

## 1. General

- 1.1. The contract shall be concluded when the written order confirmation issued by Ceramaret GmbH (the Supplier) is received by the buyer. Quotations without an acceptance period shall be non-binding.
- 1.2. These General Terms and Conditions of Sale and Supply shall be binding if declared applicable in the quotation or the order confirmation. Any contrary terms and conditions of the buyer shall be valid only insofar as they have been expressly accepted by the Supplier in writing.
- 1.3. Any agreements and statements regarding legal matters made by the parties to the contract shall be valid only if made in writing.

## 2. Obligation to inform

- 2.1. In the case of medical or aviation applications it shall be the buyer's responsibility to inform the Supplier of the functionality expected of the purchased items or parts. In particular, such information shall include details about whether the purchased parts are destined for the production of a medical device, an implantable item or an important aviation device. This shall not entail any warranty on the part of the Supplier concerning the suitability of the goods for the intended purpose.
- 2.2. The Supplier shall be exempt from any liability if the buyer fails to honor the obligation to inform agreed in point 2.1.

## 3. Scope of the supplies and services

- 3.1. *The Supplier's supplies and services shall be listed exhaustively in the order confirmation, including appendices.*

## 4. Technical documents and copyright

- 4.1. Unless otherwise agreed, brochures and catalogs shall be non-binding. Information in technical documents shall be binding only if expressly warranted.
- 4.2. We shall retain proprietary rights and copyrights to all drawings, designs, CAD data and documents produced by us. These shall be treated as confidential and protected as intellectual property in accordance with statutory provisions and shall neither be made accessible to third parties, competitor companies in particular, nor utilized by the buyer itself outside the scope of contractual agreements.

## 5. Prices

- 5.1. Unless otherwise agreed, all prices shall be quoted net, ex works from the Supplier (EXW as per INCOTERMS 2020), without any deductions. All incidental expenses, such as those for freight, insurance, export, transit, import and other permits, shall be borne by the buyer.

## 6. Terms and conditions of payment

- 6.1. In accordance with the agreed terms and conditions of payment, the buyer shall make payments to the Supplier's account by a non-cash method, without any deductions for discounts, expenses, taxes, levies, fees, duties and the like.
- 6.2. Statutory provisions shall apply in the event of default by the buyer. The buyer shall be entitled to exercise right of retention only insofar as its counterclaim is based on the same contractual relationship. The right to claim further damages shall be reserved.

## 7. Retention of title

The Supplier shall remain the rightful owner of all its supplies until it has received payment in full under the terms of the contract. Alternatively in addition: This shall also apply to any future supplies, even if not expressly stipulated. The buyer shall be entitled to resell the goods subject to retention of title in the normal course of business. The buyer shall hereby assign to the Supplier claims against the purchaser arising from the resale of the goods subject to retention of title, such claims being equivalent to the amount of the agreed final invoice total (including value-added tax), and the Supplier shall accept the assignment at that point. This assignment shall apply irrespective of whether the purchased item has been resold with or without subsequent processing. The buyer shall remain entitled to collect the claim, even after it has been assigned. The Supplier's power to collect the claim independently shall remain unaffected. However, the Supplier shall not collect the claim so long as the buyer honors its payment obligations arising from the proceeds received, is not in default of payment and, in particular, no application to institute insolvency proceedings is made and payments are not suspended.

## 8. Tool costs

Any rights of ownership to tools or other claims on the part of the buyer arising from participation in, or assumption of, tool costs shall lapse automatically, and thus without further notice, if a) the order has been processed to the extent originally expected or b) for a period of one year the buyer has not purchased any more products which were made on the tool in question. In the event of early termination of the contract, for whatever reason, we shall be entitled to charge for the unamortized costs of tools.

## 9. Delivery lead time

- 9.1. The delivery lead time shall commence as soon as the contract is concluded and the buyer completes all the official formalities, such as obtaining import, export, transit and payment authorizations, has made the payments due with the order and provided any collateral, and the key technical issues have been settled.
- 9.2. The Supplier shall make every effort to deliver on the agreed date, but cannot guarantee that it is able to do so. Fixed delivery dates shall apply only if expressly warranted in writing.
- 9.3. Over-delivery and under-delivery of up to 10% of the quantity ordered shall be permitted. The buyer shall be obliged to pay for partial services if they are commercially viable on a standalone basis.
- 9.4. **Blanket order:** If call-offs are not received during the agreed period, we shall be entitled to supply and invoice the agreed purchase volumes or to rescind that part of the contract which is still outstanding and/or claim damages for non-performance. The Supplier may over-deliver or under-deliver by up to 10% of the call-off quantity without any prior arrangement

with the buyer. Rescission of the contract shall not be possible in the event of default on a partial delivery.

- 9.5. In the event of late delivery, the buyer shall be entitled to demand compensation for delay from the third week, provided that the Supplier is culpably responsible for the default and the buyer has incurred a loss as a result of the default. Compensation for delay shall be not more than 0.5% for each full week of the delay, calculated on the basis of the contract price of the delayed part of the delivery with a maximum of 5% of the contract price of the delayed delivery. No further claims or rights on the part of the buyer may be asserted due to delivery default.

## 10. Packaging

- 10.1. In the absence of any provision to the contrary in the order confirmation, packaging shall be charged separately by the Supplier and shall be non-returnable.

## 11. Warranty and liability for defects

- 11.1. Pursuant to Section 377 HGB (German Commercial Code), the buyer shall be obliged to inspect the products delivered and, within ten days of receipt of the delivery, to notify the Supplier in writing of any defects resulting from an obvious error. If the buyer fails to do so within the aforementioned period of ten days, then the goods delivered shall be deemed approved. Hidden defects shall be reported in writing as soon as they are discovered and within the warranty period, otherwise any warranty provided by the Supplier shall lapse. Any claims by the buyer due to material defects shall expire one year after delivery. This shall exclude claims for damages due to loss of life, personal injury or damage to health and/or claims for compensation on the basis of damage caused by the Supplier intentionally or through gross negligence, regarding which the statutory limitation periods shall apply.

- 11.2. Upon written request from the buyer, the Supplier shall undertake, at its own discretion, to repair or replace as soon as possible any parts of the goods supplied by the Supplier which demonstrably become defective or unusable before expiry of the warranty period as a consequence of poor materials, faulty construction or bad workmanship.

- 11.3. The Supplier shall manufacture the goods ordered in accordance with its specifications, and it shall be the sole responsibility of the buyer to verify the suitability and functionality for the planned application of the goods. This shall apply particularly, but not exclusively, to applications in the medical and aviation sectors. Only those characteristics included in the order confirmation shall be deemed warranted.

- 11.4. The Supplier's warranty shall be limited to the services as defined in the specifications agreed between the parties and in no event shall extend to the design or definition of components and products. Furthermore, the buyer shall be entirely responsible for approving and using the product and for verifying the type of material, which shall be the buyer's sole responsibility.

- 11.5. The Supplier shall be liable for any damage caused intentionally or through gross negligence. In addition, the Supplier's liability in the event of only a slightly negligent breach of material contractual obligations (cardinal obligations) shall be limited to foreseeable damages typical of this kind of contract. In each individual case, liability shall be limited to a maximum of the amounts it has insured. The Supplier shall provide the buyer with information at the first request concerning the amounts it has insured. Otherwise, the Supplier shall be liable only in the event of personal injury or damage to health and in the case of mandatory legal provisions, in particular the Produkthaftungsgesetz (German Product Liability Act). All the above liability provisions shall also apply to vicarious agents, executive bodies, workers and the Supplier's affiliated companies as defined in the Aktiengesetz (German Stock Corporation Act). No liability shall exist for indirect or consequential losses.

## 12. Force majeure

- 12.1. If either party is prevented from fulfilling its obligations due to force majeure, in particular due to laws, rules, orders or other official measures, conflagrations, storms, floods, accidents, strikes or other industrial action, shortage of – or impossibility of procuring – raw materials, fuel, electricity or transportation, this shall not constitute a breach of contract or an obligation to pay damages.

## 13. Final provisions

- 13.1. All legal relationships in connection with the contract shall be governed solely by the law of the Federal Republic of Germany to the exclusion of the provisions on the conflict of laws and the UN Convention on Contracts for the International Sale of Goods.
- 13.2. The place of performance for the particular supply and the sole place of jurisdiction shall be the Supplier's place of business.
- 13.3. Should individual clauses of these Terms and Conditions of Sale and Supply be or become ineffective, this shall be without prejudice to the effectiveness of the remaining clauses. The parties shall replace an ineffective provision with one which is effective and most closely reflects the commercial purpose of the ineffective provision.