

## General Terms and Conditions (B2B)

of **HANS HALL GmbH**, Kruegerstrasse 11, 88250 Weingarten (Germany), hereinafter referred to as "HANS HALL".

### § 1 General Provisions

(1) The General Terms and Conditions (GTC) shall apply to all business relationships with customers. Customers within the meaning of these GTC are exclusively merchants, entrepreneurs (§ 14 BGB (German Civil Code)), legal entities under public law or special funds under public law. The GTC apply to all services and offers from HANS HALL, in particular to contracts for the sale and/or delivery of movable goods and services (hereinafter also referred to as "goods"), regardless of whether HANS HALL has manufactured the goods itself or purchased them from suppliers. The GTC shall apply in the version valid at the time of conclusion of the contract. In this case, HANS HALL shall inform the customer of any changes to the GTC in writing or in text form.

(2) These GTCs shall apply exclusively. Deviating, conflicting, or supplementary terms and conditions shall only become part of the contract if and to the extent that HANS HALL expressly agrees to their validity in writing. This does not apply to individual agreements pursuant to § 305b BGB (German Civil Code). If HANS HALL carries out the delivery to the customer without reservation in the knowledge of deviating, conflicting, or supplementary terms and conditions of the customer, this does not constitute consent to the customer's terms and conditions.

(3) Legally relevant declarations and notifications to be made by the customer to HANS HALL after conclusion of the contract (e.g., setting deadlines, notifications of defects, declarations of withdrawal and reduction) must be made in writing to be effective. Statutory formal requirements remain unaffected. In case of doubt, trade clauses shall be interpreted in accordance with the Incoterms® published by the International Chamber of Commerce in Paris (ICC) in the version valid at the time of conclusion of the contract.

### § 2 Conclusion of Contract

(1) Offers made by HANS HALL are always subject to change and non-binding, unless a binding period has been expressly agreed. This is also the case if HANS HALL has provided the customer with catalogs, technical documentation (e.g., drawings, plans, calculations, references to DIN standards), other product descriptions, or documents, including in electronic form. HANS HALL reserves the property rights and copyrights to the aforementioned products and documents.

(2) The customer may place an order in writing, by telephone, in text form, by email, or by fax. The customer's order constitutes a binding offer to conclude a contract.

(3) HANS HALL is entitled to accept the contractual offer contained in the order within seven (7) working days of receipt of the order by HANS HALL. Acceptance can be declared by HANS HALL either in writing or in text form (e.g., by means of an order confirmation) or by delivery of the goods to the customer. In the event of contract acceptance by delivery of the goods to the customer, payment in advance is expressly excluded.

(4) The contract is concluded subject to the condition that, in the event of incorrect or late delivery to HANS HALL of the components required for the manufacture of the goods or the provision of the desired service, HANS HALL is not obliged to fulfil the contract or is only obliged to fulfil it in part. This shall only apply if HANS HALL is not responsible for the non-delivery or incorrect delivery or if HANS HALL is not obliged to procure the goods and HANS HALL has concluded a specific covering transaction with the supplier with due care. In the event of non-availability or only partial availability of the components required for the manufacture of the goods or the provision of the desired service, the customer shall be informed immediately. In the event that the goods cannot be manufactured or the service cannot be provided, or cannot be manufactured or provided in time, the parties shall enter into negotiations to allocate the costs according to the principle of causation.

### **§ 3 Retention of Title and Withdrawal**

(1) HANS HALL retains title to the goods until all current claims arising from the sale and/or delivery of movable items and from an ongoing business relationship (secured claim) have been settled in full.

(2) During the period of retention of title, the customer shall be obliged to treat the goods with care and to insure them at their own expense against fire, water, and theft damage to an amount sufficient to cover the replacement value of the goods. If maintenance and inspection work becomes necessary, the customer must carry this out in suitable time at their own expense.

(3) During the period of retention of title, the customer shall not be entitled to transfer the goods to third parties as security or to pledge them to third parties before the secured claim has been paid in full. In the event of damage to or destruction of the goods, the customer must inform HANS HALL immediately in writing or in text form. The same applies in the event of seizures or other interventions by third parties on the goods, in which case the customer is obliged to point out the ownership of HANS HALL. There is also an immediate obligation to inform HANS HALL if the customer has filed for bankruptcy. If the third party is unable to reimburse HANS HALL for the judicial and extrajudicial costs of a lawsuit in accordance with § 771 ZPO (German Code of Civil Procedure), the customer shall be liable for the loss incurred by HANS HALL.

(4) During the period of retention of title, the customer shall be entitled to resell and/or process the purchased item in the ordinary course of business.

(a) The customer hereby assigns to HANS HALL by means of security, to the extent of the outstanding claim, all claims for payment arising from the sale of the goods and all claims arising from any other legal grounds in relation to the goods (e.g., claims arising from tort and claims for insurance benefits), including all balance claims from current accounts. HANS HALL accepts this assignment.

(b) The customer remains authorized to collect these claims even after the assignment. HANS HALL's authority to collect the claim itself remains unaffected by this. However, HANS HALL agrees not to collect the claim as long as the customer meets their payment obligations, is not in default of payment, no application for the opening of composition or insolvency proceedings has been filed, and there is no other deficiency in their ability to pay. In these cases, HANS HALL may demand that the customer disclose the assigned claims and their debtors, provide all information necessary for collection, hand over the relevant documents, and notify its debtors (third parties) of the assignment. In addition, HANS HALL is entitled to revoke the customer's authority to resell and process the goods subject to retention of title.

(c) HANS HALL shall release the securities to which it is entitled at the customer's request to the extent that the realizable value of its securities exceeds the claims to be secured by more than 10%; the selection of the securities to be released shall be at the discretion of HANS HALL.

(5) In the event of breach of contract by the customer, in particular non-payment of the remuneration due, HANS HALL shall be entitled to withdraw from the contract in accordance with the statutory provisions and to demand the return of the goods on the basis of the retention of title and the withdrawal. If the customer's breach of contract constitutes non-payment of the remuneration due, the assertion of the aforementioned rights is dependent on HANS HALL having previously set the customer a reasonable deadline for payment of the remuneration without success, or such a deadline being dispensable under the statutory provisions.

### **§ 4 Deterioration of the Customer's Financial Circumstances**

If, after conclusion of the contract, HANS HALL becomes aware of indications of a significant deterioration in the customer's financial circumstances (e.g., application for bankruptcy proceedings) that lead to the expectation that the customer will probably not be able to meet their existing payment obligations when they fall due, HANS HALL may demand full payment of all invoices and declare invoices that are not yet due to be due. In addition, HANS HALL is entitled to withdraw from the contract in accordance with the statutory provisions on refusal to perform and after setting a deadline. In the case of contracts for the manufacture of custom-made products (irreplaceable items), HANS HALL may also declare its withdrawal without setting a deadline (immediately). The statutory provisions on the dispensability of setting a deadline remain unaffected. Any claims for damages by HANS HALL remain unaffected by this. After taking back the purchased item, HANS HALL is entitled to sell it. The proceeds from the sale shall be offset against the customer's liabilities, less reasonable costs of sale.

## § 5 Remuneration

Unless otherwise agreed, the prices of HANS HALL valid at the time of conclusion of the contract shall apply, EXW, plus the applicable sales tax, but excluding shipping costs.

## § 6 Terms of Payment

(1) Customers may make payment by advance payment, direct debit, invoice, or cash on collection, as agreed individually. HANS HALL reserves the right to exclude individual payment methods. New customers and customers outside the European Union, outside the European Economic Area, or outside the European Free Trade Association may only make payment in advance, unless otherwise agreed.

(2) Unless otherwise agreed, payment is due within 14 days of invoicing without deduction. After expiry of this period, the customer is in delay of payment. During the period of delay, the customer shall pay interest on the debt at the applicable statutory default interest rate, whereby HANS HALL reserves the right to assert further claims for damages caused by the delay. HANS HALL's claim to commercial interest on overdue payments against merchants remains unaffected. In addition, in the event of default, the customer shall pay HANS HALL a one-time flat fee of EUR 40.00 (forty). This flat fee shall be credited in full against any damages owed, insofar as the damage is based on the costs of legal action.

(3) The customer shall only have a right to compensation and a right of retention if their counterclaims have been legally established, recognized, or not disputed by HANS HALL. In the event of defects in the delivery, the customer's counterclaims shall remain unaffected.

## § 7 Factoring

(1) HANS HALL is entitled to assign its payment claims against the customer in whole or in part to third parties (in particular to factoring or collection companies) or to commission such third parties to collect the claims.

(2) HANS HALL shall inform the customer immediately in writing or in text form (e.g., by email) of any assignment that has taken place and shall name the new payee.

(3) The customer is obliged to make payments with discharging effect exclusively to the third party named in the notification. Payments made to HANS HALL itself shall not be deemed to have been made after the assignment has taken place, unless the third party expressly confirms them.

(4) The customer's rights of compensation and retention remain unaffected insofar as they have been legally established, are undisputed, or are ready for decision.

## § 8 Delivery

(1) The terms of delivery are understood to be EXW (Incoterms 2020).

(2) The type of delivery and the amount of the delivery costs shall be communicated to the customer prior to delivery. The customer shall bear the shipping costs, including any customs duties, fees, taxes, and other public charges from the warehouse, as well as the costs of any transport insurance requested by the customer and the bank charges for any international transfers. Unless expressly agreed otherwise, HANS HALL is entitled to determine the appropriate shipping method, shipping route, packaging, and transport company at its reasonable discretion, taking into account the legitimate interests of the customer.

(3) HANS HALL is only responsible for the timely and proper delivery of the goods to the transport company and is not responsible for delays caused by the transport company.

(4) If the goods are not available or cannot be delivered on time when the order is placed, HANS HALL shall inform the customer immediately and notify them of the expected delivery date. Reference is made to the reservation of proper delivery in accordance with § 2 (4).

(5) If the agreed delivery dates cannot be met due to force majeure such as war, strikes, or similar events, or due to supply shortages or impediments to performance beyond the respective sphere of influence, these shall be extended appropriately without any claims being asserted. In cases of doubt, the conditions for force majeure and the hardship clauses of the International Chamber of Commerce (ICC) shall be deemed to have been agreed between the parties. The ICC clause on force majeure (long version) is thus included in this agreement. This can be accessed at: <https://iccwbo.org/wp-content/uploads/sites/3/2020/03/icc-forcema-jure-hardship-clauses-march2020.pdf>

(6) The statutory rights of the customer and HANS HALL pursuant to Sections 10 and 11 of the GTC and in the event of an exclusion of the obligation to perform are not affected by the above provision.

(7) HANS HALL is entitled to make partial deliveries, provided that a partial delivery is reasonable for the customer, taking into account its interests. This shall not result in any additional costs for the customer.

## **§ 9 Transfer of Risk**

(1) The risk of accidental loss and accidental impairment of the goods shall pass to the customer at the latest upon delivery. In the case of sale by delivery to a place other than the place of performance, however, the risk of accidental loss and accidental deterioration of the goods as well as the risk of delay shall pass to the customer upon delivery of the goods to the forwarding agent, the carrier, or any other person or institution designated to carry out the shipment. The handover shall be deemed to have taken place even if the customer is in default of acceptance.

(2) If the customer is in default of acceptance, fails to cooperate, or delays delivery by HANS HALL for reasons for which the customer is responsible, HANS HALL shall be entitled to demand compensation for the resulting damage, including additional expenses (e.g., storage costs). The customer shall be entitled to prove that HANS HALL has incurred no damage or only significantly less damage than claimed. The same shall apply to any additional expenses claimed.

## **§ 10 Liability**

(1) Unless otherwise specified below, the statutory provisions shall apply to the customer's rights in the event of material defects and defects of title (including incorrect and short delivery as well as improper assembly or defective assembly instructions). In all cases, the special statutory provisions for final delivery of the goods to a consumer shall remain unaffected.

(2) The basis for HANS HALL's liability for defects is primarily an agreement on the quality and the intended use of the goods in the intended environment (including accessories and instructions for use and regular checks). In this sense, all product descriptions or other agreed specifications from HANS HALL are deemed to be agreed as the quality of the goods. An agreement on quality also exists if it is designated as a product description and was provided to the customer prior to their order or was included in the contract in the same way as these General Terms and Conditions, in particular through HANS HALL catalogs or via the HANS HALL website. If no agreement has been made regarding the quality of the goods, the statutory provisions shall determine whether or not there is a defect. Public statements, promotions, or advertising by the manufacturer or third parties do not constitute a contractual quality of the goods. This does not apply if HANS HALL itself is the manufacturer of the goods.

(3) The goods must be inspected immediately for deviations in quality and quantity, and obvious defects must be reported to HANS HALL within a period of two weeks from receipt of the goods at the latest. If the customer fails to carry out the proper inspection and/or notification of defects, HANS HALL's liability for defects that are not reported, or not reported in a timely or proper manner, is excluded in accordance with the statutory provisions. Timely dispatch or notification in writing or text form is sufficient to meet the deadline. The customer bears the full burden of proof for all claim requirements, in particular for the defect itself, for the time of discovery of the defect, and for the timeliness of the notification of defects. For merchants, §§ 377, 381 HGB (German Commercial Code) shall apply. Defects that are not apparent during inspection must be reported in writing immediately within a period of two weeks after discovery.

(4) HANS HALL shall, at its own choice, remedy defects by either repairing them (eliminating the defect) or replacing the goods (delivering goods free of defects). If the type of remedy chosen by HANS HALL is unreasonable for the customer in individual cases, the customer may reject it. HANS HALL's right to refuse subsequent performance under the statutory conditions remains unaffected.

(5) HANS HALL shall be entitled to make the subsequent performance owed conditional upon the customer paying the purchase price due. However, the customer is entitled to retain a portion of the purchase price that is reasonable in relation to the defect.

(6) The customer must give HANS HALL the time and opportunity necessary for the subsequent performance owed, in particular to hand over the rejected goods for inspection purposes. In the event of a replacement delivery, the customer must return the defective item to HANS HALL in accordance with the statutory provisions.

(7) The expenses necessary for the purpose of inspection and subsequent performance, in particular transport, travel, labor, and material costs, shall be borne by HANS HALL if a defect actually exists. Otherwise, HANS HALL may demand reimbursement from the customer for the costs incurred as a result of the unjustified request to remedy the defect (in particular inspection and transport costs), unless the lack of defectiveness was not apparent to the customer.

(8) In urgent cases, for example in the event of an immediate threat to operational safety or to prevent disproportionate damage, the customer has the right to remedy the defect themselves and to demand reimbursement from HANS HALL for the objectively necessary and proven expenses incurred. HANS HALL must be notified of such self-remedy immediately, if possible in advance. The right to remedy the defect oneself does not apply if HANS HALL would be entitled to refuse corresponding subsequent performance in accordance with the statutory provisions.

(9) If the subsequent performance fails, the customer may, at their discretion, demand a reduction in the purchase price (diminution) or rescission of the contract (withdrawal) or compensation in lieu of performance. In the case of only minor defects, the customer shall not be entitled to withdraw from the contract, taking into account the interests of both parties. Instead of compensation in lieu of performance, the customer may demand reimbursement of futile expenses within the scope of § 284 BGB (German Civil Code) which he incurred in reliance on receiving the goods and which he was reasonably entitled to incur. If the customer chooses compensation instead of performance, the limitations of liability pursuant to § 10 shall apply.

(10) Notwithstanding the statutory provision of § 438 (1) No. 3 BGB (German Civil Code), the warranty period shall be one (1) year from delivery of the goods. The warranty period begins with the transfer of risk in accordance with § 9. The above limitation period also applies to contractual and non-contractual claims for damages by the customer based on a defect in the goods, unless the application of the regular statutory limitation period (§§ 195, 199 BGB (German Civil Code)) would lead to a shorter limitation period in individual cases. Claims for damages by the customer pursuant to § 11 (2) sentences 1 and 2(a) below and pursuant to the Product Liability Act shall become time-barred exclusively in accordance with the statutory limitation periods.

(11) HANS HALL does not give any warranties to the customer in the legal sense, unless expressly agreed otherwise. Manufacturer guarantees remain unaffected by this.

## **§ 11 Limitations of Liability**

(1) Unless otherwise specified in these General Terms and Conditions, including the following provisions, HANS HALL shall be liable for any breach of contractual and non-contractual obligations in accordance with the statutory provisions.

(2) HANS HALL shall be liable for damages - regardless of the legal basis - within the scope of fault-based liability in cases of intent and gross negligence. In cases of simple negligence, HANS HALL shall only be liable, subject to statutory limitations of liability (e.g., diligence in its own affairs; insignificant breach of duty)

(a) for damages resulting from injury to life, physical integrity, or health,

(b) for damages under the Product Liability Act

(c) for damages resulting from the breach of an essential contractual obligation (an obligation whose fulfillment is essential for the proper execution of the contract and on whose fulfillment the customer regularly relies and may rely); in this case, however, HANS HALL's liability is limited to compensation for the foreseeable, typically occurring damage.

(3) The limitations of liability resulting from the preceding paragraph 2 also apply to third parties and to breaches of duty by persons (including for their benefit) for whose fault HANS HALL is responsible according to statutory provisions. They do not apply if HANS HALL has fraudulently concealed a defect or has assumed a guarantee for the quality of the goods, or to claims by the customer under the Product Liability Act.

(4) The customer may only withdraw from or terminate the contract due to a breach of duty that does not consist of a defect if HANS HALL is responsible for the breach of duty. In all other respects, the statutory requirements and legal consequences apply.

(5) Insofar as HANS HALL provides technical information or advice and this information or advice is not part of the contractually agreed scope of services owed by HANS HALL, this shall be provided free of charge and to the exclusion of any liability.

## **§ 12 Information Security**

(1) The parties shall, in general, even beyond the scope of this agreement, ensure compliance with the statutory provisions on information security, in particular IT security, by taking appropriate measures within their companies. The competent authorities in the country of the respective place of business provide freely accessible recommendations for the current basic IT security. Deviations from these recommendations may only be made in justified exceptional cases.

(2) Each party shall have a special right of termination without notice with regard to all agreements potentially affected by this, provided that there are objective indications that the other party has not implemented sufficient basic IT security within the meaning of the preceding paragraph (1) in its company.

### **§ 13 Property Rights, Confidentiality, and Data Protection**

(1) Insofar as industrial property rights, copyrights, and know-how (“background”) of HANS HALL are necessary for the performance of a service, HANS HALL grants the customer a simple, transferable, and sublicensable right of use to this background, exclusively for the use of the goods for the respective agreed contractual purpose.

(2) The parties shall undertake to treat all confidential information obtained from the other party in the course of the performance of the contract as strictly confidential and to use it exclusively for the purposes of performing this contract. Reverse engineering based on the confidential information received is expressly prohibited.

(3) In particular, all documents, knowledge, data, and business or trade secrets that are recognizable as such or are to be regarded as confidential by their nature shall be considered confidential.

(4) The confidentiality obligation shall not apply if the information in question was already lawfully known to the other party, becomes generally known without breach of this agreement, was lawfully obtained from a third party, or must be disclosed due to legal regulations or official/judicial orders.

(5) The confidentiality obligation shall remain in force for the duration of the contractual relationship and for a period of five years after its termination.

(6) The parties mutually commit themselves to complying with all data protection regulations of the Federal Republic of Germany.

### **§ 14 Export Control**

(1) The customer is obligated to use the delivered goods exclusively in accordance with the applicable national and international export control and embargo regulations (in particular those of the European Union, the Federal Republic of Germany, and, where applicable, the United States of America).

(2) Delivery to countries subject to embargo measures or other foreign trade restrictions is prohibited. The same applies to delivery to persons, organizations, or institutions listed on corresponding sanctions lists.

(3) The customer is obliged to provide HANS HALL, upon request, with a written end-use declaration (proof of transfer) regarding the destination and end use of the delivered goods, in particular for deliveries to countries that are classified as critical under German or European foreign trade law. HANS HALL will provide support in this regard if necessary.

(4) The customer is liable for ensuring that the delivered goods are not forwarded or exported without the necessary approvals. The customer indemnifies HANS HALL against all disadvantages resulting from a breach of these obligations.

(5) HANS HALL is entitled to refuse delivery or withdraw from the contract if the customer violates its obligations under this clause or if the fulfillment of the contract is inadmissible or prohibited due to national or international export control regulations.

### **§ 15 Final Provisions**

(1) The laws of the Federal Republic of Germany, including the UN Convention on Contracts for the International Sale of Goods, shall apply.

(2) The place of jurisdiction for all disputes arising from this contract shall be the registered office of HANS HALL, unless an exclusive place of jurisdiction exists. However, HANS HALL shall also be entitled to sue the merchant at the court of his place of residence or business.

(3) All disputes arising from or in connection with these GTCs or an individual contract, including its validity, breach, termination, or nullity, shall be finally settled in accordance with the Rules of Arbitration of the International Chamber of Commerce (ICC) by one or more

arbitrators appointed in accordance with these rules. The arbitral tribunal shall consist of one arbitrator. The place of arbitration shall be Weingarten (Germany).

(4) The contractual language of the GTC is English, communication and procedural language shall be German, unless the parties agree otherwise.

(5) Should any provision of these GTC or an individual contract be wholly or partially incomplete, void or ineffective, the remaining provisions and conditions shall remain unaffected. Instead of an incomplete, void or invalid provision, the parties shall negotiate a valid provision that is comparable to the economic purpose of the incomplete, void or invalid provision.