

TERMS AND CONDITIONS OF SALE

of

**CERAFILTEC Germany GmbH
Quellenstr. 14
66121 Saarbrücken
Germany**

1. General terms, scope, written form

- a) These Terms and Conditions of Sale shall govern, and exclusively apply to, our commercial relationship. Conflicting or deviating terms will not be accepted unless with our express consent. This consent requirement shall apply in all cases, including where the customer ("**Customer**") refers to their terms and conditions and where we do not expressly object to such terms and conditions.
- b) Individual agreements or statements in our acknowledgement of order shall take precedence over these Terms and Conditions of Sale.
- c) Legally relevant declarations and notifications by the Customer (e.g., setting a deadline (*Fristsetzung*), notifying defects (*Mängelanzeige*), withdrawal (*Rücktritt*), or reducing the consideration because of a defect (*Minderung*)) must be made in writing. Any applicable statutory form requirements (*Formerfordernisse*) shall remain unaffected.

2. Offer, bidding documents

- a) All of our offers are subject to change without prior notice and are non-binding (*freibleibend und unverbindlich*). This also applies if we have provided the Customer with catalogues, unless otherwise expressly stated in our acknowledgement of order.
- b) We reserve all rights to our drawings, calculations and bidding and other documents. This applies to any documentation which is marked as "confidential". Any transfer or licensing of intellectual property rights by the Customer to third parties is subject to our prior written and express consent.

3. Payment, set-off and retention rights

- a) Unless otherwise specified in our acknowledgment of order, our prices are *ex works*: The Customer shall bear any freight, customs duties, fees, ancillary costs of import, taxes and other public charges, costs of transportation, packaging, and transportation insurance (if requested). If and to the extent we expressly agree that we shall take care of, or handle any of the following matters or services, e.g., freight, customs duties, fees, ancillary costs of import, costs of transportation, packaging and transportation insurance will be invoiced separately.
- b) Statutory VAT is not included in our prices and, if applicable, will be added to, and shown separately in, the invoice.
- c) Unless specified in our acknowledgement of order, the purchase price is fully due and payable without any right of deduction within 30 (thirty) calendar days after the shipment of the goods ("**Payment Deadline**"). Notwithstanding the preceding sentence,

we reserve the right to request advance payment, which request shall be made no later than in our acknowledgement of order.

- d) Upon expiry of the Payment Deadline, the Customer shall be in default (*Zahlungsverzug*). During the period of default, interest shall accrue on the full amount of the purchase price (including VAT) at a rate of 1% per week (including statutory VAT). Our right to claim further damages caused by the default (*Verzugsschaden*) shall remain unaffected and the amount of default interest shall not reduce the amount of any actual damages caused by the default (*Verzugsschaden*).
- e) The Customer shall only be entitled to set off any claims or exercise any retention rights, if the Customer's claim is undisputed (*unbestritten*) or has been finally adjudicated by a court or arbitral tribunal of competent jurisdiction. The Customer's rights according to Sec. 6 lit. g) of these Terms and Conditions of Sale with respect to defective goods shall remain unaffected.
- f) We shall be entitled to advance payment for any goods in transit or still to be delivered as soon as we have reasonable grounds to believe that the Customer will not be able to fulfil its obligations under our agreement. Our rights to refuse performance and to withdraw from the agreement, entirely or in part, in accordance with statutory law (Sec. 321 of the German Civil Code) shall remain unaffected. With respect to agreements for the manufacture of non-fungible items (custom-made products), we are entitled to withdraw immediately (i.e., without setting any further deadline).
- g) For deliveries to recipients outside of the Federal Republic of Germany, we reserve the right to request, prior to delivery, (i) the issue of an irrevocable documentary letter of credit by a German bank with a minimum credit rating of BBB- and integration into the Society for Worldwide Interbank Financial Telecommunications (SWIFT) payment system, or (ii) sufficient collateral (which does not include "delivery on a cash against documents basis"), which equals 110% of the amount of the purchase price (including VAT).
- h) We only accept cheques, bills, and payment instructions based on an individual express agreement. The Customer will bear any and all related costs, including collection fees and costs and discounts. Any such costs will be charged to the Customer and shall be due and payable immediately upon invoicing.
- i) Payments by the Customer shall first be applied to the least recent outstanding liabilities, including any accrued interest and ancillary costs.

4. Delivery, delivery default, acceptance default

- a) If a period has been agreed for us to perform our delivery obligation ("**Delivery Period**"), the Delivery Period shall commence only once we have received the purchase order, all necessary documents for order execution, clarification of all technical and commercial questions, and any requested advance payments. The Delivery Period shall automatically be extended by any time period during which the Customer does not duly

fulfill its cooperation duties (*Mitwirkungspflichten*) as required for us to continue processing the order. If an order is placed without specifying the (i) Delivery Period, (ii) lot size, or (iii) acceptance deadline, we reserve the right to request a binding specification on (i), (ii) and (iii). In case of such a request, the Customer must provide such specifications within 10 (ten) calendar days.

- b) In case we are unable to meet binding delivery deadlines due to reasons beyond our control (such as unavailability of performance (*Nichtverfügbarkeit der Leistung*)), we will promptly (*unverzüglich*) inform the Customer and provide an estimated new delivery date. If the performance is still unavailable within such a new deadline, we reserve the right to withdraw from the contract in full or in part, against prompt refund of any consideration already received from the Customer. Reasons for unavailability of performance include (i) disruptions in the supply chain due to force majeure, (ii) delayed delivery from our supplier (*Selbstbelieferung*) under a cover transaction (*Deckungsgeschäft*), or (iii) any applicable statutory grounds, whereby we are not liable for procuring supplies to produce our goods.
- c) We are entitled to partial deliveries. In the event of a partial delivery, only the portion of the purchase price shall be due which corresponds to the proportion of the partial delivery to the total agreed delivery volume.
- d) We reserve the right to alter the design and configuration of the purchased goods, provided that the goods are still suitable for the agreed contractual purpose and the modifications are reasonably acceptable for the Customer. In this case, we will promptly inform the Customer of any modifications to the product.
- e) Unless otherwise provided in our acknowledgment of order, *ex works* delivery is agreed upon. The place of performance (*Erfüllungsort*) shall be our place of business or, if applicable, the location of the branch (*Ortssitz der Zweigstelle*) in charge of executing the order. We are entitled to determine the modalities of shipment (carrier, route and packaging).
- f) The Customer shall accept the goods upon delivery. Failure to do so or non-compliance with the cooperation duties pursuant to Sec. 295 of the German Civil Code shall entitle us to withdraw from the agreement and to demand compensation for any damages, including additional expenses incurred. The risk of accidental loss, deterioration, and delay transfers to the Customer (*Gefahrübergang*) upon delivery to the designated carrier, freight forwarder, or party responsible for shipment. The Customer shall bear the risk of accidental destruction or deterioration of the goods (*Gefahr des zufälligen*

Untergangs und der zufälligen Verschlechterung) during any failure to accept the goods (*Annahmeverzug*).

- g) The delivery deadline shall be extended in the event of labor disputes, such as strikes or lockouts, for the duration of such disputes, if they materially impact the performance of our delivery obligations.

5. Costs of packaging, delivery

- a) Subject to Sec. 5 lit. b), transport packaging and other packaging will not be accepted for return. The Customer is obliged to take care of the waste disposal of the packaging, and to bear the costs of such disposal, unless otherwise provided by applicable law. In cases where we have taken care of the waste disposal, the Customer shall reimburse us for the full costs of waste disposal immediately upon invoicing.
- b) Euro pallets specified by the European Pallet Association ("**Euro Pallets**") and euro standard frames such as IPPC standard wooden frames specified by IPPC-Standard ISPM No. 15 ("Standard Frames") delivered with the goods must be exchanged against empty Euro Pallets or Standard Frames upon accepting the delivered goods. Reusable packaging must also be exchanged upon delivery and must be returned within two weeks at the Customer's cost. Otherwise, any such reusable packaging, Euro Pallets or Standard Frames will be charged to the Customer at its purchase cost.

6. Liability

- a) We are only liable for damages arising from willful misconduct (*Vorsatz*) or grossly negligent (*grob fahrlässig*) conduct, irrespective of the legal basis for liability. In case of grossly negligent (*grob fahrlässig*) conduct, our liability shall be limited to the purchase price paid by the Customers for the relevant product.
- b) The liability limitations in the preceding paragraph also apply to legal representatives (*gesetzliche Vertreter*) and executives (*leitende Angestellte*). We are not liable for the conduct of any of our agents or partners designated to fulfill our contractual obligations (*Erfüllungshilfe*).
- c) The limitations set forth in Secs. 6 lit. a) and b) do not apply if a defect was fraudulently concealed, a guarantee for the quality of goods was given (*Beschaffheitsgarantie*), or for claims of the Customer under the German Product Liability Act (*Produkthaftungsgesetz*).
- d) Unless otherwise specified below, the Customer's rights in case of defects (*Sach- und Rechtsmängel*) shall be governed by the applicable statutory provisions.
- e) Our liability for defects is based on the quality (*Beschaffenheit*) and intended use of the goods. The quality agreed upon (*Beschaffheitsvereinbarung*) includes any product descriptions and manufacturer specifications that form part of the individual agreement or have been publicly announced by us at the time of entering into the agreement. In

case a specific quality has not been agreed upon, the existence of a defect shall be determined in accordance with the statutory provisions (Sec. 434 (3) of the German Civil Code).

- f) We do not assume liability for defects of which the Customer was aware or which it grossly negligently failed to recognize at the time of entering into the agreement (Sec. 442 of the German Civil Code). The Customer's claims for defects require full compliance with statutory inspection and notification obligations (*Untersuchungs- und Rügeobliegenheit*) (Secs. 377, 381 of the German Commercial Code). Obvious defects must be reported in writing within five (5) business days after delivery, and non-obvious defects must be reported in writing within the same period upon discovery. If a defect becomes apparent at any time, written notice must be given to us within five (5) business days. The goods must be stored properly for the period between notification and our inspection at the Customer's location. Failure to carry out a proper inspection and/or defect notification excludes our liability for the defect under applicable statutory provisions.
- g) In case the delivered good is defective, we are entitled to remedy the defect (*Nacherfüllung*) by delivering a defect-free item (*Ersatzlieferung*) or by repairing the defective good (*Nachbesserung*). The Customer may reject the type of remediation (*Nacherfüllung*) chosen by us in the event it is not reasonably acceptable to the Customer (*unzumutbar*) in the individual case. If the initial repair of the defective good (*Nachbesserung*) does not meet the Customer's satisfaction, the Customer has the right to request a second repair attempt for the same defect ("**Second Repair**"). Our right to refuse to remedy defects (*Nacherfüllung*) under statutory provisions remains unaffected.
- h) We have the right to refuse to remedy defects until the Customer has paid the purchase price safe for a reasonable portion of the purchase price in proportion to the defect that the Customer shall be entitled to withhold.
- i) The Customer must provide us with an opportunity and allow for reasonable time for us to remedy a defect, particularly by handing over the contested item for examination purposes. If we elect to deliver a defect-free item (*Ersatzlieferung*), then, upon our request, the Customer shall return the defective item to us in accordance with statutory provisions. The Customer shall not be entitled to return the defective item to us unless requested by us. Defect remedy does not include removing, uninstalling, or disassembling of the defective item, nor the installation or attachment of a defect-free item, if we were not originally obliged to provide these services. The Customer's claims for reimbursement of corresponding costs (installation and removal costs – "*Ein- und Ausbaukosten*") shall remain unaffected.
- j) If a reasonable deadline set by the Customer for defect remedy has expired without success or is not required (*entbehrlich*) under statutory provisions, the Customer is entitled, except in cases where the Customer has requested a Second Repair which we have not rejected, to withdraw from the agreement (*zurücktreten*) or to reduce the

purchase price (*mindern*) according to statutory provisions, provided that, in case of an immaterial defect (*unerhebliche Mangel*), the right to withdraw is excluded.

- k) Claims by the Customer for reimbursement of expenses according to Sec. 445a (1) of the German Civil Code are excluded (unless the last contract in the supply chain is a consumer goods purchase (*Verbrauchsgüterkauf*) (Secs. 478, 474 of the German Civil Code) or a consumer contract for the provision of digital products (Secs. 445c sentence 2, 327 (5), 327u of the German Civil Code)). The Customer shall only be entitled to damages or reimbursement of frustrated expenses (Sec. 284 of the German Civil Code) in accordance with the terms set forth in this section 6, including in connection with any defects in the goods.

7. Retention of title

- a) We retain title to all goods sold (*Eigentumsvorbehalt*) until all current and future liabilities from our ongoing business relationship ("**Secured Obligations**") are fully paid. If payment is made by cheque or bill of exchange, the title remains with us until the cheque or bill of exchange is redeemed. The Customer is responsible for the careful and proper treatment of the purchased goods and must provide adequate insurance cover at their own expense for the risks of fire damage, water damage, and theft.
- b) No goods that are subject to retention of title (*Eigentumsvorbehalt*) shall be pledged to third parties or transferred as collateral before final and full discharge of all Secured Obligations. The Customer must notify us immediately in writing if an application for the opening of insolvency proceedings is filed or if third-party access (e.g., by seizure) to the goods subject to retention of title occurs.
- c) In the event of a breach of contract by the Customer, particularly in the case of non-payment of the purchase price, which is due, we are entitled to withdraw from the agreement or demand the return of the goods based on the retention of title according to statutory provisions. A demand for the return of goods does not automatically constitute a declaration of withdrawal. We are entitled to only demand the return of the goods and reserve the right to withdraw. In the event of non-payment of the purchase price, which is due, we shall only exercise these rights if we have previously set an appropriate deadline for payment that has expired, or if such a deadline is not required under applicable legal provisions.
- d) The Customer is authorized to resell and/or process the goods that are subject to retention of title in the ordinary course of its business (unless we revoke such right according to the last sentence of Sec. 7 lit. d) cc) below). In this case and additionally, the following shall apply:
- aa) Retention of title extends to the products resulting from processing, mixing, or combining our goods at their full value, whereby we are deemed to be the manufacturer (*Hersteller*). If, in processing, mixing, or combining with goods of third parties, third party ownership rights subsist, we acquire co-ownership (*Miteigentum*) in proportion to the invoice values of the processed, mixed or

combined goods. In all other respects, the same rules shall apply to the resulting product (*das entstehende Erzeugnis*) as to the goods delivered by us subject to retention of title.

- bb) The Customer hereby assigns to us all claims arising from the resale of the goods or products against third parties in total or up to our co-ownership share, as applicable, according to the preceding paragraph ("**Assigned Claims**") as collateral. We hereby accept the assignment. The restrictions on the Customer set forth in Sec. 7 lit. b) shall also apply to the Assigned Claims.
- cc) The Customer is authorized to collect (*einziehen*) the Assigned Claims in the ordinary course of its business. We undertake not to collect Assigned Claims, as long as (i) the Customer fulfills its payment obligations to us when due, (ii) the Customer's ability to perform is not impaired, (iii) no application for the opening of insolvency proceedings over the Customer's assets has been filed, and (iv) we have not exercised a right according to Sec. 7 lit. c). If any of these requirements is no longer met, the Customer shall promptly upon our request, disclose to us the Assigned Claims and their respective debtors, provide all necessary information for collection, hand over the corresponding documents, and notify the debtors of the Assigned Claims of the assignment pursuant to these Terms and Conditions of Sale. In this case, we are also entitled to revoke the Customer's authorization to further sell and process of all goods subject to retention of title.
- e) If the realizable value of all goods subject to retention of title exceeds the Secured Obligations by more than 10%, we shall release (*freigeben*) any excess collateral of our choice upon request of the Customer.

8. Statute of limitations

- a) The general limitation period (*Verjährungsfrist*) for claims arising from defects in quality or title is twelve (12) months from delivery (*Ablieferung*). Other statutory special regulations on limitation periods (Sec. 202 (1), Sec. 438 (1) No. 1, (3), Secs. 444 of the German Civil Code) remain unaffected.
- b) The above limitation periods for the sale of goods shall also apply to contractual and non-contractual claims for damages by the Customer, which are based on a defect in the goods, unless applying the applicable statutory limitation period would lead to a shorter limitation period in the specific case. Claims for damages under the Product Liability Act shall be time-barred (*verjähren*) in accordance with the applicable statutory limitation periods only.

9. Sanctions

- a) The Customer will not use, or make available, the goods provided from us under the scope of this Terms and Conditions of Sale to (i) fund or facilitate any activities or business of, with or related to any Sanctioned Country or Sanctioned Person, (ii) in any manner that would result in a violation of Sanctions, or (iii) for any activities or business

that could result in the designation of us as being a Sanctioned Person ("**Sanctionable Activity**"). The Customer shall not be obliged to refrain from Sanctionable Activity to the extent imposing an obligation to refrain from Sanctionable Activity would violate public laws, in particular EU Regulation 2271/96 as amended or German foreign trade laws.

- b) For purposes of these Terms and Conditions of Sale, "**Sanctions**" are any economic or financial sanctions or trade embargoes administered or enforced by sanctions authorities of the EU, the U.S.A, the United Kingdom, Switzerland, or any other applicable sanctions authority to which we or the Customer is subject. "**Sanctioned Countries**" are Russia, Belarus, Crimea, Donetsk and Luhansk regions of Ukraine, Iran, North Korea and Syria. "**Sanctioned Person**" means a company or its subsidiaries (collectively, the "**Company**") or directors, senior executives or officers, or to the knowledge of the Company, any person on whose behalf the Company is acting in connection with the subject matter of this Terms and Conditions of Sale, being an individual or entity ("**Person**"), that is itself subject to Sanctions or based, organized or resident in a Sanctioned Country, or that is 50% or more owned or controlled by a Company or Person that is subject to Sanctions or based, organized or resident in a Sanctioned Country.

10. Arbitration agreement, applicable law, other provisions

- a) **All disputes arising out of or in connection with these Terms and Conditions of Sale or the validity of these Terms and Conditions of Sale shall be finally settled in accordance with the Arbitration Rules of the German Institution of Arbitration e.V. (DIS Rules) without recourse to the ordinary courts of law.**
- b) The place of arbitration shall be Frankfurt, Germany. The arbitral tribunal shall consist of three arbitrators. The language of the arbitral proceedings is English. A document in German language shall not be required to be translated into English if German is the original language of the document. Oral hearings may be conducted in another language if all parties participating in the hearing and the arbitrators agree.
- c) **The substantive law applicable to these Terms and Conditions of Sale is German law, excluding its provisions on conflicts-of-laws, the UN Convention on Contracts for the International Sale of Goods (CISG), and Secs. 305–310 of the German Civil Code.**
- d) In these Terms and Conditions of Sale, the headings are inserted for convenience only and shall not affect the interpretation of the terms. Where a German term has been inserted in italics, it alone (and not the English term to which it relates) shall be authoritative for the purpose of the interpretation of the relevant English term throughout this Terms and Conditions of Sale.
- e) Amendments to the Terms and Conditions of Sale, including any amendment to this Sec. 10 lit. e), or any amendments to the underlying orders are required to be in writing to be effective, unless a stricter form requirement (e.g., notarization) applies by

mandatory law. If any statement, declaration, notification, or other communication is required to be in writing to be effective under this Agreement, transmission of a signed copy of such statement, declaration, notification by telefax or pdf-copy via email or by means of electronic signature within the meaning of Regulation (EU) No. 910/2014 (e.g., via providers such as DocuSign) suffices.

- f) If any provision of these Terms and Conditions of Sale is or becomes partly or entirely invalid or unenforceable or if these Terms and Conditions of Sale include a gap or omission, the validity of the remaining provisions of these Terms and Conditions of Sale is not affected thereby. We and the Customer are obliged to replace the partly or entirely invalid or unenforceable provision with a valid and enforceable provision, which we and the Customer would have agreed on had we and the Customer been aware of the invalidity or unenforceability of the respective provision. It is the explicit intention of the Customer and us that Sec. 10 lit. f) does not merely shift of the burden of proof (*Beweislastumkehr*), but that Sec. 139 the German Civil Code shall be disapplied in its entirety.