Müller-BBM VibroAkustik Systeme GmbH

General Terms and Conditions of Sale (GTCS)

1. General remarks / Scope

1.1. These General Terms and Conditions of Sale (GTCS) apply to all business relationships with our customers regarding the sale of goods and the provision of services such as repair, maintenance, inspection and other services. However, they only apply where the customer is an entrepreneur within the meaning of § 14 German Civil Code (*Bürgerliches Gesetzbuch*), a legal entity under public law or a special public fund (*öffentlich-rechtliches Sondervermögen*).

1.2. These GTCS shall apply exclusively. We will not accept terms and conditions of the customer which conflict with or differ from our own unless we have given our express written consent thereto. Our GTCS shall apply, even if we accept - without any reservations - orders, perform services or directly or indirectly refer to letters, etc., which contain the customer's or third-party terms and conditions in the knowledge of the customer's terms and conditions. Any reference to the inclusion of any other terms and conditions of business is expressly rejected.

1.3. The current version of our GTCS serves as a framework agreement (§ 305 (3)German Civil Code) and also applies to future offers and contracts with the same customer without our having to refer the customer to them in each individual case. We will inform the customer of any amendments to them without undue delay.

1.4. With regard to software supplied by us, our "General Terms and Conditions for the Supply and Maintenance of Software" shall apply in addition and take precedence (available at https://www.mbbm-vas.com/en/general-conditions).

2. Offer / Offer Documents / Conclusion and Terms

2.1. Our offers are non-binding unless they are expressly marked as binding or they contain a binding deadline by which an offer must be accepted.

2.2. The customer's order is a legally binding invitation to enter into a contract (unless a binding offer has already been made in accordance with 2.1, in which case the customer's order constitutes a binding acceptance of our offer). We may accept the offer within 14 working days of receipt.

2.3. We will confirm offers by way of a written statement (e.g. by order confirmation). Any statements and information which the customer sends after the contract has been concluded and which are of legal relevance (e.g. deadlines, reminders, notice of defects) are valid only if they comply with written-form requirements For the purpose of these GTCS and compliance with written-form requirements it is sufficient for communications to be sent by fax or email.

2.4. The written contract contains all the agreements in full regarding the subject of the agreement entered into between the customer and us. Any oral agreements entered into before the written contract was concluded are not legally binding and are superseded in full by the written contract unless the contract expressly states that they are to continue to apply and that they are binding.

2.5. Any individually negotiated terms – including those made in writing – take precedence over these GTCS. However, a written contract or our written confirmation shall be decisive for the proof of their content.

3. Reservation of rights / Confidentialitiy

3.1. We reserve all title, copyright and property rights in all documents, materials and other items (such as offers, catalogues, price lists, estimates, plans, drawings, illustrations, calculations product descriptions and specifications, samples, models and other physical and/or electronic documents, information and items) which we provide to the customer We also reserve all copyrights and property rights for our products and services themselves.

3.2. The customer may not make the documents, materials and other items provided accessible or disclose them to third parties, exploit, use, reproduce or modify them, either as such or in terms of content, without our prior written consent. He shall use them solely for the purposes defined in the contract and return them to us in full at our request and destroy (or delete) any existing (including electronic) copies insofar as they are no longer needs them in the proper course of business or in order to comply with statutory archiving requirements. At our request, he shall confirm to us the completeness of the return and destruction/deletion or explain which of the above-mentioned documents, materials or items he claims to still need and for what reasons.

4. Prices / Payment / Set-off and reservation rights

4.1. Unless otherwise stated in the order confirmation, our prices shall be "EXW Incoterms 2020" (based upon the warehouse from which we ship), excluding packaging, which shall be invoiced separately.

4.2. The statutory value added tax ("VAT") is not included in our prices; it will be separately listed in the invoice at the statutory rate on the day of invoicing. The deduction of a cash discount is excluded.

4.3. Unless otherwise stated in the order confirmation, the net purchase price (without deduction) shall be due for payment within 30 days of receipt of the invoice. The statutory regulations shall apply with regard to the consequences of default in payment.

4.4. The customer shall only be entitled to offset if its counterclaims has been ruled final and absolute by court of law , are undisputed or are in a reciprocal relation (synallagma) to our claim.

4.5. We are entitled to refuse to perform any outstanding obligations under the contractual relationship if, after the contract has been concluded, it becomes apparent that our claim for payment under the respective contractual relationship is at risk owing to the customer's inability to pay (§ 321 (1) German Civil Code Our right to refuse performance lapses if payment is rendered or security has been provided for it. We are entitled to set the customer a reasonable deadline by which it must choose either to pay or to provide security concurrently against our performance. We may withdraw from the contract if this deadline expires and neither payment nor security has been rendered. The statutory provisions on the waiver of the setting of a deadline shall remain unaffected. We have the right to declare immediate withdrawal from contracts covering the production of non-fungible items (custom made items). We shall be entitled to refuse to perform our outstanding obligations under a contract if, after the contract has been entered into, it becomes apparent (e.g. as a result of an application for insolvency) that our claim for payment under the relevant contract is at risk due to the customer's lack of financial capacity.

4.6. If we have agreed to carry out the installation or assembly and there is no other agreement, the customer shall bear, in addition to the agreed remuneration, all necessary additional costs, such as travel expenses, costs for the transport of tools and personal luggage as well as daily allowances.

5. Delivery / Acceptance

5.1. Unless otherwise agreed, all shipments are made "EXW Incoterms (2020)" (based upon the warehouse from which we ship).

5.2. Any delivery times or dates which we have indicated for supplies and services are only approximate unless a fixed delivery time/date is expressly stated or agreed.

5.3. If delivery has been agreed, the risk of accidental loss and accidental deterioration shall shift to the customer as soon as we have handed over the goods to the forwarder, the carrier or any other person or institution designated to carry out the shipment.

5.4. Compliance with our delivery obligation further requires that the customer fulfils its obligations in a timely and proper manner. We reserve the right to object to the non-performance of the contract.

5.5. (a) We shall not be liable for impossibility or delay to the extent that they are due to force majeure or other events unforeseeable at the time of conclusion of the contract for which we are not responsible (e.g. operational disruptions of all kinds, fire, natural

disasters, transport delays, strikes, delays in obtaining any necessary official authorisations (e.g. import and export licences)).

(b) We shall also not be liable for impossibility or delay caused by epidemic/pandemic (e.g. the SARS-CoV-2 (COVID-19) coronavirus) or its aftermath, or wars (e.g. Ukraine and the Russian Federation) and their aftermath; such disruptions shall also constitute cases of force majeure.

(c) If it becomes foreseeable for us that a performance deadline cannot be met due to an event according to subsection (a) or (b), we shall notify the customer of this immediately and inform it of the expected new performance deadline.

5.6. If the customer is in default of acceptance or culpably violates other obligations to cooperate, we are entitled to demand compensation for the resulting damages, including any additional expenses. We reserve the right to assert further claims.

5.7. We are entitled to provide partial deliveries if (i) a partial delivery is usable for the customer within the scope of the contractual purpose, (ii) the provision of the remaining deliveries is ensured, and (iii) the customer does not incur any significant additional expense as a result of the partial delivery.

5.8. If we fall into default with a supply or service or if it becomes, for whatever reason, impossible for us to perform such supply/service, any liability for compensation is limited as stated in Clause 7 of these GTCS.

6. Warranty

6.1. The customer's rights in respect of defects of quality and title are subject to statutory requirements unless otherwise stated or qualified in these GTCS. In any case, the special statutory provisions of the supplier's recourse shall remain unaffected, unless the defective purchased goods have been further processed by the customer or another entrepreneur, e.g. by installation in another product, and only insofar as an equivalent compensation has not been agreed otherwise.

6.2. We exclusively warrant that the purchased goods have the quality expressly agreed upon conclusion of the contract and are suitable for the use expressly agreed upon in the contract (e.g. specified in the product specifications or in the product description). Insofar as requirements with regard to a certain feature of the purchased goods have been agreed, this excludes other requirements relating to the feature, even if these would correspond to the objective requirements for the subject matter of the contract. Public statements, promotions or advertising by us do not constitute a contractual condition of the purchased goods. We accept no liability for public statements made by third parties (e.g. advertising claims).

6.3. Claims for defects on the part of the customer require that the customer has properly fulfilled its obligations to inspect the goods and give notice of defects in accordance with § 377 of the German Commercial Code (*Handelsgesetzbuch*). The customer is obliged to inspect the goods upon receipt in accordance with § 377 German Commercial Code within five (5) working days and to notify us in writing of any defects. Hidden defects discovered later must be reported to us in writing within three (3) working days. Otherwise, the goods shall be deemed accepted also with regard to these defects. The burden of proof for timely notification shall be borne by the customer.

6.4. If the purchased goods are defective, the customer shall be entitled to supplementary performance by remedying the defect or supply a replacement at our discretion. In the event of remedy of the defect, we shall be obliged to bear all expenses necessary for the purpose of remedying the defect, in particular transport, travel, labour and material costs, insofar as these are not increased by the fact that the purchased item has been taken to a place other than the place of performance. If the supplementary performance fails, the customer shall be entitled to withdrawal or reduction at its discretion.

6.5. If the supplementary performance fails, the customer shall set us a reasonable deadline. If we do not succeed in remedying the defect or supplying a replacement within this period, the customer shall be entitled, at his discretion, to withdraw from the contract or to demand a corresponding reduction in the purchase price.

6.6. In the event of default of payment or credit default, we may refuse the warranty

7. Third-party property rights

7.1. We warrant in accordance with this Clause 7 that the Goods are, at the time of delivery, free from third party intellectual property rights or copyrights in the countries of the European Union in respect of their manufacture by us and in respect of their specifications.

7.2. Claims for infringement of third-party intellectual property rights or copyrights are excluded if such infringement (i) is based on the actual use of the product as part of or in connection with other products (or parts thereof) of the Customer or in connection with customer-specific processes or methods; (ii) is based on an instruction or requirement (including with respect to specifications or design) of the customer. (iii) is based on a use of the product by the customer or the customer's customers which is not in accordance with the contract or the specifications; (iv) is based on an unauthorised modification of the product; or (v) is based on the use of the product after notification of an (alleged) infringement of third-party intellectual property rights or copyrights.

7.3. In the event that a court conclusively decides that the goods infringe an industrial property right or copyright of a third party, we shall, at our discretion and at our expense, modify or replace the goods in such a way that the rights of third parties are no longer infringed but the goods continue to fulfil the contractually agreed functions, or procure the right of use for the customer by concluding a licence agreement. If we fail to do so within a reasonable time, the customer shall be entitled to withdraw the contract or reduce the purchase price accordingly.

7.4. In the event of infringements of rights by products of other manufacturers or suppliers supplied by us, we shall, at our discretion, assert our warranty claims against these manufacturers or suppliers for the account of the customer or assign them to the customer.

7.5. Claims for compensation are only possible subject to Clause 8 of these GTCS.

8. Liability

8.1. Our liability for damages - on whatever legal grounds, in particular for damages instead of or in addition to performance, due to culpa in contrahendo, impossibility, delay, defects, tort and for other direct or indirect damages - is excluded unless one of the following cases applies:

8.1.1. we have maliciously concealed a defect;

8.1.2. we have expressly guaranteed the quality of the goods or assumed a procurement risk;

8.1.3. there is damage resulting from injury to life, limb or health due to an intentional or negligent breach of duty by us or by one of our legal representatives or vicarious agents;

8.1.4. here is any other damage resulting from an intentional or grossly negligent breach of duty by us or by one of our legal representatives or vicarious agents;

8.1.5. there is a damage resulting from the negligent breach of essential contractual obligations which does not already fall under 8.1.1 to 8.1.4 or 8.1.6. Essential contractual obligations are obligations whose fulfilment enables the proper performance of the contract and on whose compliance the customer regularly relies and may rely. In this case, however, our liability is limited to the amount of the damage typical for the contract and foreseeable at the time of conclusion of the contract; or

8.1.6. we are subject to mandatory statutory liability, in particular liability under the Product Liability Act.

8.2. To the extent that our liability is excluded or limited in accordance with the above provisions, this shall also apply to the personal liability of our executive bodies, legal representatives, employees, staff and vicarious agents.

8.3. The customer may only withdraw from or terminate the contract due to a breach of duty by us which is not due to a defect in the goods if we are liable for the breach of duty; in all other respects, the statutory provisions shall apply. A right of termination on the part of the customer, in particular in accordance with §§ 651, 649 of the German Civil Code, is excluded.

8.4. Our liability for indirect damage, loss of profit and all subsequent damage is excluded. Our liability is limited in total to the order value.

9. Limitation period

9.1. the limitation period for claims – including non-contractual claims – for quality defects and defects in title shall be one (1) year from delivery.

9.2. If an acceptance (within the meaning of this term under § 640 German Civil Code) has been agreed, the limitation period shall only commence upon acceptance.

10. Reservation of title

10.1. We reserve title to the purchased goods until receipt of all payments under the delivery contract. In the event of conduct by the customer in breach of the contract, in particular in the event of default in payment, we shall be entitled to take back the purchased goods. Our taking back of the purchased goods does not constitute a withdrawal from the contract unless we have expressly declared this in writing. The seizure of the purchased goods by us shall always constitute a withdrawal from the contract. After taking back the purchased object, we shall be entitled to utilise it; the proceeds of the utilisation shall be credited against the customer's liabilities - less reasonable costs of utilisation.

10.2. The customer is obliged to treat the purchased goods with care until the transfer of ownership is complete; in particular, he is obliged to insure it adequately at its own expense against fire, water and theft at replacement value. If maintenance and inspection work is required, the customer must carry this out in timely manner at its own expense.

10.3. In the event of seizures or other interventions by third parties, the customer must notify us in writing without undue delay so that we can take legal action in accordance with § 771 of the German Code of Civil Procedure (*Zivilprozessordnung*). If the third party is not in a position to reimburse us for the court and out-of-court costs of an action pursuant to § 771 Code of Civil Procedure, the customer shall be liable for the loss incurred by us.

10.4. The customer shall be entitled to resell the purchased goods in the ordinary course of business as long as it is not in default; however, it hereby assigns to us all claims in the amount of the final invoice amount (including VAT) of our claim accruing to it from the resale against its customers or third parties, regardless of whether the purchased goods have been resold without or after processing. The customer remains authorised to collect this claim in its own name even after the assignment. We revocably authorise the customer to collect the claims assigned to us for its account in its own name. The authorisation to collect shall expire if the customer fails to meet its payment obligations properly, gets into payment difficulties, compulsory enforcement measures are taken against it or judicial insolvency proceedings are opened against its assets or the opening of such proceedings is rejected for lack of assets.

10.5. The processing or transformation of the purchased goods by the customer shall always be carried out for us as manufacturer (within the meaning of § 950 German Civil Code). If the purchased goods are processed (§ 946 German Civil Code) or combined with other objects not belonging to us (§ 947 German Civil Code), we shall acquire co-ownership of the new object in the ratio of the value of the purchased goods (final invoice amount, including VAT) to the other processed objects at the time of processing. In all other respects, the same shall apply to the object created by processing as to the purchased goods delivered under reservation.

10.6. If the purchased goods are inseparably combined with other objects not belonging to us, we shall acquire co-ownership of the new object in the ratio of the value of the purchased goods (final invoice amount, including VAT) to the other combined objects at the time of combination. If the combination takes place in such a way that one of the customer's items is to be regarded as the main item, it shall be deemed agreed that the customer transfers co-ownership to us on a pro rata basis. The customer shall hold the sole ownership or co-ownership thus created in safe custody for us.

10.7. In order to secure our claims against the customer, the customer also assigns to us the claims accruing to it against a third party as a result of the combination of the purchased goods with a property.

10.8. We shall release the securities to which we are entitled at the customer's request insofar as the realisable value of our securities exceeds the claims to be secured by more than 10%; the choice of the securities to be released shall be ours.

11. Place of performance

This also applies to supplementary performance. If we are also liable for the assembly or similar services (e.g. installation, commissioning, set-up/adjustment) or services, the place of performance shall be the place where this is to take place in accordance with the contractual provisions.

12. Final provisions

12.1. These terms and conditions as well as the contracts shall be governed by the laws of the Federal Republic of Germany excluding the UN Convention on Contracts for the International Sale of Goods (CISG).

12.2. The exclusive jurisdiction for all disputes regarding rights and obligations arising from these terms and conditions and the contracts, including their effectiveness, shall be the courts with jurisdiction at the registered office of Müller-BBM VibroAkustik Systeme GmbH ("MBBM VAS"). However, MBBM VAS shall be entitled to sue the customer at its general place of jurisdiction.Der

12.3. The customer shall not be entitled to assign any rights or claims arising from the Agreements to third parties without the prior written consent of MBBM VAS.

12.4. Amendments and additions to these terms and conditions must be made in writing to be valid. This also applies to the amendment of this written form clause.

12.5. If any provisions of these GTCS are or become void or invalid in whole or in part this shall not affect the validity of the other provisions. The same shall apply if these terms and conditions fail to include a provision which is necessary. The parties shall replace the void or unenforceable provision with a legally permissible and enforceable provision that comes as close as possible to the economic purpose of the void or unenforceable provision. If these terms and conditions are incomplete, the parties shall reach an agreement with the meaning they would have agreed upon in terms of these terms and conditions if the loophole had been known at the time of the conclusion of the contract.