

SALES AND DELIVERY CONDITIONS

As of January 2025

of Karl Heesemann Maschinenfabrik GmbH & Co. KG, Reuterstraße 15, 32547 Bad Oeynhausen, Germany, registered in the commercial register of the district court of Bad Oeynhausen under the number HRA 189, represented by Karl Heesemann Verwaltungs-GmbH, represented by the managing director Christoph T. Giese.

§ 1 General - Scope

- Our terms and conditions of sale apply exclusively; we do not recognize any
 customer terms and conditions that conflict with or deviate from our terms
 and conditions of sale unless we have expressly agreed to their validity in
 writing. Our terms and conditions of sale also apply if we carry out the delivery
 to the customer without reservation despite being aware of customer terms
 and conditions that conflict with or deviate from our terms and conditions of
 sale.
- All agreements made between us and the customer for the purpose of executing this contract are set out in writing in this contract.
- Our terms and conditions of sale apply only to entrepreneurs within the meaning of Section 310 Paragraph 1 of the German Civil Code (BGB).
- All agreements made between us and the customer must be in writing to be valid.
- Our terms and conditions of sale and delivery also apply to all future transactions with the customer.

§ 2 Offer - Offer documents

- Our offers are non-binding and subject to change. All orders are only considered accepted once we have confirmed them in writing. If the order qualifies as an offer according to Section 145 of the German Civil Code (BGB), we can accept it within two weeks.
- Minor deviations from the illustrations and markings contained in our public statements are reserved, as are changes that serve technical progress.
- If grinding tests have been or are being carried out in our laboratory, the test results can only be achieved under production conditions if all parameters (e.g. abrasives, machine settings, processed materials, etc.) are identical to those of the laboratory tests.
- 4. We reserve ownership and copyright to illustrations, drawings, calculations, and other documents. This also applies to written documents marked "confidential." The customer requires our express written consent before disclosing them to third parties.

§ 3 Prices - Terms of payment

- Unless otherwise stated in the order confirmation, our prices are ex works, excluding shipping and packaging costs. To the extent we incur these costs, the customer is obligated to reimburse us for them.
- VAT is not included in our prices. It will be shown separately on the invoice at the applicable rate on the date of invoicing.
- If the customer defaults on payment, we are entitled to charge default interest at a rate of nine percentage points above the base interest rate, without prejudice to the right to claim further damages.
- If the customer, who is entitled to partial payments, is in arrears with the
 payment of an instalment in whole or in part for more than fourteen days, the
 entire outstanding amount shall become due immediately.
- The customer is only entitled to rights of set-off or retention if his
 counterclaims are undisputed or legally established. Furthermore, he is only
 entitled to exercise a right of retention to the extent that his counterclaim is
 based on the same contractual relationship.
- 6. The deduction of discounts requires a special written agreement.
- Unless otherwise stated in the order confirmation, the purchase price is due net (without deductions) within 30 days of the invoice date. The statutory provisions regarding the consequences of late payment apply.

§ 4 Delivery time

- The start of the delivery time specified by us requires that all technical questions have been clarified.
- Compliance with our delivery obligation also requires the timely and proper fulfillment of the customer's obligations. The right to assert a defense of nonfulfillment of the contract remains reserved.
- If the customer defaults on acceptance or culpably violates other obligations
 to cooperate, we are entitled to demand compensation for any resulting
 damages, including any additional expenses. Further claims and rights remain
 reserved.
- 4. If the conditions of paragraph 3 are met, the risk of accidental loss or accidental deterioration of the purchased item shall pass to the customer at the time at which the customer is in default of acceptance or payment.

- 5. If the customer is in default of acceptance or is otherwise responsible for a delay in dispatch, we may store the products at the customer's risk and expense and invoice them as delivered. After setting and unsuccessful expiration of a grace period for acceptance of the products, we may withdraw from the contract and demand compensation instead of performance. Other rights remain unaffected. Setting a grace period is not necessary if the customer seriously and definitively refuses acceptance or if it is obvious that they are unable to pay the purchase price or accept delivery even within the grace period. An amount of 20% of the order value is considered damages. The damages will be offset against the advance payment made. The parties are free to prove that the damages were actually higher or lower.
- 5. When the service to be provided by us is due, the reasonable deadline to be set for performance shall be at least one month. Damages for delayed performance or subsequent performance can only be claimed from us if we are in default of performance for more than one month.
- 7. We are liable in accordance with the statutory provisions if the underlying purchase contract is a fixed-date transaction within the meaning of Section 323 Paragraph 2 No. 2 of the German Civil Code (BGB) or Section 376 of the German Commercial Code (HGB). We are also liable in accordance with the statutory provisions if , as a result of a delay in delivery for which we are responsible, the customer is entitled to assert that his interest in further contract fulfillment has ceased.
- 8. We shall also be liable in accordance with statutory provisions if the delay in delivery is due to an intentional or grossly negligent breach of contract for which we are responsible; any fault on the part of our representatives or vicarious agents shall be attributable to us. If the delay in delivery is due to a grossly negligent breach of contract for which we are responsible, our liability for damages is limited to the foreseeable, typically occurring damage.
- 9. We shall also be liable in accordance with statutory provisions if the delay in delivery for which we are responsible is based on the culpable breach of a material contractual obligation; in this case, however, liability for damages is limited to the foreseeable, typically occurring damage.
- 10. Further statutory claims and rights of the customer remain reserved.

§ 5 Transfer of risk - packaging costs

- Unless otherwise stated in the order confirmation, delivery is agreed "ex works." The warranty period begins upon transfer of risk according to locaterms.
- 2. Separate agreements apply to the return of packaging.
- 3. If the customer so requests, we will cover the delivery with transport insurance; the customer shall bear the costs incurred in this regard.

§ 6 Liability for defects

- Claims for defects by the customer presuppose that the customer has properly fulfilled his obligations to inspect and give notice of defects pursuant to Section 377 of the German Commercial Code (HGB).
- 2. If the purchased item is defective, we are entitled, at our discretion, to subsequent performance in the form of remedying the defect or delivering a new, defect-free item. The customer is not entitled to remedy a defect themselves or through third parties commissioned by them, unless we grant prior written approval. In the event of remedying the defect or providing a replacement, we are obligated to bear all expenses necessary for the purpose of subsequent performance, in particular transport, travel, labor, and material costs, unless these are increased by the fact that the purchased item was transported to a location other than the place of performance.
- 3. To the extent that the customer incurred expenses for removal and installation, as well as for attaching the purchased item to another item, as part of the subsequent performance, in accordance with the type of purchased item and its respective contractual purpose, we are obligated to reimburse the customer for the necessary expenses. However, this only applies if the defect was not yet apparent at the time or was not discovered due to gross negligence on the part of the customer.
- 4. In the case of minor material defects, the purchaser may not withdraw from the contract. However, his right to a reduction in price remains unaffected. In all cases of withdrawal, the purchaser must also pay compensation for any deterioration of the purchased item resulting from its intended use.
- If the subsequent performance fails, the customer is entitled, at his discretion, to demand withdrawal or reduction of the price.
- 6. We are liable in accordance with statutory provisions if the customer asserts claims for damages based on intent or gross negligence, including intent or gross negligence on the part of our representatives or vicarious agents. Unless we are accused of intentional breach of contract, liability for damages is limited to foreseeable, typically occurring damages.



- We are liable in accordance with statutory provisions if we culpably breach a
 material contractual obligation; even in this case, however, liability for
 damages is limited to the foreseeable, typically occurring damage.
- Insofar as the customer is entitled to compensation for damages instead of performance due to a negligent breach of duty, our liability is limited to compensation for foreseeable, typically occurring damages.
- Liability for culpable injury to life, body or health remains unaffected; this also applies to mandatory liability under the Product Liability Act.
- 10. Unless otherwise agreed above, liability is excluded.
- 11. The limitation period for claims for defects is 12 months, calculated from the transfer of risk. This limitation period also applies to claims for non-compliance with warranties or assured characteristics. In cases of fraudulent intent or intent, the statutory limitation periods remain unaffected. The same applies to damages resulting from injury to life, body, or health. The statutory limitation periods also remain unaffected if the purchased item is customarily used for a building and caused the defect.
- The statutory rule regarding the limitation period in the case of a delivery recourse pursuant to Section 445b of the German Civil Code (BGB) remains unaffected

§ 7 Joint Liability

- Any liability for damages beyond that provided for in Section 6 is excluded, regardless of the legal nature of the asserted claim. This applies in particular to claims for damages arising from negligence in concluding the contract, other breaches of duty, or tortious claims for compensation for property damage pursuant to Section 823 of the German Civil Code (BGB).
- The limitation pursuant to paragraph 1 shall also apply if the customer requests compensation for wasted expenditure instead of a claim for compensation for damages instead of performance.
- To the extent that liability for damages is excluded or limited towards us, this shall also apply with regard to the personal liability for damages of our employees, workers, staff, representatives and vicarious agents.

§ 8 Retention of title

- 1. We retain title to the purchased item until all payments under the delivery contract have been received. In the event of a breach of contract by the customer, particularly in the event of late payment, we are entitled to take back the purchased item. Our taking back of the purchased item constitutes a withdrawal from the contract. After taking back the purchased item, we are entitled to dispose of it. The proceeds from such disposition shall be credited to the customer's liabilities less reasonable disposal costs.
- The customer is obligated to treat the purchased item with care; in particular, the customer is obligated to adequately insure it against fire, water, and theft damage at its replacement value at its own expense. If maintenance and inspection work are required, the customer must carry out these in a timely manner at its own expense.
- 3. In the event of seizures or other interventions by third parties, the customer must notify us immediately in writing so that we can file a lawsuit in accordance with Section 771 of the Code of Civil Procedure (ZPO). If the third party is unable to reimburse us for the legal and extrajudicial costs of a lawsuit in accordance with Section 771 of the Code of Civil Procedure (ZPO), the customer is liable for the loss incurred by us.
- 4. The customer is entitled to resell the purchased item in the ordinary course of business; however, he hereby assigns to us all claims arising from the resale to his customers or third parties in the amount of the final invoice amount (including VAT), regardless of whether the purchased item was resold without or after processing. The customer remains authorized to collect this claim even after the assignment. Our authority to collect the claim ourselves remains unaffected. However, we undertake not to collect the claim as long as the customer meets his payment obligations from the received proceeds, does not default on payment, and in particular, no application for the opening of composition or insolvency proceedings has been filed, and no payment has been suspended. If this is the case, however, we can demand that the customer disclose to us 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.
- 5. Any processing or transformation of the purchased item by the customer is always carried out on our behalf. If the purchased item is processed with other items that do not belong to us, we acquire co-ownership of the new item in proportion to the value of the purchased item (final invoice amount, including VAT) to the other processed items at the time of processing. In all other respects, the same applies to the item created through processing as to the purchased item delivered subject to retention of title.
- If the purchased item is inseparably mixed with other items not belonging to
 us, we acquire co-ownership of the new item in proportion to the value of the
 purchased item (final invoice amount, including VAT) to the other mixed items

- at the time of mixing. If the mixing occurs in such a way that the customer's item is considered the main item, it is agreed that the customer transfers proportionate co-ownership to us. The customer shall safeguard the resulting sole ownership or co-ownership for us.
- The customer also assigns to us the claims against third parties arising from the connection of the purchased item with real estate to secure our claims against him.
- 8. We undertake to release the securities to which we are entitled at the customer's request to the extent that the realisable value of our securities exceeds the claims to be secured by more than 10%; the selection of the securities to be released shall be at our discretion.

§ 9 Dimensions and descriptions

In the case of production based on a work contract according to drawings and/or instructions provided by the client, the client is solely responsible for ensuring that the items to be delivered are suitable and appropriate for their purpose, comply with statutory provisions and that no patent, utility model or other legal rights of third parties are infringed.

§ 10 Installation and assembly

The provision of erectors, assembly and dispatch of fitters, regardless of whether they are charged separately or included in the agreed total price, are subject to our separate assembly conditions.

§ 11 Final provisions

- 1. The place of jurisdiction is our domestic business address in Bad Oeynhausen.
- 2. Unless otherwise stated in the order confirmation, our place of business shall be the place of performance.
- 3. German law applies exclusively to all contractual relationships.
- ${\it 4.} \quad {\it Contractual rights may only be transferred to third parties with mutual consent.}$
- 5. If individual provisions of these Terms and Conditions of Sale and Delivery are or become invalid, the validity of the remaining provisions shall not be affected. In place of the invalid provisions, the legally valid provision shall apply that most closely approximates the purpose pursued by the invalid provision.