

GENERAL TERMS AND CONDITIONS

for Deliveries and Services in Business-to-Business (B2B) Transactions

This is a translation of the German Terms and Conditions for informational purposes only. In case of discrepancies, the German version shall prevail.

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§ 1 Scope of Application, Precedence, Form

- (1) The present General Terms and Conditions ("GTC") shall apply to all business relations between ArmaSys Armaturen und Systemtechnik GmbH ("ArmaSys") and its customers ("Customer"). They shall apply to all present and future offers, deliveries, and services provided by ArmaSys, in particular for the sale and delivery of industrial valves, actuation, automation, measurement, and control technology, spare parts, assemblies, and system solutions, as well as for engineering, assembly, commissioning, testing, maintenance, repair, and consulting services.
- (2) These GTC shall apply exclusively to entrepreneurs within the meaning of Section 14 of the German Civil Code (BGB), legal entities under public law, and special funds under public law. They shall not apply to consumers.
- (3) These GTC shall apply in particular to contracts for the sale and/or delivery of movable goods ("Goods"), regardless of whether ArmaSys manufactures the Goods itself or purchases them from suppliers (Sections 433, 650 BGB). Unless otherwise agreed, these GTC shall apply in the version valid at the time of the Customer's respective order. If ArmaSys has communicated the GTC or any amendments thereto to the Customer in writing, the version last communicated in writing shall be deemed authoritative in case of doubt. As a framework agreement, the GTC shall also apply to similar future contracts without ArmaSys having to refer to them again in each individual case.
- (4) The GTC of ArmaSys shall apply exclusively. Conflicting, deviating, or supplementary terms and conditions or purchasing conditions of the Customer shall not become part of the contract, even if ArmaSys does not expressly object to them, if reference is made to them in orders or customer portals, or if ArmaSys makes deliveries or performs services unconditionally in the knowledge of such terms and conditions. Deviating terms and conditions shall only apply if ArmaSys has expressly agreed to their validity in text form.
- (5) Individual agreements (e.g., framework supply contracts, quality assurance agreements) and specifications in the order confirmations of ArmaSys shall take precedence over the GTC. Trade terms shall, in case of doubt, be interpreted in accordance with the Incoterms® issued by the International Chamber of Commerce (ICC) in Paris, in the version valid at the time of contract conclusion.
- (6) Legally relevant declarations and notices to be given by the Customer in relation to the contract (e.g., setting of deadlines, notification of defects, rescission, or price reduction) shall be submitted in writing. Written form within the meaning of these GTC includes written form and text form (e.g., letter, email, fax). Statutory formal requirements and further evidence, in particular in cases of doubt regarding the legitimation of the person issuing the declaration, shall remain unaffected. Furthermore, amendments and supplements to the contract should be documented in text form for evidentiary purposes.
- (7) References to the applicability of statutory provisions are for clarification purposes only. Therefore, even without such clarification, the statutory provisions shall apply unless they are directly amended or expressly excluded in these GTC.

§ 2 Conclusion of Contract, and Contract Documentation

- (1) Offers issued by ArmaSys are subject to change and non-binding, unless they are expressly designated as binding. This shall also apply if ArmaSys has provided the Customer with catalogues, technical documentation (e.g., drawings, plans, calculations, estimates, references to DIN standards), or other product descriptions or documents – including in electronic form – to which ArmaSys retains title and copyright.
- (2) An order placed by the Customer shall be deemed a binding contractual offer. Unless otherwise stated in the order, ArmaSys may accept this offer within 14 calendar days of

receipt by issuing an order confirmation in text form, by making delivery, or by commencing the performance of services.

- (3) The content of the contract shall be governed by the order confirmation of ArmaSys. If the order confirmation deviates from the order, it shall be deemed a new offer which the Customer accepts by express confirmation, unconditional acceptance of the delivery or service, or payment, provided that ArmaSys points out the deviation or that it is recognizable to a commercial customer.
- (4) ArmaSys shall be entitled to correct obvious errors, typographical, printing, calculation, or transmission errors in offers, order confirmations, or invoices. In the event of material changes, the Customer shall be informed without undue delay; statutory rights shall remain reserved to the Customer.
- (5) Cost estimates, designs/specifications, and project documentation are only binding if expressly agreed upon. Additional expense resulting from subsequent or incomplete customer specifications shall be billed according to actual effort at the agreed rates, or secondarily at the rates customary at the time of execution.

§ 3 Scope of Services, Technical Specifications and Modifications

- (1) The owed scope of performance shall be determined by the order confirmation and the specifications expressly incorporated therein. In the event of conflicts, the following order of precedence shall apply: individual agreement, order confirmation, expressly agreed technical specification, these GTC, other contract documentation.
- (2) Dimensions, weights, performance figures, consumption data, and other technical specifications are subject to customary industry and manufacturer tolerances, unless binding limit values have been expressly agreed upon.
- (3) ArmaSys shall be entitled to modify the design, shape, material, software version, components, source of supply, or execution, and to deliver a technically at least equivalent successor product, provided that the modification is required due to technical developments, product discontinuations, changes in suppliers, statutory or regulatory requirements, or unavailability, the agreed functionality is maintained, and the modification is reasonable for the Customer. Contractually essential specifications, in particular pressure rating, media resistance, connection dimensions, and safety-relevant characteristics, shall remain unaffected.
- (4) CE markings, declarations of conformity or incorporation, test certificates, material certificates, calibration certificates, translations, and special documentation shall only be owed if expressly agreed upon. The Customer shall be responsible for the conformity assessment and safety of its overall plant/system, unless ArmaSys has expressly assumed responsibility for a complete machine or plant.

§ 4 Customer's Duties to Cooperate and Technical Responsibility

- (1) The Customer shall provide ArmaSys in a timely manner with complete and accurate data required for selection, design, engineering, manufacturing, and operational application. This includes, in particular, information regarding the medium and media composition, physical state, concentration, temperature, pressure, differential pressure, flow rate, environmental conditions, installation position, operating frequency, material requirements, electrical and pneumatic supply, explosion protection, safety requirements, interfaces, and applicable standards.
- (2) Unless ArmaSys has expressly assumed independent planning or design responsibility, product selection, calculations, recommendations, and technical information shall be based

on the Customer's data. The Customer shall verify these for plausibility and suitability for its specific process and overall plant prior to placing an order and using the products.

- (3) ArmaSys shall not be liable for any disadvantages or losses resulting from incorrect, incomplete, or delayed information, specifications, drawings, customer-supplied items, or approvals provided by the Customer, unless ArmaSys recognized their defectiveness or failed to recognize it due to gross negligence. Section 13 of these GTC shall apply.
- (4) The Customer shall inform ArmaSys without undue delay of any changes in operating conditions. The Customer may only use delivered products for their intended purpose and in compliance with manufacturer documentation, safety information, operating manuals, and maintenance and installation instructions.

§ 5 Delivery and Performance Periods, Partial Deliveries, Unavailability of Performance, Delay

- (1) Delivery and performance dates are agreed upon individually or specified by ArmaSys upon acceptance of the order. If this is not the case, the delivery and/or performance period shall be at least 4 weeks from the conclusion of the contract. The period shall be extended by a reasonable duration if a longer period is customary for the procurement or manufacture of the respective Goods; in this case, the customary procurement and manufacturing lead times for the industry plus a reasonable processing period shall apply. Dates or deadlines that are not expressly confirmed as binding shall be non-binding, estimated dates.
- (2) Periods shall not begin until all commercial and technical questions have been clarified, all necessary documents, approvals, releases, and customer-supplied items have been received in full, and any agreed advance payments have been made. If the Customer delays cooperation, deadlines shall be extended reasonably; additional expenses incurred as a result shall be compensated.
- (3) Partial deliveries and partial performances shall be permissible provided they are reasonable for the Customer. They may be invoiced separately.
- (4) If ArmaSys cannot comply with binding delivery and/or performance deadlines for reasons for which ArmaSys is not responsible (unavailability of performance), ArmaSys shall inform the Customer thereof without undue delay. Deadlines shall be extended reasonably, plus a restart period. ArmaSys shall inform the Customer without undue delay of the commencement, expected duration, and end of the disruption, to the extent this is possible and reasonable. If the performance is also not available within the new delivery and/or performance period, ArmaSys shall be entitled to rescind the contract in whole or in part; any consideration already provided by the Customer shall be refunded by ArmaSys without undue delay. Unavailability of performance shall be deemed to exist, for example, in the event of late delivery by ArmaSys's supplier if ArmaSys has concluded a congruent hedging transaction, in the event of other disruptions in the supply chain (such as force majeure, e.g., natural disasters, fire, flood, epidemic or pandemic, war, terrorism, civil unrest, labor disputes, official measures, embargo, sanctions, export or import bans, shortage of energy or raw materials, cyberattacks, failure of essential IT or communication systems, transport or port disruptions, and significant disruptions to supply chains), or if ArmaSys is not obliged to procure in the individual case.
- (5) The occurrence of a delay in delivery and/or performance by ArmaSys shall be determined in accordance with statutory provisions. In any case, however, a reminder issued by the Customer shall be required.
- (6) The rights of the Customer pursuant to Section 13 (*Other Liability*) of these GTC and the statutory rights of ArmaSys, in particular in the event of an exclusion of the obligation to

perform (e.g., due to impossibility or unreasonableness of performance and/or cure), shall remain unaffected.

§ 6 Delivery, Passing of Risk, Acceptance, Default of Acceptance

- (1) Delivery shall be made ex warehouse, which, in accordance with statutory provisions (Section 269 BGB), is the place of performance for the delivery and any subsequent performance. At the request and expense of the Customer, the goods shall be shipped to another destination (sale by dispatch). Unless otherwise agreed, ArmaSys shall be entitled to determine the mode of shipment (in particular transport company, dispatch route, packaging) itself. ArmaSys shall only conclude transport insurance at the request and expense of the Customer.
- (2) The risk of accidental destruction and accidental deterioration of the goods shall pass to the Customer no later than upon handover. In the case of a sale by dispatch, however, the risk of accidental destruction 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 freight forwarder, the carrier, or any other person or institution designated to carry out the shipment. This shall also apply to partial deliveries, direct shipments from the manufacturer, and freight-paid deliveries. Insofar as formal acceptance has been agreed or is legally required, such acceptance shall be decisive for the passing of risk. Furthermore, the statutory provisions of the law governing contracts for work and services shall apply mutatis mutandis to acceptance. Handover or acceptance shall be deemed to have occurred if the Customer is in default of acceptance. In addition to the cases regulated by law, default of acceptance by the Customer shall also occur if dispatch, handover, acceptance, or call-off is delayed for reasons for which the Customer is responsible and ArmaSys notifies the Customer of its readiness for dispatch and performance.
- (3) If the Customer is in default of acceptance, fails to perform a duty to cooperate, or if delivery by ArmaSys is delayed for other reasons for which the Customer is responsible, ArmaSys shall be entitled to claim compensation for the resulting damage including additional expenses (e.g., storage costs). For storage costs, ArmaSys shall charge a lump-sum compensation in the amount of EUR 20 per pallet space per calendar day, starting with the delivery period or – in the absence of a delivery period – upon notification of readiness for dispatch of the goods.

The proof of higher damages and the statutory claims of ArmaSys (in particular reimbursement of additional expenses, reasonable compensation, termination) shall remain unaffected; however, the lump sum shall be offset against further monetary claims. The Customer shall be permitted to prove that ArmaSys incurred no damage at all or significantly lower damage than the aforementioned lump sum.

- (4) If the Customer falls into default of acceptance, call-off, or cooperation, ArmaSys may dispose of the goods elsewhere after setting a reasonable deadline to no avail and supply the Customer within a reasonably extended period, provided that the goods are not customer-specific products.
- (5) Upon receipt, the Customer shall inspect shipments for visible transport damage and shortages, note them on the shipping documents, and notify ArmaSys and the carrier without undue delay. Statutory warranty rights shall remain unaffected.

§ 7 Assembly, Commissioning, Maintenance, and Other On-Site Services

- (1) On-site services shall only be owed if expressly agreed upon. The Customer shall, in a timely manner and at its own expense, create all prerequisites for safe and unhindered performance, in particular free access, necessary isolations, plant shutdowns, freedom from energy and media hazards, lifting equipment, scaffolding, lighting, auxiliary personnel, utility

connections, work permits, as well as compliance with occupational health, safety, and security regulations.

- (2) Prior to the commencement of work, the Customer shall inform ArmaSys completely regarding hazards, hazardous substances, contamination, explosion hazard areas, and special operational rules. Plant and components must be cleaned, depressurized, drained, decontaminated, and secured against reactivation, unless otherwise agreed upon.
- (3) Waiting times, additional travel, interruptions, and extra expenses for which ArmaSys is not responsible shall be billed on a time and material basis. Deadlines shall be extended accordingly.
- (4) ArmaSys shall be entitled to engage suitable subcontractors. The responsibility for the overall plant and its safe operation shall remain with the Customer, unless ArmaSys has expressly assumed broader responsibility.

§ 8 Project Business, Custom Manufacturing, Modifications, and Termination Pursuant to Section 648 BGB

- (1) In the case of customer-specific products, custom procurement, assemblies, and system solutions, the Customer shall be bound by approved drawings, bill of materials (BOM), specifications, and design data. Approvals shall be issued within the agreed period or, secondarily, within a reasonable period.
- (2) Requests for modifications made after conclusion of the contract shall require acceptance by ArmaSys. ArmaSys shall communicate the impact on price, completion date, and scope of services. Until agreement is reached, ArmaSys shall be entitled to suspend the affected work. Additional costs and schedule impacts shall be borne by the Customer, provided the modification was requested by the Customer.
- (3) If the Customer is entitled to a termination right pursuant to Section 648 BGB and terminates or cancels an order without a reason for which ArmaSys is responsible, the Customer shall compensate ArmaSys for the services rendered up to that point, obligations already entered into, non-cancellable procurements, reasonable administrative and storage costs, as well as lost profits in accordance with statutory provisions. By way of derogation from Section 648 Sentence 3 BGB, it shall be presumed that ArmaSys is entitled to 10 percent of the agreed remuneration attributable to the part of the work service not yet rendered. The Customer shall retain the right to prove lower damages.
- (4) Tools, fixtures, testing equipment, programs, and manufacturing aids shall remain the property of ArmaSys or the manufacturer, even if the Customer bears a portion of the costs, unless expressly agreed otherwise.

§ 9 Acceptance of Work and Assembly Services

- (1) Insofar as the performance has the nature of a contract for work and services, it shall be formally accepted upon completion. Acceptance may not be refused due to immaterial defects.
- (2) ArmaSys may request the Customer to accept the performance by setting a reasonable period. The performance shall be deemed accepted upon expiry of the period, unless the Customer refuses acceptance while identifying at least one defect. Statutory deeming provisions for acceptance shall remain unaffected.
- (3) The use or commissioning of the performance shall be deemed acceptance if 14 calendar days have passed since the start of use without the Customer having refused acceptance in writing or in text form, specifying at least one defect. Putting into operation for pure testing

purposes shall not be deemed acceptance. This deemed acceptance shall only take effect if ArmaSys separately points out this consequence to the Customer at the start of the period.

§ 10 Prices and Additional Costs

- (1) Unless otherwise agreed in individual cases, the prices of ArmaSys current at the time of contract conclusion shall apply, namely ex warehouse or ex the place of dispatch specified in the order confirmation, in each case plus statutory value added tax (VAT).
- (2) In the case of a sale by dispatch (Section 6 (1)), the Customer shall bear the transport costs ex warehouse and the costs of any transport insurance requested by the Customer. Any customs duties, fees, taxes, and other public charges shall be borne by the Customer.
- (3) Additional costs for express shipment, special packaging, preservation, export packaging, testing, inspections/acceptances, certificates, translations, documentation, travel expenses, waiting times, and modifications requested by the Customer shall be borne by the Customer, unless they are expressly included in the price.

§ 11 Payment, Set-Off, and Securities

- (1) The prices to be paid by the Customer for the services of ArmaSys shall be due and payable within 30 days from invoicing and delivery or acceptance of the goods. However, ArmaSys shall be entitled, even within the scope of an ongoing business relationship, to make a delivery in whole or in part only against advance payment in the cases specified in paragraph 2.
- (2) ArmaSys shall be entitled to demand reasonable installment payments, payment in advance, or securities for custom manufacturing, project-related procurements, new customers, or in the event of an increased credit risk. Partial deliveries and self-contained partial services may be invoiced separately.
- (3) The place of performance for payments shall be Gummersbach.
- (4) Upon expiry of the payment period specified in paragraph 1, the Customer shall be in default of payment. In the event of default of payment, the Customer shall owe statutory default interest at the rate applicable in each case. The right to claim further damages caused by delay shall remain reserved. Vis-à-vis merchants, ArmaSys's claim to commercial interest from the due date (Section 353 of the German Commercial Code - HGB) shall remain unaffected.
- (5) If, after conclusion of the contract, it becomes apparent (e.g., due to payment default, unsuccessful enforcement measures, cancellation of a trade credit insurance policy, application for the opening of insolvency proceedings) that ArmaSys's claim to the purchase price and/or the contract fee is jeopardized by the Customer's lack of ability to perform, ArmaSys shall be entitled to refuse performance in accordance with statutory provisions and – if applicable after setting a deadline – to rescind the contract (Section 321 BGB). In the case of contracts for the manufacture of non-fungible goods (customized items), ArmaSys may declare immediate rescission; the statutory provisions on the dispensability of setting a deadline shall remain unaffected.
- (6) The Customer shall only be entitled to rights of set-off or retention to the extent that its claim has been established by a final court judgment or is undisputed. Rights of retention may only be exercised on account of claims arising from the same contractual relationship. In the event of justified notices of defects, the Customer may only retain a portion of the remuneration that is reasonable in proportion to the defect. In the event of defects in delivery and/or performance, the Customer's counter-rights, in particular pursuant to Section 12 (6) Sentence 2, shall remain unaffected.

§ 12 Claims for Defects by the Customer

- (1) The Customer's rights in the event of material defects and defects of title (including wrong and short deliveries as well as improper assembly/installation or defective instructions) shall be governed by statutory provisions, unless otherwise specified below. In all cases, statutory provisions on the sale of consumer goods (Sections 474 et seq. BGB) and the Customer's rights arising from guarantees issued separately, in particular by the manufacturer, shall remain unaffected.
- (2) The basis of ArmaSys's liability for defects is, above all, the agreement reached regarding the quality and agreed/intended use of the goods (including accessories and instructions). All product descriptions and manufacturer specifications that are subject of the individual contract or were made publicly known by ArmaSys (in particular in catalogues or on ArmaSys's website) at the time of contract conclusion shall be deemed agreements on quality within this meaning. Insofar as the quality has not been agreed upon, it shall be assessed according to statutory regulations whether a defect exists or not (Section 434 (3) BGB). Public statements made by the manufacturer or on its behalf, in particular in advertising or on the label of the goods, shall take precedence over statements made by other third parties.
- (3) In the case of goods with digital elements or other digital content, ArmaSys shall only owe the provision and, if applicable, an update of the digital content insofar as this expressly results from an agreement on quality pursuant to paragraph 2. ArmaSys assumes no liability for public statements made by the manufacturer or other third parties in this respect.
- (4) In principle, ArmaSys shall not be liable for defects that the Customer knows or is grossly negligent in not knowing at the time of contract conclusion (Section 442 BGB). Furthermore, the Customer's claims for defects presuppose that it has complied with its statutory duties to inspect and give notice of defects (Sections 377, 381 HGB). In the case of building materials and other goods intended for installation or other further processing, an inspection must in any case take place immediately prior to processing. If a defect appears upon delivery, inspection, or at any later time, ArmaSys must be notified thereof in writing without undue delay. In any case, obvious defects must be notified in writing within 5 working days from delivery, and defects not detectable upon inspection within the same period from discovery. If the Customer fails to conduct a proper inspection and/or notify defects, ArmaSys's liability for the defect not notified, not notified in a timely manner, or not properly notified shall be excluded in accordance with statutory provisions. For goods intended for installation, mounting, or fitting, this shall also apply if the defect only became apparent after corresponding processing as a result of a breach of one of these duties; in this case, the Customer shall in particular have no claims for reimbursement of corresponding costs ("removal and installation costs").
- (5) If the delivered item is defective, ArmaSys may initially choose whether to provide subsequent performance by remedying the defect (rectification) or by delivering a defect-free item (replacement delivery). If the mode of subsequent performance chosen by ArmaSys is unreasonable for the Customer in the individual case, the Customer may reject it. ArmaSys's right to refuse subsequent performance under statutory conditions shall remain unaffected.
- (6) ArmaSys shall be entitled to make the owed subsequent performance conditional upon the Customer paying the purchase price due. However, the Customer shall be entitled to retain a portion of the purchase price that is reasonable in proportion to the defect.
- (7) The Customer shall grant ArmaSys the time and opportunity required for the owed subsequent performance, in particular by making the rejected goods available at the place of performance of subsequent performance for testing purposes (Section 439 (5) BGB). In the event of a replacement delivery, the Customer shall return the defective item to ArmaSys

upon request in accordance with statutory provisions; however, the Customer shall not have a right to demand return. Subsequent performance includes neither the removal, dismantling, or uninstallation of the defective item nor the installation, mounting, or fitting of a defect-free item if ArmaSys was not originally obliged to render these services; claims of the Customer for reimbursement of corresponding costs ("removal and installation costs") shall remain unaffected.

- (8) Expenses required for the purpose of testing and subsequent performance, in particular transport, travel, labor, and material costs as well as, if applicable, removal and installation costs, shall be borne or reimbursed by ArmaSys – relative to the place of performance of subsequent performance – in accordance with statutory provisions and these GTC, provided that a defect actually exists. Otherwise, ArmaSys may demand reimbursement from the Customer for costs incurred as a result of an unjustified request for defect rectification if the Customer knew or could have recognized that no defect actually existed.
- (9) In urgent cases, e.g., in the event of a risk to operational safety or to prevent disproportionate damage, the Customer shall have the right to remedy the defect itself and demand reimbursement from ArmaSys of the expenses objectively required for this purpose. ArmaSys must be notified of any such self-remedy without undue delay, if possible beforehand. The right of self-remedy shall not exist if ArmaSys would be entitled to refuse corresponding subsequent performance under statutory provisions.
- (10) If a reasonable period to be set by the Customer for subsequent performance has expired without result or is dispensable under statutory provisions, the Customer may rescind the purchase contract or reduce the purchase price in accordance with statutory provisions. In the event of an immaterial defect, however, no right of rescission shall exist.
- (11) Claims of the Customer for reimbursement of expenses pursuant to Section 445a (1) BGB shall be excluded, unless the last contract in the supply chain is a consumer goods purchase (Sections 478, 474 BGB) or a consumer contract for the provision of digital products (Sections 445c Sentence 2, 327 (5), 327u BGB). Claims of the Customer for damages or reimbursement of futile expenses (Section 284 BGB) shall also exist in the case of defects in the goods only in accordance with Sections 13 and 14 below.

§ 13 Other Liability

- (1) Unless otherwise provided in these GTC including the following provisions, ArmaSys shall be liable for a breach of contractual and non-contractual duties in accordance with statutory provisions.
- (2) ArmaSys shall be liable for damages – on whatever legal grounds – within the scope of fault-based liability in cases of intent and gross negligence. In cases of simple negligence, ArmaSys shall, subject to statutory limitations of liability (e.g., care in one's own affairs; immaterial breach of duty), only be liable:
 - (a) for damage resulting from injury to life, body, or health;
 - (b) for damage resulting from the breach of an essential contractual duty (*Kardinalpflicht* – an obligation whose fulfillment is essential for the proper execution of the contract and on whose compliance the contractual partner regularly relies and may rely); in this case, however, the liability of ArmaSys shall be limited to the compensation of foreseeable, typically occurring damage.
- (3) The limitations of liability resulting from section 2 shall also apply vis-à-vis third parties as well as in the event of breaches of duty by persons (also for their benefit) whose fault ArmaSys is responsible for under statutory provisions. They shall not apply insofar as a defect was fraudulently concealed or a guarantee for the quality of the goods was assumed, nor shall they apply to claims of the Customer under the German Product Liability Act.

- (4) The Customer may only rescind or terminate the contract due to a breach of duty that does not consist of a defect if ArmaSys is responsible for the breach of duty. A free right of termination of the Customer pursuant to Sections 650, 648 BGB shall only exist in the case of custom manufacturing. Otherwise, statutory requirements and legal consequences shall apply.

§ 14 Retention of Title

- (1) ArmaSys retains title to all delivered goods until full payment of all present and future claims arising from the business relationship ("Reserved Goods").
- (2) The Customer shall handle the reserved goods with care and insure them adequately at its own expense against fire, water, theft, and other customary risks. Pledging or transfer by way of security to third parties prior to full payment is impermissible. The Customer shall notify ArmaSys in writing without undue delay, transmitting the relevant documents, if an application for the opening of insolvency proceedings is filed or to the extent that third parties access (e.g., attachments/seizures) the goods belonging to ArmaSys.
- (3) In the event of breach of contract by the Customer, in particular non-payment of the purchase price due, ArmaSys shall be entitled to rescind the contract in accordance with statutory provisions and/or to demand surrender of the goods on the basis of the retention of title. The demand for surrender shall not simultaneously include a declaration of rescission; ArmaSys shall rather be entitled to merely demand surrender of the goods and reserve the right of rescission. If the Customer does not pay the purchase price due, ArmaSys may only assert these rights if ArmaSys has previously set the Customer a reasonable deadline for payment to no avail or if setting such a deadline is dispensable under statutory provisions.
- (4) Until revoked pursuant to (c) below, the Customer is authorized to resell and/or process the goods subject to retention of title in the ordinary course of business. In this case, the following provisions shall apply additionally:
- (a) The retention of title shall extend to the products resulting from the processing, mixing, or combining of the goods of ArmaSys at their full value, with ArmaSys being deemed the manufacturer. If, in the event of processing, mixing, or combining with goods of third parties, their ownership right remains, ArmaSys shall acquire co-ownership in proportion to the invoice values of the processed, mixed, or combined goods. Otherwise, the same shall apply to the resulting product as to the goods delivered under retention of title.
- (b) The Customer hereby assigns to ArmaSys by way of security all claims against third parties arising from the resale of the goods or the product, in total or in the amount of any co-ownership share of ArmaSys pursuant to the preceding paragraph. ArmaSys accepts the assignment. The obligations of the Customer specified in section 2 shall also apply mutatis mutandis with regard to the assigned claims.
- (c) The Customer shall remain authorized to collect the claim alongside ArmaSys. ArmaSys undertakes not to collect the claim as long as the Customer meets its payment obligations to ArmaSys, there is no lack of ability to perform, and ArmaSys does not assert the retention of title by exercising a right pursuant to paragraph 3. However, if this is the case, ArmaSys may demand that the Customer disclose to ArmaSys the assigned claims and their debtors, provide all information necessary for collection, hand over the relevant documents, and notify the debtors (third parties) of the assignment. Furthermore, in this case, ArmaSys shall be entitled to revoke the Customer's authority to further resell and process the goods subject to retention of title.

- (5) If the realizable value of the securities exceeds the claims to be secured by more than 10 percent, ArmaSys shall, at the Customer's request, release securities of its own choice.
- (6) In the case of deliveries to countries in which retention of title is not recognized or not recognized to the same extent, the Customer shall assist ArmaSys in establishing a security interest that is economically as equivalent as possible and shall satisfy all required registration or formal requirements.

§ 15 Voluntary Returns and Shipments Back

- (1) There is no contractual right of return or exchange. Returns of defect-free goods shall take place exclusively upon prior approval by ArmaSys in text form and under the conditions communicated by ArmaSys. Statutory rights regarding defects shall remain unaffected.
- (2) A prerequisite for any voluntary return is regularly that the goods are unused, complete, undamaged, resalable, in their original packaging, and returned carriage paid within the agreed return period. The risks of return transport shall be borne by the Customer. A credit note shall be issued minus a handling and restocking fee of 25 percent of the net value of the goods, but at least EUR 75.00, as well as additional actual testing, reconditioning, and transport costs. The Customer shall retain the right to prove that no expense or a significantly lower expense was incurred.
- (3) Excluded from voluntary returns are, in particular, custom-made items, customer-specifically configured or procured products, opened or programmed electronic components, individual and spare parts, non-stock or discontinued products, as well as goods with an expired shelf life or calibration period.
- (4) For goods that may have come into contact with media or hazardous substances, a complete decontamination and safety declaration must be submitted prior to shipment back. ArmaSys shall be entitled to refuse acceptance of unsafe, contaminated, or inadequately labeled goods and to charge any costs arising therefrom.

§ 16 Proprietary Rights, Documentation, Software, and Confidentiality

- (1) ArmaSys retains ownership, copyright, and other proprietary rights in offers, calculations, drawings, circuit diagrams, CAD and 3D data, estimates, parts lists, samples, software, configurations, documentation, and other materials. They may only be used for the contractually intended purpose and may not be reproduced, modified, made accessible to third parties, or used for replica construction without prior consent.
- (2) Insofar as software, firmware, or digital documentation is provided, the Customer receives a simple, non-exclusive, non-transferable right of use to the extent necessary for the intended operation of the delivered products. Deviating license terms of manufacturers or third parties shall take precedence if they have been made accessible to the Customer.
- (3) Source code, rights of modification, rights to sublicense, or rights to use for other products shall only be granted upon express agreement. Mandatory statutory rights, in particular for error correction and interoperability, shall remain unaffected.
- (4) Both parties shall keep secret all commercial and technical information marked as confidential or confidential by its nature, and shall use it exclusively for the execution of the contract. Excluded is information that is demonstrably publicly known, lawfully acquired from third parties, independently developed, or required to be disclosed pursuant to law or an official order.

§ 17 Export Control, Sanctions, and Compliance

- (1) The performance of the contract is subject to the condition that it is not precluded by any applicable national, European, or international provisions of foreign trade, export control, embargo, or sanctions law, and that any required permits or authorizations are granted.
- (2) The Customer shall provide ArmaSys in a timely manner with all information and documentation required for export control compliance checks, in particular regarding the ultimate consignee/end recipient, end use, country of destination, and intended re-export. The Customer shall use, export, re-export, broker, or transfer goods, software, technology, or documentation only in compliance with applicable regulations and authorizations.
- (3) ArmaSys shall be entitled to suspend performance, refuse performance, or terminate the affected part of the contract insofar as a prohibition, denial of authorization, sanction, or a non-immaterial compliance risk exists. This shall not apply if ArmaSys is responsible for the hindrance. Consideration already received for services that cannot be permanently rendered shall be refunded.
- (4) The parties undertake to comply with applicable anti-corruption, antitrust, anti-money laundering, and other compliance regulations. In the event of a material, culpable breach, the other party may terminate the affected contract for cause after an unsuccessful warning letter or without a warning letter if continuation is unreasonable.

§ 18 Limitation Period

- (1) By way of derogation from Section 438 (1) No. 3 BGB, the general limitation period for claims arising from material defects and defects of title shall be one year from delivery. Insofar as formal acceptance is required, the limitation period shall commence upon acceptance. If the goods constitute a building/structure or an item that has been used for a building/structure in accordance with its customary manner of use and has caused the defectiveness thereof (building material), the limitation period shall be 5 years from delivery in accordance with statutory provisions (Section 438 (1) No. 2 BGB). Other statutory special provisions regarding limitation periods (in particular Section 438 (1) No. 1, (3), Sections 444, 445b BGB) shall also remain unaffected.
- (2) By way of derogation from Section 634a (1) No. 1, No. 3 BGB, in the case of performance having the nature of a contract for work and services, the general limitation period for claims arising from material defects and defects of title shall be one year. If the work constitutes a building/structure or a work whose result consists in the provision of planning or supervisory services therefor, the limitation period shall be 5 years in accordance with statutory provisions. In all these cases, the limitation period shall commence upon acceptance. Other statutory special provisions regarding limitation periods (in particular Sections 634a (3), 639 BGB) shall remain unaffected.
- (3) The target limitation periods of sales and/or work contract law set out above shall also apply to contractual and non-contractual claims for damages of the Customer based on a defect of the goods and/or the work, unless the application of the regular statutory limitation period (Sections 195, 199 BGB) would lead to a shorter limitation period in the individual case. Claims for damages of the Customer pursuant to Section 13 (2) Sentence 1 and Sentence 2 (a) as well as under the Product Liability Act shall statute-bar exclusively in accordance with statutory limitation periods.

§ 19 Applicable Law, Place of Jurisdiction, Assignments

- (1) These GTC and the contractual relationship between ArmaSys and the Customer shall be governed by the law of the Federal Republic of Germany, to the exclusion of international uniform law, in particular the UN Convention on Contracts for the International Sale of Goods

(CISG). Insofar as conflict of law rules lead to the application of another jurisdiction's law, such conflict of law rules are likewise excluded.

- (2) If the Customer is a merchant within the meaning of the German Commercial Code (*Handelsgesetzbuch* - HGB), a legal entity under public law, or a special fund under public law, the exclusive – including international – place of jurisdiction for all disputes arising directly or indirectly out of the contractual relationship shall be the registered office of ArmaSys in Gummersbach. The same shall apply if the Customer is an entrepreneur within the meaning of Section 14 BGB. However, ArmaSys shall in all cases also be entitled to bring an action in accordance with statutory provisions at the place of performance of the delivery obligation, if different, at the general place of jurisdiction of the Customer, or at any other legally established place of jurisdiction. Overriding statutory provisions, in particular regarding exclusive jurisdictions, shall remain unaffected.
- (3) Assignments of claims against ArmaSys shall require prior approval in text form; Section 354a HGB and other mandatory statutory rights of assignment shall remain unaffected.
