

General Terms and Conditions

Last updated: July 2022

§ 1 – Area of application

- (1) These general terms and conditions (GTC) shall apply to any legal transactions of Poppe Elastomertechnik GmbH as well as the enterprises affiliated with it within the meaning of Section 15 of the *Aktiengesetz* (the Stock Corporation Act).
- (2) Our GTC shall apply exclusively. Any conflicting, deviating or additional general terms and conditions (e.g., purchasing conditions) of the Customer will not be recognized and shall thus not be incorporated in the contract unless we expressly confirmed them in writing. This shall even apply in the event that the Customer makes reference thereto in the course of the correspondence (e.g., as part of a long-term or (framework) call-off contract in connection with the conclusion of individual orders or individual call-off orders). Our GTC shall even apply in the event that we proceed with our delivery or service without reservation although being aware of the Customer's conflicting, deviating or additional general terms and conditions.
- (3) Unless agreed otherwise in writing, our GTC shall apply in the version applicable at the time of the purchase order to all similar future transactions with the Client, without us having to reference them once more in each individual case.

§ 2 – Effective conclusion of contract

- (1) Our offers are non-binding.
- (2) A purchase order represents a binding offer. We are entitled, at our option, to accept such offer within four weeks by providing an order confirmation ("Conclusion of Contract"). The same shall apply to subsequent changes to the purchase order.
- (3) Any oral subsidiary agreements shall only be binding on us if we confirm them in writing.
- (4) In deviation from § 12 (1), purchase orders, order and order confirmations may also be made in text form.
- (5) The Customer is not entitled to cancel any purchase orders once they have been accepted.
- (6) Cost estimates, drawings, public statements, recommendations or advertising, along with other documents, are non-binding. Any property rights and copyrights to such and similar documents are exclusively ours. Without our written approval, they must not be made accessible to third parties.

§ 3 – Sales prices; shipping, transport and delivery conditions

- (1) Unless otherwise agreed in writing, our prices as well as the shipping, transport and delivery conditions are FCA (Incoterms 2020) ex the respective Poppe manufacturing plant – excluding the respective packaging. We shall not bear any cost associated with the disposal of packaging materials.
- (2) Our prices are net only and excluding the respective applicable sales tax.
- (3) For production and procedural reasons, deviations with respect to the quantity of items we deliver ("Objects of Delivery") are unavoidable. Therefore, actual deliveries may exceed or fall short of the order volume by up to 15% without constituting a defect. Invoices will only reflect the actual delivery

volume.

- (4) Delivery deadlines and delivery dates ("Delivery Period") are only binding if we expressly confirmed them in writing.
- (5) For the Delivery Period to commence, all technical questions must have been settled, and any and all documents, permits, releases and other documents and actions to be procured by the Customer (e.g., advance payments or payments on account, security deposits or decisions), which we require in order to fulfill our obligations, must have been provided (obligation to cooperate). In the event that the Customer fails to comply with its obligation to cooperate, we are entitled to suspend such activities as may already have commenced. In such a case, the Delivery Period shall be suspended until the action in question has been taken by the Customer. In the event that the Customer fails to comply with its obligation to cooperate, or if the Customer fails to comply with them properly, we are entitled to demand to be indemnified against any resulting damages, including any added expenditures. In case of the Customer's failure to comply with its obligation to cooperate fully or properly, the Delivery Period shall be extended to an appropriate degree; the same shall apply in case of any agreed changes.
- (6) The Delivery Period is observed if, by the time the Delivery Period expires, the Object of Delivery has left the plant, or it has been communicated that it is ready to be shipped. In the event that the Customer is in default of acceptance, we are entitled to the indemnity claims under § 3 (4) accordingly. In such a case, the risk of accidental perishing or accidental deterioration of the Object of Delivery passes to the Customer at the point in time at which the latter is in default of acceptance. In such a case, we shall be entitled, at our option, to (a) store the goods at the Customer's risk and expense, or (b) ship them to the Customer at the latter's risk and expense.
- (7) Insofar as we are unable to comply with binding Delivery Periods, we inform the Customer without delay, specifying a new Delivery Time.
- (8) In the event that our own suppliers fail to supply us promptly or fully, we shall be released from our own obligation to provide our performances in relation to the Customer for the duration and to the extent of such late or incomplete supply.

§ 4 – Payment

- (1) Our invoices are due and payable in full within thirty (30) days of the invoice date. The cost of tools is payable net only. The Customer will be in default of payment as soon as the deadline for payment has expired; there will be no need for a reminder. Default is not contingent on a reminder. If the Customer is in default of payment, we are entitled to demand payment of default interest at the statutory rate. The assertion of claims for default damages will not be affected thereby.
- (2) The Customer is only entitled to rights of set-off or retention if the Customer's counterclaims have been legally established, are undisputed or have been accepted by us.
- (3) Should any of the events as listed in the annex "Flat Service Charges" of these GTC occur, or should the services as described in such annex be used, the Customer shall pay to us, in each instance, the flat fee as described in the annex "Flat Service Charges" in addition to any compensation for damages and the reimbursement of expenditures.

§ 5 – Confidentiality

- (1) The contractual partners shall treat as a business secret such commercial and technical details and information that come to their knowledge as a result of the business relations (“Information”). Unless approved expressly and in writing, such Information must not be shared with third parties. The contractual partners shall refrain from analyzing by dismantling and disassembling (“Reverse Engineering”) any item mutually exchanged (e.g., prototypes, software or other materials and samples) unless mandatory law conveys rights to do so.
- (2) Drawings, models, templates, samples and similar items must not be shared with or otherwise made accessible to third parties without the prior written approval of the respective other contractual partner. Such items may be duplicated only as needed for business requirements and permitted under copyright law.
- (3) The Customer is obligated to notify us in writing and without delay if and when it learns of or suspects an imminent or past breach of the duties of confidentiality. This includes findings and suspicions outside of the parties’ cooperation in a certain project.
- (4) The duties of confidentiality further apply to any and all enterprises affiliated with the Customer pursuant to Section 15 et seqq. AktG. Insofar as we have approved in writing the disclosure of Information to third parties (e.g., subcontractors or subsuppliers), the Customer as well as any enterprise affiliated with it pursuant to Section 15 et seqq. AktG shall, for its part, impose the duties of confidentiality arising from these GTC on the third party in question accordingly before the Information is disclosed, and shall ensure that such duties are fulfilled. The Customer shall be liable for any and all breaches of the duties of confidentiality by third parties, to whom it disclosed Information, as if they were the Customer’s own breaches of the duty of confidentiality to which the Customer is subject and shall be responsible for the fault of such third parties as if it was the Customer’s own.
- (5) The duties of confidentiality pursuant to this agreement shall not apply if and to the extent that Information (a) is known or made known to the public through no breach of the duties set forth in these GTC, (b) was legitimately obtained by a third party, or (c) was known to the receiving contractual partner prior to the other contractual partner’s disclosure thereof, or (d) shall be disclosed under mandatory court orders, official directives or statutory provisions, in which case such disclosure shall be kept to the absolute minimum and the receiving contractual partner must inform the other contractual partner of the intended disclosure in writing unless doing so would entail an unreasonable burden, or (e) was developed independently by the receiving contractual partner through no use of or reference to the other contractual partner’s Information. Whichever contractual partner invokes one or several of the foregoing exemptions shall provide evidence of the underlying facts.
- (6) The use of the contractual partners’ business relationship for advertising purposes shall be subject to prior written approval.

§ 6 – Means of production

- (1) “Means of Production” shall include any and all devices, forms, templates, samples, tools and other items for manufacturing and testing.

- (2) Unless agreed otherwise expressly and in writing, the manufacturing costs associated with Means of Production shall be invoiced separately and paid by the Customer in their entirety. This shall further apply to such Means of Production which have to be replaced on account of wear and tear. We are entitled to demand a down payment on Means of Production on short notice.
- (3) The Customer shall bear the costs for maintenance and proper storage of Means of Production, along with the risk of the Means of Production sustaining damage or being destroyed.
- (4) In the event that the Customer suspends or ends the cooperation during the manufacturing period of the Means of Production, it shall bear all manufacturing costs incurred until such point in time.
- (5) Unless otherwise agreed expressly and in writing, any and all Means of Production we develop, make or procure shall remain our property irrespective of any share of costs borne by the Customer or other payment made by the Customer.
- (6) A claim for delivery will be contingent on the readiness for use of a given Means of Production. Means of Production shall be kept in a state of readiness for use for no more than ten years from the date of the most recent order.
- (7) We shall not be liable for the readiness for use of any Means of Production provided by the Customer or the Customer's customers. In such cases, any offers submitted and/or order accepted shall be deemed to be non-binding in every respect until the issue of usability of a given Means of Production has been definitively settled. The Customer shall bear any and all repair and maintenance costs as well as the manufacturing risk for such Means of Production.

§ 7 – Property rights

- (1) The Customer alone shall be responsible for ensuring that its requirements and additional provisions do not infringe any third-party rights, including but not limited to copyrights, patents and utility models. The Customer shall hold us harmless from any and all third-party claims based on such violation of law upon first demand and shall indemnify us against any and all related costs and expenditures.
- (2) Unless expressly agreed otherwise, we are exclusively entitled to any and all industrial property rights related to the Object of Delivery as well as to any pertinent documents. The Customer is permitted to use such rights only for the purpose and to the extent contractually intended; the Customer is not authorized to duplicate or reproduce the Object of Delivery or any of the pertinent documents.
- (3) Insofar as we (further) developed or completed Means of Production at the Customer's behalf, we are exclusively entitled to such property rights as may have been created in the process.
- (4) Any and all drawings, models or other templates for the contractual products or the manufacturing or use thereof, which we provided to the Customer, shall remain our property.

§ 8 – Warranty

- (1) The condition and/or the intended purpose owed is exclusively defined, in descending order, by the information contained in (a) the Customer's product releases (including but not limited to initial sample releases), (b) specifications confirmed in writing, (c) our order confirmation.
- (2) Warranty coverage shall be provided, at our option, by repairing or replacing defective Objects of

Delivery. For this purpose, the Customer shall grant us an adequate grace period for subsequent performance, such period to take into account the selected manner of subsequent performance, the length of time needed to procure needed materials from our suppliers and the length of time needed for repairs, or to manufacture new Objects of Delivery.

- (3) Insofar as we seriously and finally refuse the Customer's request for subsequent performance, in the event that subsequent performance fails or if such would place an unreasonable burden on the Customer, the Customer is permitted to, at its option, demand that the rate of compensation be lowered (abatement) or the contract be reversed (rescission) and damages be paid in accordance with applicable law and subject to the limitation of liability as set forth in these GTC. In cases of minor defects, however, the Customer shall have no right of rescission.
- (4) The Customer shall subject the Objects of Delivery to incoming-goods inspection immediately upon delivery in accordance with Section 377 of the *Handelsgesetzbuch* (the Commercial Code). Such incoming-goods inspection shall be executed in a manner that is adequate and consistent with industrial practice and further reflects the urgency inherent in the type of the Objects of Delivery in question. The Customer shall promptly notify us of any defect it has detected during incoming-goods inspection. With respect to defects that were undetectable in the course of a proper incoming-goods inspection ("Latent Defects"), the Customer shall inform us immediately upon its discovery thereof in the subsequent course of business. In the event that the Customer fails to inform us of a defect in writing and/or in a timely manner, any warranty claim the Customer might otherwise have with respect to such defect(s) will be excluded. The Customer shall bear the burden of proof when it comes to establishing any and all claim requirements, including but not limited to the defect itself, the time the defect was detected, and the timeliness of the complaint lodged as a result.
- (5) Upon request and at our choice, the Objects of Delivery that were found to be defective shall be provided either (a) for pick-up or for finishing works on site, or (b) for follow-up work by a third party. In all other respects, the statutory claims for the reimbursement of expenditures shall apply.
- (6) The period of limitation for warranty claims shall equal one (1) year from the date of goods' delivery.

§ 9 – Limitation of liability

- (1) Insofar as these GTC do not indicate otherwise, we shall bear liability in any cases of a breach of contractual and extra-contractual obligations under applicable law.
- (2) Our liability for expenditures and damages shall be unlimited in cases of injuries to the life, body or health of persons as well as within the scope of liability claims which presuppose culpability, in case of willful misconduct and gross negligence. In cases of breach of "material contractual obligations" (these are obligations the violation of which would endanger the object of the agreement and such obligations on which the customer may reasonably rely on their fulfillment), our liability shall be limited to the amount of such reasonably foreseeable damages as may typically be associated with a given contract. In all other cases, our liability shall be excluded.
- (3) The foregoing limitations and exclusions of liability shall not apply if and to the extent that we fraudulently concealed a defect or warranted the condition of the Objects of Delivery.

§ 10 – Retention of title

- (1) We reserve the title to the Objects of Delivery until all payments have been received. The Customer shall be authorized to dispose of the Objects of Delivery purchased in the regular course of business.
- (2) Such retention of title shall also extend to the products created by way of processing, mixing or combining our Objects of Delivery at their full value, and we shall be deemed the manufacturer of such products. In the event that processing, mixing or combining includes a third party's items and such third party's ownership right remains intact, we shall acquire co-ownership of the new item at a rate reflecting the proportion of the value of the Objects of Delivery to the other items processed at the time of processing.
- (3) As of today, the Customer shall assign to us for security any and all claims against third parties arising from the resale – as a whole or, if applicable, in the amount of our co-ownership share. The Customer is authorized to collect the claims for our account until such authorization is revoked or its payments to us are discontinued.
- (4) The Objects of Delivery and the claims taking their place must neither be pledged to third parties nor be transferred or assigned for security until our claims have been paid in full.
- (5) The exercise of the retention-of-title right will not cause the agreement to be rescinded.
- (6) The Customer shall promptly inform us in writing of any instance of a third party gaining access to or control of Objects of Delivery or claims belonging to us.
- (7) The Customer is obligated to treat the Objects of Delivery with care. Specifically, our articles must be stored pursuant to DIN 7716.

§ 11 – Force Majeure

- (1) "Force Majeure" means the occurrence of an event or circumstance that prevents us from fulfilling one or several contractual obligations under the agreement if and to the extent that we furnish proof to the effect that: (a) such obstacle is beyond our reasonable control, and (b) it could not reasonably have been foreseen at the time of the conclusion of the agreement, and (c) we could not have averted or overcome such obstacle's effects in a reasonable manner.
- (2) Pending proof to the contrary, the following events are assumed to meet the requirements of paragraph 1 lit. (a) and lit. (b) pursuant to paragraph 1 of this clause: (i) war (whether declared or not), armed conflict, full-scale military mobilization; (ii) civil war, civil unrest, rebellion and revolution, military or other seizure of power, uprising, terrorist acts, sabotage or piracy; (iii) currency and trade restrictions, embargo, sanctions; (iv) legitimate or illegitimate official acts, compliance with laws or government directives, expropriation, seizure of works, requisitioning, transfer from private to state ownership; (v) plagues, epidemics and pandemics, natural catastrophes or extreme natural phenomena; (vi) explosion, fire, destruction of equipment, prolonged failure of means of transportation, telecommunication, information systems or energy; (vii) general industrial unrest, such as boycott, strike, labor disputes and lock-out, go-slow and occupation of production plants and buildings.
- (3) As of the time such obstacle prevents us from rendering performance, we shall be released from the duty to perform our contractual obligations as well as from any indemnity obligation or other contractual legal remedy on account of breach of contract insofar as the occurrence of the performance obstacle is communicated without delay. In the event that such notice is not given

promptly, the release shall take effect as of the point in time as the Customer receives such notice. If the impact of the obstacle or event invoked is temporary, the consequences as set forth above shall be in effect only for as long as the obstacle invoked thwarts our performance. If the duration of the obstacle invoked has the effect that the Customer is deprived to a significant extent of what it could reasonably have expected by virtue of the contract, we will negotiate the next steps with the Customer.

§ 12 – Written form, severability clause

- (1) Any changes and amendments to these GTC, including this clause, as well as the contracts executed hereunder, must be made in writing.
- (2) Should individual provisions be ineffective or void, the validity of the remaining provisions shall not be affected. The contractual partners shall undertake to agree, in place of the ineffective or void provision, or in order to fill a contractual loophole, on a provision that comes closest in a legally effective manner to what the contractual partners would have agreed on the basis of their presumed intention to be determined on the basis of the contractual relationship.

§ 13 – Legal venue, choice of law, place of performance

- (1) The legal venue shall be Giessen, Germany.
- (2) These GTC, the interpretation of any given clause as well as the contracts executed hereunder are subject to the law of the Federal Republic of Germany. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) shall be excluded.
- (3) Unless the order confirmation indicates otherwise, the place of performance is our registered office.

Annex
Flat Service Charges

Service	Flat fee
Erroneous EDI transactions	EUR 100.00
Failure to meet agreed lead times	EUR 150.00
Prioritizing manufacturing orders (added planning expenditures)	EUR 250.00
Procurement of replacement Certificate A.TR	EUR 200.00
Procurement of replacement of Certificate of Origin	EUR 100.00
Claiming of additional or weekend shifts	EUR 50.00/h
Repacking into different container	EUR 50.00/h
Acceptance of test certificate	EUR 100.00
Cover sheet Inspection (VDA Level 0)	EUR 500.00
Inspection pursuant to VDA Level 2 / PPAP Level 3	EUR 1,250.00
Cancellation of previously accepted purchase order + storage costs resulting therefrom	EUR 150.00
Claiming immediate needs plus freight (extra trip)	EUR 500.00
Unplanned added administrative expenditures, not caused by us	EUR 50.00/h