

DROSSBACH GENERAL TERMS AND CONDITIONS OF SALE

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1. PRELIMINARY ARTICLE

The following terms used with an initial capital letter in the General Terms and Conditions of Sale have the following meanings:

- DROSSBACH refers to the supplier, the company which sells the Products to the Customer.
- Customers: refers to Customers that place Orders, based on the Quote, for the Products/Parts and ancillary services with DROSSBACH.
- Contract: is defined as all of these General Terms and Conditions of Sale and the Contractual Documents mentioned in Article 3.
- Confirmation order : means the confirmation and the acceptance of the Order by DROSSBACH ;
- Quote: offer sent by DROSSBACH to the Customer indicating the conditions of sale of the Products, including - but not limited - the prices, the products, the quantities, etc.
- Order: means any order issued by the Customer based on the Quote. This term includes any open or closed Order resulting in one or more deliveries ;
 - Firm order: resulting in a delivery call on a set date, not subject to change, without the explicit agreement of both Parties.
- GTCS : means these General Terms and Conditions of Sale.
- Parties: refers jointly to DROSSBACH and the Customer.
- Products/Parts: refers to any product or goods manufactured and/or marketed by DROSSBACH covered by these GTCS, including, without limitation, all production parts, components, assemblies, accessories, raw materials, items, repairs, replacements and substitutions thereof.
- Tools: refers to all equipment, machines and production equipment manufactured or marketed by DROSSBACH covered by these GTCS.

2. GENERAL PROVISIONS - CONTRACTUAL FRAMEWORK

2.1. These GTCS apply to all Orders issued and all purchases made by the Customer from DROSSBACH, notwithstanding any clause to the contrary in any document issued by the Customer, on any date and in any form whatsoever.

The Parties agree that no condition (including contractual conditions submitted by the Customer pursuant to a purchase order or an order confirmation) other than those of the Contract shall apply to the Parties, without prejudice, however, to the mandatory provisions of the law applicable to the Contract. Neither silence on the part of DROSSBACH, nor the delivery of the Products, nor the receipt of payment for the Products, may be interpreted as a tacit acceptance by DROSSBACH of the Customer's terms and conditions. These GTCS shall override any clause to the contrary that may be formulated in any way by the Customer, unless DROSSBACH has accepted it in writing.

2.2. These GTCS therefore constitute the legal basis for the relationship between DROSSBACH and the Customer, for all provisions that have not been the subject of specific written agreements.

2.3 Contractual Documents

These GTCS are supplemented, where applicable, by the following Contractual Documents:

1. the special terms and conditions of sale negotiated and accepted by the Parties, expressed in particular as a sales contract or a framework agreement;
2. the Quote submitted by DROSSBACH;
3. the GTCS;
4. the “specifications” submitted by the Customer and expressly accepted by DROSSBACH
5. any other document provided by DROSSBACH.

Together, the GTCS and the Contractual documents form the Contract.

The Contract constitutes the entirety of the agreement between the Parties and supersedes all prior representations and/or agreements, express or implied, written or oral. Any other document is excluded from the contractual scope.

In the event of conflicts between the provisions of the Contract, the order of application shall be as stated above.

3. OFFER AND ORDER

3.1. The Customer’s call for tenders must include specifications including in particular quality, logistics and volume specifications.

3.2. DROSSBACH’s offer shall only be deemed firm if it comes along with a validity period. Cumulatively, any modification made to the specifications or standard parts by the Customer which may be submitted to it by DROSSBACH must also be given a period of validity in order to be deemed binding.

3.3. DROSSBACH may only be bound by the conditions of its express acceptance of the Customer’s firm and final Order, by letter or any other means of communication generating a document within a period of 3 working days, unless otherwise agreed between the Parties.

3.4. The Customer acknowledges that the production lead times will be determined in DROSSBACH’s commercial offer.

3.5. In the event of cancellation or stoppage of all or part of a final Order by the Customer, the latter must pay DROSSBACH according to the following terms:

1. The Products ordered that have already been manufactured by DROSSBACH on the day of the cancellation or termination of the Order, which will be packaged and sent to the Customer, who must pay the price;
2. For materials and supplies that have been ordered and paid for by DROSSBACH in order to fulfil the Order, the Customer shall reimburse DROSSBACH for the total cost thereof.

4. SPECIFIC TOOLING, MOULDS AND EQUIPMENT

When the Customer is responsible for producing the Tooling or having them produced, the parties shall mutually agree in writing on the conditions and operating conditions under which these Tooling shall be provided.

If there is no agreement between the Parties, then it shall be agreed that the Tooling is the property of Drossbach.

5. DELIVERY TIMES

5.1. The delivery dates are set out in the Quote. The delivery times shall run from the date of the Quote, or at the latest from the date on which all documents, materials and execution details have been provided by the Customer, which must also fulfil any other preconditions for which it is responsible.

5.2. If the Customer postpones the delivery date, without DROSSBACH being responsible for this, the Products/Parts will be stored at the Customer's risk and the Customer will be invoiced for all the costs incurred, in particular the storage costs defined on the basis of a minimum of 150 USD per pallet and per week. If the Customer has not collected the goods within 30 days from the date the goods are made available, DROSSBACH reserves the right to cancel the entire Order and/or the Customer will be required to pay the price of the Products/Parts and Tools produced.

6. PACKAGING

In the absence of a specific agreement, DROSSBACH shall propose one or more packaging solutions.

7. DELIVERY AND TRANSFER OF RISKS

Any delivery of Products, which entails the transfer of risk, shall be carried out in accordance with the FCA factory DROSSBACH CCI 2020 Incoterm, unless otherwise agreed between the two Parties.

8. TRANSPORT

8.1. DROSSBACH is not responsible for the transport of the Products/Parts or Tools, unless otherwise agreed between the Parties. It is therefore the responsibility of the Customer, which takes on all the risks of these operations, to ascertain on delivery or during the transfer of risk, the condition, quantity and conformity of the supplies with the indications listed in the shipping note.

8.2. The Customer must immediately inform DROSSBACH of any dispute, without prejudice to the legal actions which it is responsible for exercising itself against the carrier.

8.3. The goods may be insured in accordance with the Customer's written instructions and at its own expense against any risk for a value to be agreed.

8.4. Where DROSSBACH transports the Products/Parts and/or Tools, all costs related to any carbon taxation will be re-invoiced to the Customer.

9. PRICE

9.1. The prices are, according to the agreement set out in the Quote:

- either firm during the agreed period;
- or revisable, taking into account changes in raw materials prices, energy costs, salary rates and ancillary costs related to the Order, between the date of the Contract and that of the contractual delivery, in the absence of other application dates specified in the contract.

9.2. If, subsequent to the conclusion of a Contract, DROSSBACH or its suppliers are subject to extraordinary cost increases (e.g. raw materials, energy, wages or shipping costs) resulting in an increase in purchase prices or base costs, DROSSBACH reserves the right, after a binding period of four (4) weeks, to make a price adjustment. If the Customer does not agree with this price adjustment, DROSSBACH shall be entitled to withdraw from the obligation to deliver the remaining deliveries.

9.3. DROSSBACH will inform the Customer of the minimum invoice amount. Orders below the minimum invoice amount will be automatically increased in order to meet this level.

10. TERMS OF PAYMENT

10.1. The invoicing date is the date of shipment of the Products/Parts and Tools. Payments of invoices must be made to the DROSSBACH factory that supplied the Customer.

Invoices must be paid by bank transfer, credit card or cheque, net, without discount, within 30 days of the invoice date, unless otherwise agreed by the two Parties.

10.2. Without prejudice to the right of retention of title referred to in Article 15, non-return of invoices with acceptance and bank domiciliation within 7 days of their sending, non-conformity with any payment deadline, serious damage to the Customer's credit, in particular the disclosure of any protest or pledge on the business, shall automatically result, without formal notice and at the discretion of DROSSBACH:

- either in the forfeiture of the term and consequently the immediate payment of the sums still due on any grounds whatsoever and/or the suspension of all shipments;
- or the termination of all Contracts in progress, with the retention of any advance payments received, and the retention of the Tooling and Products/Parts held by DROSSBACH, until any compensation is fixed.

10.3. Any sum that has become due shall automatically and without notice of default bear interest at 3 times the legal rate, from the date of the invoice until the date of actual payment. Any delay in payment shall also automatically entail an obligation for the Customer to pay all penalties and compensation provided for by law in the country of the DROSSBACH factory. Additional compensation may be claimed, upon presentation of supporting documents, where the collection costs incurred exceed the amount of the fixed compensation.

10.4. No payment may be offset in any way without the prior written agreement of DROSSBACH. The Customer may not defer a contractual payment deadline if the acceptance procedure or dispatch of the supplies made available to it at the DROSSBACH factory is delayed or cannot be carried out due to force majeure. The Customer may not waive payment of all or part of a sum due to DROSSBACH or delay payment thereof due to any claims on its part.

10.5. All the provisions of Article 11.4. apply in particular when credit notes or credits are granted by DROSSBACH in application of Article 13.

10.6. In the event of non-payment or late payment of invoices by the Customer to DROSSBACH, DROSSBACH shall be entitled to suspend/cease delivery of the Products, with immediate effect, without prior notice or any particular formality, and without any liability towards the Customer. The suspension/cessation of delivery shall not entitle the Customer to claim any compensation, indemnity or damages of any kind whatsoever.

11. INSPECTION AND RECEIPT

11.1. When the Customer bears full responsibility for the design of the Products/Parts in accordance with the industrial result it seeks and which it alone knows precisely, it decides accordingly on the terms of reference that set the specifications required to define, in all their aspects, the Products/Parts to be produced, as well as the nature and procedures of the inspections, verifications and tests imposed for their acceptance. Acceptance by the Customer of proposals aimed at improving the specifications or modifying the design of the Products/Parts in any way may not result in a transfer of responsibility, in which case the design shall be the sole responsibility of the Customer.

11.2. In all cases and even in the absence of acceptance, the nature and extent of the necessary inspections and tests, the standards, as well as tolerances of any kind, must be

specified in the drawings and specifications that must be attached by the Customer to its invitation to tender and confirmed in the contract agreed between DROSSBACH and the Customer.

11.3. The inspections and tests required by the Customer may be carried out at its request by DROSSBACH, or by a third-party laboratory or organisation. This must be specified at the latest on signature of the contract, along with the nature, scope and cost of these inspections and tests. In cases where acceptance is required, the scope and conditions of such acceptance shall be established upon signature of the contract. Unless otherwise agreed in the contract, acceptance shall take place at DROSSBACH's premises, at the Customer's expense, no later than one week after DROSSBACH has notified the Customer or the body responsible for acceptance that the goods are ready for acceptance. Should the Customer or the inspection body fail to do so, the Products/Parts shall be stored by DROSSBACH at the Customer's expense and risk. After a second notification from DROSSBACH remaining without effect within fifteen days of its sending, the material is deemed to have been received and DROSSBACH is entitled to invoice it. As the principle and procedures for non-destructive testing can only be defined in relation to the design of the Products/Parts, the Customer must always specify in its invitation to tender and its Order the tests that it has decided to carry out, and the parts of the Products/Parts where they are to be carried out, in order to determine in particular the conditions for exercising the warranty defined in Article 12. In all cases, these inspections and acceptances are carried out within the framework of reference standards, in accordance with the conditions defined by the documents and specifications, as decided by the Customer and accepted by DROSSBACH.

11.4. In the absence of specifications concerning the inspections and tests to be carried out on the Products/Parts, DROSSBACH shall only carry out a simple visual and dimensional inspection.

11.5. The price of the inspections and tests is generally separate from the price of the Products/Parts, but may be incorporated into it after agreement between DROSSBACH and the Customer. This price takes into account the cost of the specific work needed to secure the conditions essential for the proper performance of these inspections, particularly in the case of non-destructive tests.

11.6. Production carried out within the context of a Quality Assurance system requires that this condition be specified by the Customer in its invitation to tender and in its Order, with DROSSBACH confirming this in its offer and in its acceptance of the Order, without prejudice to the provisions of the preceding articles.

11.7. Physical receipt of the Products/Parts by the Customer shall be made at the time of loading the truck, and any reservations must be notified by the Customer or its representative on the transport documents, unless otherwise stated in the Contract.

12. WARRANTY

All warranties on the Products are excluded.

13. LIABILITY

13.1. Unless expressly agreed otherwise, in the event that DROSSBACH is not the designer of the Products/Parts which it produces, its role is that of an industrial subcontractor. As the design results in the complete definition of a product, it may nevertheless be the subject of all or part of an industrial subcontracting process, provided that the Customer ultimately assumes full responsibility for the industrial result sought. This is particularly the case for Products/Parts defined by computer by DROSSBACH at the Customer's request and based on specifications provided by the Customer.

13.2. In the event that DROSSBACH is the sole designer and manufacturer of Products/Parts intended for the Customer, DROSSBACH cannot be held liable regarding the use of the Products by the Customer. The indemnification due to DROSSBACH to the Customer is limited to the price of the Products already paid by the Customer.

14. RESERVATION OF OWNERSHIP RIGHT

14.1 The Customer will only be the owner of the manufactured goods after their full payment. As of their pick up from the location of DROSSBACH by the Customer, however, he shall ensure their satisfactory protection against all risks and he may neither transform them nor resell them without the Supplier's agreement. In all cases, the Customer is required to ensure for the Supplier the benefit of all the rights guaranteeing sales in the Customer's country.

14.2 Clause 15.1 shall apply unless otherwise specified and/or unless another Incoterm has been set out in any other Contractual Document.

15. INDUSTRIAL AND INTELLECTUAL PROPERTY

15.1 Where DROSSBACH is not the designer of the Products/Parts, the Customer shall hold DROSSBACH harmless against any claim by a third party and the consequences of legal actions that may be brought against it due to the execution of an Order for Products/Parts covered by industrial or intellectual property rights such as patents, trademarks or registered models, or by any private right. The Customer shall be solely liable for any harmful consequences for DROSSBACH resulting from this action.

15.2. Where DROSSBACH is not the designer of the Products/Parts, the transfer of the Products/Parts does not entail the transfer to the Customer of DROSSBACH's intellectual or industrial property rights to its development, manufacturing and validation studies for material, product and process related to DROSSBACH's expertise. The same applies to the studies which DROSSBACH proposes with the aim of improving the quality or cost price of the Products/Parts, through an original modification of the specifications. The Customer, if it accepts them, must agree with DROSSBACH the conditions of their use in the context of the Order. Under no circumstances may the Customer dispose of DROSSBACH's studies for itself, or disclose them, without the express written agreement of DROSSBACH. The Customer authorises, unless prohibited in writing, DROSSBACH to exhibit certain Products/Items it produces in any event such as a trade fair, trade show or exhibition, and on its advertising and commercial documents.

15.3. In the event that DROSSBACH is fully the designer and manufacturer of Products/Parts intended for the Customer, DROSSBACH is deemed to hold all intellectual property rights relating to the documents (studies, plans, etc.) tools and equipment (prototype, model, etc.) ordered by the Customer. The latter cannot claim any ownership over these elements outside the framework of a specific agreement concluded with DROSSBACH.

15.4. In the event that DROSSBACH and the Customer are co-designers of the Products/Parts or Tools, a specific contract must be concluded between the two Parties and shall form an integral part hereof.

16. CONFIDENTIALITY

16.1. In the absence of a valid confidentiality agreement between DROSSBACH and the Customer, Article 17 of these General Terms and Conditions of Sale applies between the Parties.

16.2 The Parties undertake to keep confidential all technical, administrative, organisational, industrial, commercial and financial information communicated in the context of their contractual relations, regardless of the form in which such information is transmitted (written, verbal, physical, etc.) and all information to which the Customer has access in connection with the performance of the Contract (including, but not limited to, the purpose of the delivery itself, its possible uses, as well as the type/form and volume of its production) and not to record, disclose or use such information. The Customer undertakes to demand that its employees comply with this clause.

Notwithstanding the termination of the Contract, the restrictions relating to the use and disclosure of the Confidential Information shall remain in effect and cease to have effect only when the Confidential Information is considered to be in the public domain.

Within 30 (thirty) days of the expiry or termination of the Contract, for any reason whatsoever, the Parties undertake to:

- (i) return all Confidential Information, including all copies, or,
- (ii) destroy any document or medium of any form containing all or part of such Confidential Information and, at the express request of the party owning the confidential information, certify it in writing;
- (iii) no longer use the Confidential Information and any other document, in any form whatsoever, containing all or part of the Confidential Information.

Notwithstanding the termination of the Contract, failure to fulfil this obligation may give rise to the conviction of the perpetrator of damages if harm has resulted therefrom.

17. FORCE MAJEURE

The Contract or the Order shall be suspended if an event constituting force majeure makes its performance temporarily impossible.

Cases of force majeure, in particular, but not limited to, acts of God, natural catastrophes or natural disasters, earthquakes, lightning, hurricanes, floods, fire, acts of war or terrorism, sabotage, embargo, civil disturbance, riots, acts of governmental authority, compliance with laws, regulations, orders, recommendations, or requests of governmental authority, patent issues, labor disruption or strikes, electric power outages, explosions, accidents, mechanical malfunction or breakdown, plant shutdowns, annual plant turnarounds, release of dangerous or hazardous materials, interference with the usual means of transporting the material, community, state, or national epidemics, multi-country or global pandemics, and anything of a similar nature, release the contracting parties from their contractual obligations for the duration of the disruption and insofar as they are affected by the event or events. The parties are required to provide the required information immediately and to adjust their obligations to the changed conditions in good faith and to a reasonable extent.

This suspension will only last as long as the execution is halted. Execution will automatically resume at the end of this temporary impediment.

Should this event continue over time to the extent that it makes impossible the resumption of performance of the contract or Order, or if this impossibility exists from the outset, the Contract or the Order shall be terminated by operation of law as soon as one of the parties sends a registered letter with acknowledgement of receipt referring to the event constituting force majeure and the statement of the present article.

18. WAIVER OF DROSSBACH'S RIGHTS

Silence or inaction on the part of DROSSBACH in the event of non-application of any of the clauses of the present GTCs shall not constitute a waiver of the right to invoke them. DROSSBACH may not waive its rights except by express written declaration.

19. TERMINATION

19.1. Without prejudice to the application of the legal provisions provided for by the law applicable to the Contract or any specific provision contained in a contractual document, either Party may terminate the Contract or the Order in the event that the other Party fails to

fulfil any of its essential obligations and does not remedy that failure within a period of 90 days from receipt of the registered letter notifying it of that failure.

19.2. The following in particular are essential obligations within the meaning of Article 20.1. : the obligation to pay the price by the Customer and the duty of confidentiality set out in Article 17.

19.3. The Parties may terminate the Contract at any time and without cause by giving three months' written notice.

20. PERSONAL DATA

In the context of their contractual relations, the Parties undertake to comply with the applicable regulations related to the personal data protection.

As part of its digital activities, Drossbach may share its customers' personal data with other partners.

21. CUSTOMS DECLARATION

21.1 The Customer undertakes to comply with the applicable rules on customs declarations in accordance with the Incoterms agreed between the Parties.

Drossbach remains at the Customer's disposal to provide them with all the necessary documents in connection with this obligation.

21.2 If the Customer exports the Products/Parts and Tooling using the name DROSSBACH, it must receive the express written authorisation of DROSSBACH. This authorisation must include the customs classification relating to the Products/Parts and Tooling established by DROSSBACH. In the event of failure to comply with DROSSBACH's instructions, the Customer shall be held solely responsible for the direct and indirect consequences that may arise from its failure to comply.

22. CODE OF CONDUCT

The Customer undertakes to comply with the provisions of the Delfingen Group's Code of Conduct available on www.delfingengroup.com.

The Delfingen's Code of Conduct forms an integral part of the contractual relationship between the Customer and DROSSBACH.

23. INDEPENDENCE OF CLAUSES

If one of the clauses of the Contract is declared null and void or unenforceable, the other clauses shall continue to have full effect, provided that the general structure of the Contract can be safeguarded.

The parties shall then agree on a mutually satisfactory clause, valid and in accordance with their initial intention, to replace the clause declared null or unenforceable.

24. LANGUAGE

These GTCS are written in English, which is the authentic language for the application and interpretation of these general terms and conditions and the contracts concluded with DROSSBACH. Any translation is for information purposes only, and shall not be binding upon DROSSBACH.

25. APPLICABLE LAW / JURISDICTION

The Contracts, including these GTCS, are governed by the law of the country or state in which the DROSSBACH company which provides the Quote is located.

The Parties shall endeavour to settle amicably all disputes relating to the interpretation and performance of these GTCS or the Contract. In the event that they fail to do so, and in the



absence of an agreement to the contrary within 30 days of the first exchanges, the Court in which the selling DROSSBACH company is located shall have sole jurisdiction for all disputes relating to the Contract, regardless of the conditions and method of payment agreed upon, even in the event of a warranty claim or multiple defendants. However, if it is a claimant, DROSSBACH reserves the right to refer the matter to the court at the Customer's registered office and potentially waive the application of its own legislation.