

## GENERAL TERMS AND CONDITIONS FOR CONSUMERS

### 1. General provisions

- 1.1 The following General Terms and Conditions ("**GTC**") apply to all business relationships between NADDCON GmbH, Lichtenfels ("**NADDCON**"), and their customers ("**Customer**", together with NADDCON "**Parties**").
- 1.2 The GTC only apply if the Customer is a consumer (Section 13 BGB (*German Civil Code*)).
- 1.3 The GTC apply in particular to
- contracts for research and/or development to be carried out by NADDCON ("**R&D Contracts**") and/or
  - consulting services such as the implementation of feasibility studies ("**Service Contracts**") and/or
  - contracts for the delivery of movables ("**Goods**"), irrespective of whether NADDCON manufactures the Goods themselves or purchases them from suppliers (Sections 433, 650 BGB) ("**Supply Contracts**").
- 1.4 The GTC of NADDCON apply exclusively. Deviating, conflicting or supplementary general terms and conditions of the Customer, in particular, purchasing terms and conditions, only become part of the contract if and insofar as NADDCON has expressly agreed to their application. This requirement of consent applies in every case, for example, even if the Customer refers to their general terms and conditions in the context of the order, and NADDCON does not expressly object to this.
- 1.5 Individual agreements (for example, framework supply agreements, quality assurance agreements) and details in NADDCON's order confirmation take precedence over the GTC. In case of doubt, commercial clauses shall be interpreted pursuant to the Incoterms® published by the Paris International Chamber of Commerce (ICC) in the version valid at the time of contract conclusion.
- 1.6 Legally relevant declarations and notifications of the Customer in relation to the contract (e.g., deadlines, notice of defects, withdrawal, reduction or termination) must be made at least in text form (for example, by letter, e-mail, fax).
- 1.7 References to the applicability of statutory provisions shall only be of a clarifying nature. Therefore, even without such clarification, the statutory provisions shall apply to the extent to which they are not directly amended or expressly excluded in these GTC.

### 2. Contract conclusion

- 2.1 NADDCON's offers are subject to change without notice and non-binding. This also applies if NADDCON has provided the Customer with catalogs, technical documentation (for example, drawings, plans, evaluations, calculations, references to DIN standards), and other product descriptions or documents – also in electronic form.
- 2.2 It shall be considered a binding offer of contract when the Customer orders Goods or places an order under an

R&D Contract. Unless it can be reasonably assumed from the order or the order placement, NADDCON shall be entitled to accept this offer of contract within 14 days of its receipt by NADDCON.

- 2.3 Acceptance can be declared in writing (for example, by order confirmation), by delivery of the Goods to the Customer, or by the commencement of the research and development activity.

### 3. Subject matter of R&D Contracts/Service Contracts

- 3.1 The subject matter of an R&D Contract is the implementation of research and/or development activities towards a contractually defined research and/or development objective.
- 3.2 The subject matter of a Service Contract is the provision of consulting services with regard to specific, contractually specified tasks.
- 3.3 When performing an R&D Contract or a Service Contract, NADDCON is obliged to exercise scientific care as well as to comply with the generally accepted rules of technology. However, unless the Parties agree otherwise, NADDCON does not assume any warranty for the actual achievement of a specific research and/or development result or its usability and/or the usability of consulting services.

### 4. Processing times for R&D Contracts/Service Contracts

- 4.1 The term for processing the services under R&D Contracts or Service Contracts shall be agreed upon individually and/or specified by NADDCON upon acceptance of the order.
- 4.2 If NADDCON realizes that a binding processing time or a binding deadline cannot be observed, they will inform the Customer of the reasons for the delay and agree on an appropriate adjustment with the Customer.

### 5. Delivery period and default in delivery for delivery contracts

- 5.1 The delivery period for delivery contracts is agreed upon individually and/or specified by NADDCON upon acceptance of the order. If this is not the case, the delivery period shall be 4 weeks after contract conclusion.
- 5.2 If NADDCON is unable to meet binding delivery dates for reasons for which NADDCON is not responsible (unavailability of the service), NADDCON will inform the Customer of this immediately while at the same time communicating the expected new delivery period. If the service is unavailable also within the new delivery period, NADDCON shall be entitled to withdraw from the contract in whole or in part. NADDCON will immediately return any return service already rendered by the Customer. If NADDCON has concluded a congruent hedging transaction, neither NADDCON nor their suppliers are at fault, or NADDCON is not obliged to procure in the individual case, in particular, also the late self-

- delivery by NADDCON's suppliers shall be considered a case of unavailability of performance in this sense.
- 5.3 The occurrence of default in delivery on the part of NADDCON is determined pursuant to the statutory provisions. In any case, however, this requires a reminder by the Customer. If NADDCON defaults on delivery, the Customer can demand lump-sum compensation for the damages caused by default. The lump-sum compensation amounts to 0.5 % of the net price (delivery value) for each completed calendar week of the default, however, at most, 5 % of the delivery value of the Goods in default. The Customer does not have to prove that they have suffered any damages at all due to the default in delivery. NADDCON remains entitled to provide evidence that the Customer has not suffered any damages at all due to the delay or that the damage is significantly lower than the lump sum incurred. The assertion of damages caused by default exceeding the lump sum is excluded. This does not apply in the case of intent or gross negligence on the part of NADDCON.
- 5.4 The rights of the Customer in accordance with Clause 14 of these GTC and the statutory rights of NADDCON, in particular in the event of an exclusion of the obligation to perform (for example, due to impossibility or unreasonableness of performance and/or subsequent performance), shall remain unaffected.
- 6. Delivery in the case of Supply Contracts**
- 6.1 Delivery is effected ex-works. The Goods may be shipped to another destination (sale by dispatch) at the Customer's request and account.
- 6.2 Unless otherwise agreed, NADDCON shall be entitled to determine the type of shipment (in particular, forwarding agent, shipping route, packaging) themselves.
- 7. Duties to collaborate of the Customer, acceptance**
- 7.1 The Customer is obliged to collaborate appropriately across the entire contract period. This includes, in particular, the provision of all objects, data and information from their own sphere in an appropriate quality and quantity, which are required for the performance of services by NADDCON, e.g., within the scope of an R&D Contract.
- 7.2 Disadvantages arising from a lack of or delayed collaboration shall be to the disadvantage of the Customer.
- 7.3 If work performance has been agreed upon, it shall be accepted after completion. The Parties may agree on interim acceptance dates. In the case of substantial defects in the development results, the Customer may refuse acceptance until the defects have been rectified; NADDCON shall be entitled and obliged to rectify the defects within a reasonable period of time. Otherwise, the Customer must declare formal acceptance, if necessary, by listing any defects which are to be rectified by the contractor within a reasonable period of time. Apart from that, Section 640 BGB shall apply.
- 8. Rights of use to research and development results for R&D Contracts**
- 8.1 In accordance with the R&D Contract, the results under the R&D Contract are made available to the Customer after the completion of the services under the R&D Contract.
- 8.2 NADDCON nevertheless reserves the right to apply in its own name for industrial property rights, in particular patents, in Germany and abroad for results based on services provided by NADDCON. Unless the Parties have agreed otherwise, the Customer shall receive a non-exclusive, non-transferable and non-sub-licensable free right of use in the respective intellectual property rights for the underlying intended purpose of the R&D Contract.
- 8.3 Instead of a right of use pursuant to Clause 8.2, NADDCON may, upon request and in return for payment, grant the Customer an exclusive right of use in the intellectual property rights pursuant to Clause 8.2 for the underlying intended purpose of the R&D Contract. Such granting of rights shall be agreed upon by the Parties in a separate written agreement. The Customer shall declare such a request according to Sentence 1 in writing to NADDCON within three months after notification of the invention. NADDCON retains a non-exclusive, free right of use for internal research and development purposes.
- 8.4 In principle, the Customer has no right to the registration of industrial property rights.
- 8.5 The Customer shall receive a non-exclusive, non-transferable and non-sub-licensable free right of use for the underlying intended purpose of the R&D Contract to the proprietary works created by NADDCON in the course of the performance of the R&D Contract, including software programmed by NADDCON and know-how created.
- 8.6 If the Parties have made joint inventions during the performance of the R&D Contract, i.e., with the participation of employees of both Parties, and the shares in the invention cannot be applied for separately by each party, the Parties shall own the respective inventions jointly according to their share in the invention. The Parties shall agree contractually on further aspects, e.g. in connection with the registration, acquisition, maintenance and enforcement of industrial property in the individual case.
- 8.7 Clause 8.6 shall apply to the extent to which it may be applicable, accordingly to proprietary works, including software and know-how, which are jointly created by the Parties in the course of the performance of the R&D Contract.
- 8.8 If the Customer requires already existing industrial property rights used by NADDCON during the performance of the R&D Contract for the exploitation of the results from the R&D Contract, NADDCON shall, in return for payment, grant them a non-exclusive right of use to be agreed separately for the underlying intended purpose of the R&D Contract, provided that no other obligations of NADDCON exclude this. The Customer must declare

such a request in writing to NADDCON within six months after handover of the results under the R&D Contract.

**9. Conflicting industrial property rights in R&D Contracts**

- 9.1 Unless expressly agreed otherwise, NADDCON does not conduct any patent research and research for conflicting third-party property rights when performing R&D Contracts. NADDCON does not assume any liability that the results obtained under the R&D Contract do not violate third-party industrial property rights.
- 9.2 The Parties shall inform each other of any third-party industrial property rights they become aware of before and during the performance of the R&D Contract and which might be relevant to the other Party.
- 9.3 The Parties shall mutually agree in which way third-party industrial property rights that have become known shall be considered in the further performance of the R&D Contract.

**10. Prices, remuneration and terms of payment**

- 10.1 Unless otherwise agreed in individual cases, NADDCON's current prices at the time of contract conclusion apply. These prices include value added tax. They do not include delivery and shipping costs.
- 10.2 If the Parties agree on remuneration in individual cases, this remuneration shall be a fixed price unless the Parties have agreed otherwise in individual cases.
- 10.3 In the case of sale by dispatch (Clause 6.1), the customer shall bear the transport costs ex-works.
- 10.4 The purchase price and/or remuneration are due and payable within 30 days of invoicing and delivery and/or acceptance of the goods. However, NADDCON is entitled at any time, even within the framework of an ongoing business relationship, to perform a supply contract or research and/or development work in whole or in part only against advance payment. NADDCON declares a corresponding reservation at the latest with the order confirmation.
- 10.5 The Customer shall be in default upon the expiry of the aforementioned payment period. During the default, the purchase price shall yield interest at the applicable statutory default interest rate. NADDCON reserves the right to assert further damages caused by default. In the event that NADDCON asserts higher damages caused by default, the customer shall have the option to prove to NADDCON that the asserted damages caused by default were not incurred at all or were at least significantly lower.
- 10.6 The Customer is only entitled to set-off or retention rights insofar as their claim has been legally established or is undisputed. Offsetting with counterclaims which are synallagmatically linked to the offset main claim, i.e., in particular, warranty rights of the customer, remains unaffected.
- 10.7 If, after contract conclusion, it becomes apparent (for example, through an application for the opening of

insolvency proceedings) that NADDCON's claim to the purchase price is jeopardized by the Customer's inability to pay, NADDCON shall be entitled to refuse performance in accordance with the statutory provisions and – if necessary after setting a deadline – to withdraw from the contract (Section 321 BGB). In case of contracts about the production of non-fungible Goods (customized products), NADDCON can immediately declare their withdrawal; the legal regulations concerning the dispensability of a time limit shall remain unaffected by this.

**11. Retention of title and right of use**

- 11.1 NADDCON retains the title to sold Goods and embodied results from R&D Contracts until full payment of all of NADDCON's present claims arising from the contractual relationship between the Parties.
- 11.2 The Customer only receives the rights of use referred to in Clause 8 upon full payment of all current claims of NADDCON arising from the R&D Contract and an ongoing business relationship.  
The statutory rights and claims in the event of defects apply.

**12. Termination of R&D Contracts**

- 12.1 Either party is entitled to terminate an R&D contract with four weeks' notice to the end of a calendar month if no substantial project progress has been made after the expiry of a substantial processing period, at the earliest six months after entering the R&D Contract. Otherwise, there is no ordinary right of termination unless the Parties have agreed otherwise.
- 12.2 Each party is entitled to terminate an R&D Contract extraordinarily for good cause. Good cause for NADDCON shall also exist, in particular, if the Customer fails to collaborate as required for this R&D Contract after setting a deadline.
- 12.3 Termination must be made in text form as a minimum.
- 12.4 After the effective termination of an R&D Contract, NADDCON will hand over to the Customer the results achieved up to the expiry of the notice period. The Customer is obliged to reimburse NADDCON for the costs incurred up to the expiry of the notice period.
- 12.5 In the event that the termination is due to the fault of one of the Parties, claims for damages shall remain unaffected.

**13. Termination of Service Contracts**

Each party is entitled to terminate a Service Contract with four weeks' notice to the end of a calendar month.

**14. Customer's claims for defects and NADDCON's liability**

- 14.1 The statutory liability for defects shall apply.
- 14.2 Insofar as nothing to the contrary arises from these GTC, including the following provisions, NADDCON shall be liable in the event of a violation of contractual and non-contractual obligations in accordance with the statutory provisions.

14.3 NADDCON shall have unlimited liability for damages – irrespective of the legal grounds – within the scope of fault-based liability in the event of intent and gross negligence. In the case of simple negligence, NADDCON shall be liable, subject to statutory limitations of liability (e.g., diligence in own affairs; insignificant breach of duty), only

a) for damages from the violation of life, body or health,

b) for damages arising from the breach of a material contractual obligation (obligation whose fulfillment is a prerequisite for the proper performance of the contract and on whose observance the contractual partner regularly relies and may rely); in this case, however, NADDCON's liability shall be limited to compensation for the foreseeable, typically occurring damage.

14.4 The limitations of liability resulting from Paragraph 2 also apply to third parties as well as in the case of breaches of duty by persons (also in their favor) whose fault NADDCON is responsible for according to statutory provisions. They do not apply insofar as a defect was fraudulently concealed, or a guarantee for the quality of the Goods was assumed and for claims of the Customer according to the Product Liability Act.

14.5 Due to a breach of duty which does not consist of a defect, the Customer may only withdraw or terminate if NADDCON is responsible for the breach of duty. A free right of termination of the Customer (in particular according to Sections 650, 648 BGB) is excluded for delivery contracts. In all other respects, the statutory prerequisites and legal consequences shall apply.

## 15. Confidentiality

The Parties undertake to treat as confidential all information about the Goods and information about and arising from Service and/or R&D Contracts (in particular process information, samples or design documents), other products of the Parties, as well as information about operating procedures which is not generally known, even after the termination of any individual contracts. Insofar as employees and suppliers become aware of confidential information in the normal course of business, the Parties shall oblige them to maintain the same confidentiality.

## 16. More information

16.1 These GTC and the contractual relationship between us and the Customer are governed by the law of the Federal Republic of Germany, excluding international uniform law, in particular, the United Nations Convention on Contracts for the International Sale of Goods. The statutory provisions on the restriction of the choice of law and the applicability of mandatory provisions, in particular, of the state in which the Customer has their habitual residence as a consumer, remain unaffected.

16.2 The European Commission provides a platform for online dispute resolution (OS), which is available via the link to the European Commission's platform ([\(Online Dispute Resolution | European Commission \(europa.eu\)\)](https://ec.europa.eu/odr/)). NADDCON is not obliged to participate in dispute resolution proceedings before a consumer arbitration board