.
- 9.4 Warranty rights of the customer shall only apply to the extent that the customer has duly complied with its inspection and notification obligations pursuant to § 377 HGB (German Commercial Code).
- 9.5 The customer shall assert the claims for defects in writing, specifying all detected defects and all circumstances under which the defect became apparent. A defect does not exist if the error claimed by the customer cannot be reproduced. Should the customer have interfered with delivered components, hardware or software, claims for defects on part of the customer shall only arise if there is evidence proving the interference was not the cause of the defect.
- 9.6 If a defect occurs due to a lack of sufficient or incorrect special instructions from the customer, documents provided by the customer or specified load assumptions, we shall be exempt from the obligation of subsequent performance in this respect. This shall not apply if we could have recognised the cause within the meaning of Clause 1 in due time and raised our concerns if we had exercised due diligence.
- 9.7 No warranty is provided for any causes not attributable to us within the scope of our duty of performance, in particular such as the use of unsuitable materials, faulty assembly, natural wear, use of inadequate subsoil or deficient construction work.
- 9.8 The limitation period for material defects is 24 months, commencing with the transfer of risk in accordance with No. 5 Para.1. Damage claims shall remain unaffected in accordance with No. 8.
- 10 Software - Licensing**
- 10.1 Should our delivery and performance also comprise the delivery and performance of software, we shall provide a warranty for the functionality of the software. Any warranty for the results obtained by the use of the software is expressly excluded. No warranty is provided for the correctness of any results within the entire scope of application of the delivered software or software extension. The exploitation of the results achieved with the software will be the sole responsibility of the customer.
- 10.2 Damage claims, irrespective of their legal basis, are excluded. This shall not apply in the event of the absence of warranted characteristics, intent, gross negligence, breach of essential contractual obligations, default in performance and impossibility of performance.
- 10.3 We grant the customer simple, i.e., non-exclusive rights of use to (co-)supplied proprietary software (own software). The customer may not modify, disassemble, reverse engineer or decompile the proprietary software into other code forms unless the requirements of Sections 69d or 69e UrhG (German Copyright Act) are met. If the software (co-)supplied is proprietary software of a third-party supplier, the above provisions shall not apply. In these cases, we will only mediate a contract with the third-party manufacturer. The customer accepts the terms of use of the third-party manufacturer supplied with the product, to which we expressly refer. Solely these are decisive for the scope of the granting of rights.
- 10.4 The licence fee payable for the software results from the respective licence agreement.
- 10.5 Irrespective of the scope of the transfer of rights to the customer, we are permitted in any case to use ideas, concepts, acquired know-how, etc. for further developments and services also for us and other customers.
- 10.6 Unless expressly agreed, further and new developments of software (updates and upgrades) are not part of the scope of services for the delivery of software.
- 10.7 If defects occur in the delivered software, our warranty obligation shall be limited to supplementary performance (elimination of program errors). The warranty shall, however, require that the customer immediately notifies unresolved defects existing at the time of the delivery in writing. For any defects occurring later, the complaint must be made immediately after discovery. Furthermore, we do not guarantee that the software function will meet the customer's requirements, that all programmes will run without interruption and that any software errors will be eliminated. Further warranty claims are excluded.
- 10.8 We shall only be liable for the recovery of the customer's data in the event of software errors if the customer has ensured that lost data can be recovered with reasonable effort. The customer is therefore obliged to regularly secure data and programmes at intervals appropriate for the application.
- 10.9 Any release, in particular any release for the usage of the software, shall be granted by the customer or licensee. Our service result (software implementation incl. documentation) is audited by the client's responsible specialist department and approved for further use.
- 11 Third-party Property Rights**
- 11.1 We shall assume that no third-party rights exist to the materials, CAD files, drawings or other documents and products provided to IFF Engineering & Consulting GmbH, such as property rights, liens, copyrights, patents and/or other rights of use, in particular industrial property rights, which prevent us from using them in accordance with the contract.
- 11.2 We shall immediately inform the customer of any third-party property rights that become apparent during the execution of the order provided they relate to our development work and might conflict with the agreed use. The contracting parties shall decide by mutual agreement how these property rights are to be taken into account in the further execution of the order.
- 11.3 A research on existing industrial property rights of third parties and a liability for the infringement of industrial property rights of third parties or the payment of damages for the infringement of such rights by the customer arising from the contractual use of our goods or services shall only be provided or assumed in accordance with the scope offered and agreed in the specification of services.
- 12 Non-disclosure – Privacy**
- 12.1 The contracting parties shall not disclose any information of a technical or commercial nature mutually disclosed and declared to be confidential to third parties for the duration and for a period of 3 years after termination of the order. This shall not apply to information known or generally accessible to the other contracting party or the public prior to the notification or information which became known or generally accessible to the public after the notification without the involvement or fault of the other contracting party or information which was disclosed or made accessible to the other contracting party by an entitled third party or independently developed by an employee of the other contracting party who had no knowledge of the information disclosed.
- 12.2 Third parties as defined by this provision are not our sub-contractors who are commissioned by us with partial services within the scope of the order and have been obliged to confidentiality.
- 12.3 Personal data shall be processed in accordance with the legal requirements of the GDPR and the Federal Data Protection Act.
- 13 Miscellaneous**
- 13.1 Jurisdiction for all disputes arising from or in connection with this contract is Leipzig.
- 13.2 German law shall apply. The UN Convention on Contracts for the International Sale of Goods is expressly excluded.

The German version of this document is legally binding. The English version is only for convenience.