



General Terms and Conditions of Felsaris GmbH

1. Scope of Application

1.1 These General Terms and Conditions (GTC) apply to all contractual relationships between Felsaris GmbH (hereinafter the "Contractor") and its business customers (hereinafter the "Client") and govern, in particular:

- engineering services in mechanical engineering (e.g., prototype development, pre-series and concept studies, CFD simulations),
- special projects in the field of innovative propulsion technology (in particular the conversion of internal combustion engines to hydrogen operation, including accompanying development and testing services,
- consulting and support services in the field of public funding programmes (in particular consulting, review, optimisation and preparation of applications under the ZIM programme as well as accompanying project administration).

1.2 These GTC apply exclusively to entrepreneurs within the meaning of Section 14 of the German Civil Code (BGB). Any terms and conditions of the Client that deviate from, conflict with or supplement these GTC shall only become part of the contract if the Contractor has expressly agreed to their applicability in writing.

2. Conclusion of Contract

2.1 Offers made by the Contractor are non-binding unless expressly designated as binding.

2.2 A contract is concluded by the Client's acceptance of the offer declared in writing or in text form (e.g., by e-mail) or by an order confirmation issued by the Contractor.

2.3 Amendments, supplements and side agreements must be made in writing or in text form in order to be valid, unless a stricter form is required by law in individual cases.

3. Scope of Services

3.1 Contractually Owed Services

The specific scope of services is determined by the respective offer, project description or order confirmation. Depending on the agreement, it includes in particular:

a) Prototype and Simulation Services:

Development of concepts, designs and prototypes for testing and demonstration purposes, including the necessary calculations and CFD simulations (flow, heat, combustion). Responsibility for series development, mass production or approval of the developed components is expressly excluded.

b) Special Projects Hydrogen Engine:

Development, design and integration of components for the conversion of internal combustion engines to hydrogen operation, including procurement, simulation, test runs and calibration of the engine control unit (ECU).

Felsaris does not assume any guarantee or assurance that certain performance parameters (e.g., horsepower figures, acceleration values, consumption values) will be achieved insofar as these exceed the state of the art or depend on factors beyond the control of Felsaris.

c) Funding Consulting and Application Management:

Consulting on project eligibility for funding, review and optimisation of applications, preparation of application documents as well as project-related administration (interim reports, fund withdrawals, final reports). No entitlement is given to the granting of funding or the achievement of specific funding amounts.

3.2 State of the Art

The Contractor shall perform its services with due care and in accordance with the generally recognised state of science and technology at the time the services are rendered.

3.3 Client's Duty to Cooperate

Der Auftraggeber stellt dem Auftragnehmer alle zur Leistungserbringung erforderlichen Informationen, Unterlagen, Daten und ggf. Hardware rechtzeitig zur Verfügung und wirkt an Tests, Abnahmen und Mittelabrufen mit. Verzögerungen infolge fehlender Mitwirkung führen zu einer angemessenen Anpassung von Fristen und Vergütung.

3.4 Limitation with Respect to Success

The service owed is a service or work performance, but not a specific economic or technical success (e.g., market readiness, approval, funding approval).

4. Duties of the Client

4.1 Provision of Information and Documents

The Client shall provide the Contractor with all information, documents, data, access credentials and – where required – hardware or software necessary for the performance of the services in a timely, complete and suitable form.

4.2 Duties of Cooperation

The Client undertakes to actively cooperate in the execution of the project. This includes, in particular:

- timely coordination of drafts,
- participation in meetings and tests,
- granting of necessary approvals,
- transmission of decisions, evidence and statements relevant for funding applications or fund withdrawals

4.3 Transparency Obligation in Case of Success-Based Remuneration

In success-based remuneration models – in particular fee shares of approved funding – the Client is obliged to promptly provide the Contractor with the respective funding and withdrawal decisions and to grant access to all documents relevant for the calculation of remuneration.

4.4 Consequences of Insufficient Cooperation

If the Client fails to fulfil its duties of cooperation or provision of information, or fails to do so in good time, the agreed performance deadlines shall be extended appropriately. The Contractor is entitled to charge separately for the additional effort incurred as a result (e.g., additional working hours, downtime costs). The Contractor's rights under Sections 293 et seq. of the German Civil Code (BGB) (default of acceptance) remain unaffected.

4.5 Data Security

If the Client provides data to the Contractor electronically, the Client must ensure that such data is free from viruses, malware or other harmful programs.

5. Remuneration and Terms of Payment

5.1 Remuneration Models

Remuneration is determined by the agreement set out in the offer or in the order confirmation. The following remuneration models are possible – individually or in combination:

a) Time-based fee: billing according to the actual effort at the agreed hourly rates.

b) Lump-sum fee / fixed price: billing according to the lump sums specified in the offer.

c) Success fee remuneration: in funding projects, remuneration is calculated as a percentage of the approved and disbursed funding amounts withdrawn by the Client. The decisive factor is the amount of funding actually disbursed per withdrawal.

5.2 Advance Payment in Funding Projects

For success-based remuneration, an advance payment may be agreed which will be offset against the later success-based remuneration. If no funding is granted, the Contractor shall – where agreed – reimburse 50% of the advance payment. Reimbursement requires the Client to submit the complete rejection notices.

5.3 Due Date and Method of Payment

All invoices are payable without deduction within 14 calendar days of invoicing. In the case of success-based remuneration, invoicing takes place promptly after each withdrawal of funding by the Client. The Client is obliged to promptly provide the Contractor with the corresponding withdrawal notices and payment confirmations (see Section 4.3).

5.4 Default and Interest

In the event of payment default, the Contractor is entitled to charge default interest at the statutory rate (Section 288 BGB). The right to assert further damages caused by default remains reserved.

5.5 Set-off and Rights of Retention

Set-off against remuneration claims of the Contractor is only permissible with claims that are undisputed or have been finally adjudicated. The Client's right of retention is limited to claims arising from the same contractual relationship.

6. Performance Period and Delays

6.1 Performance Deadlines

Unless expressly and in writing agreed as binding, deadlines and dates specified by the Contractor shall be deemed non-binding planning or target dates only. They serve for orientation purposes and do not constitute fixed obligations within the meaning of Section 286 (2) No. 4 BGB.

6.2 Delays Caused by the Client or Third Parties Engaged by the Client

Delays resulting from insufficient or late cooperation by the Client, incomplete or incorrect information, delayed approvals, failure to provide materials, or other circumstances within the Client's sphere of responsibility or that of its agents or vicarious agents, shall extend the agreed deadlines by at least the duration of the hindrance plus a reasonable start-up period.

The Contractor is entitled to charge additionally for any extra work or downtime caused by such delays at the agreed rates or, failing that, at customary market rates. The Contractor's rights under Sections 293 et seq. BGB (default of acceptance) remain unaffected.

6.3 Delay by the Contractor

The Contractor shall only be deemed in default if a performance deadline expressly agreed as binding is exceeded and the Client has set a reasonable grace period in writing after maturity. Only after such grace period has expired without result may the Client withdraw from the contract. Further claims are available solely in accordance with Section 8 (Liability).

6.4 Limitation of Liability in Case of Delay

Claims for damages by the Client due to delay are limited in amount to the foreseeable, typical contractual damage. Claims for compensation for indirect damages (e.g., production downtime, loss of profit) are excluded unless the Contractor has caused the delay intentionally or through gross negligence. Contractual penalties shall only be owed if expressly and in writing agreed.

6.5 Force Majeure

Events beyond the Contractor's control (e.g., force majeure, natural events, epidemics, pandemics, official measures, strikes, failure or delayed delivery by subcontractors without fault on the part of the Contractor) release the Contractor from its performance obligations for the duration of the disruption. Agreed deadlines shall be extended by the duration of the hindrance plus a reasonable restart period. The Contractor shall inform the Client of the occurrence and the expected duration of the hindrance.

7. External Service Providers

7.1 Engagement of Subcontractors

The Contractor is entitled to engage suitable external service providers, subcontractors or cooperation partners in order to fulfil its contractual obligations.

7.2 Confidentiality and Obligation to Follow Instructions

The Contractor shall contractually obligate all engaged external service providers to maintain confidentiality and to comply with the applicable data protection regulations.

7.3 Liability for External Service Providers

The Contractor shall be liable for the fault of engaged external service providers only within the framework of the statutory provisions (Section 278 BGB). Any further liability, in particular for delivery delays or defective performance caused by third parties, is excluded unless the Contractor is at fault for defective selection or supervision.

7.4 Duty to Inform

At the Client's request, the Contractor shall name the essential engaged external service providers, provided that no legitimate confidentiality interests oppose this.

8. Liability

8.1 Principle

The Contractor shall perform its services with the care customary in its own business operations and in accordance with the state of science and technology at the time the services are rendered.

8.2 No Promise of Success

The Contractor assumes no warranty that specific research, development or innovation goals will be achieved, or that certain performance parameters (e.g., horsepower values, acceleration times, maximum funding amounts) will be attained.

8.3 Exclusion of Liability

To the extent legally permissible, the Contractor shall not be liable for damages arising solely from the use of or reliance on information, data, simulation results or prototypes provided.

8.4 Liability for Own Fault

Claims for damages – irrespective of their legal basis – are excluded unless they are based on

- intent or gross negligence on the part of the Contractor, or
- culpable injury to life, body or health, or
- the breach of essential contractual obligations ("cardinal obligations").

8.5 Cardinal Obligations

Essential contractual obligations are those whose fulfilment is a prerequisite for the proper performance of the contract and on whose observance the Client regularly relies. In the event of negligent breach of essential contractual obligations, the Contractor's liability is limited to the foreseeable, typical contractual damage.

8.6 Limitation of Liability

The Contractor's liability – with the exception of damages resulting from injury to life, body or health or in cases of intent or gross negligence – is limited in amount to the coverage provided under the Contractor's professional liability insurance for the specific case of damage:

- EUR 600,000 per insured event for property and financial losses (triple maximum per insurance year)
- EUR 3 million per insured event for personal injury.

8.7 Exclusion of Consequential Damages

Claims for compensation of indirect damages, in particular lost profits, production downtime, loss of use or pure financial losses, are excluded unless based on intent or gross negligence.

8.8 Liability for Vicarious Agents

The foregoing limitations of liability also apply in favour of the Contractor's legal representatives, employees, corporate bodies, other staff, vicarious agents and subcontractors.

9. Confidentiality

9.1 Confidentiality

Both parties undertake to treat as strictly confidential all business and trade secrets, technical documentation, design data, prototypes, simulation results, funding application documents as well as other information designated as confidential or which, by its nature, is to be regarded as confidential, that becomes known in the course of the cooperation. Disclosure to third parties is only permissible insofar as this is necessary for the fulfilment of contractual obligations or where there is a statutory obligation of disclosure.

9.2 Duration of Confidentiality

The obligation of confidentiality applies for the duration of the contractual relationship and for a period of five years after its termination, unless mandatory statutory provisions require longer or shorter retention.

9.3 Data Protection

Insofar as personal data is processed in the course of the performance of the contract, both parties undertake to comply with the General Data Protection Regulation (GDPR) and the German Federal Data Protection Act (BDSG). The Contractor processes personal data exclusively for the purpose of contract performance and on the basis of an appropriate legal basis or consent.

9.4 Data Processing on Behalf

If personal data is processed on behalf of the Client, the parties shall conclude a data processing agreement (DPA) in accordance with Article 28 GDPR before the processing begins.

9.5 Return and Deletion

After completion of the project, the Contractor shall, upon the Client's request, return all confidential documents or delete them, unless statutory retention obligations require otherwise.

10. Intellectual Property and Rights of Use

10.1 Rights to Work Results

All documents, drawings, design data, simulations, software setups, prototypes, reports, calculation results and other work results (collectively "Work Results") created in the course of service provision shall – unless otherwise expressly agreed in writing – remain the sole property and intellectual property of the Contractor.

10.2 Granting of Rights of Use

The Client shall receive a non-exclusive, non-assignable, non-sublicensable license to use the Work Results. Any use beyond this, in particular

- disclosure to third parties,
- reproduction,
- use for series production or approval, unless this is expressly part of the contract,

requires the prior written consent of the Contractor and may be made conditional on the payment of additional remuneration.

10.3 Reservation of Methods and Know-How

Irrespective of the granting of rights of use, all intellectual property rights, copyrights, trademark rights, trade secrets, processes, models, software setups, libraries, know-how and methodological approaches shall remain with the Contractor.

10.4 Rights in Case of Payment Default

Rights of use shall only be granted upon full payment of the agreed remuneration. In the event of payment default, the Contractor is entitled to prohibit the use of the Work Results until payment has been made in full.

10.5 Protection of Prototypes and Samples

Prototypes and samples provided shall remain the property of the Contractor unless expressly agreed otherwise. Disassembly, reverse engineering or reproduction is not permitted.

11. Data Processing

11.1 Communication Channels

Unless otherwise agreed, the exchange of project data and documents shall take place electronically by e-mail, preferably in PDF format. E-mails are to be addressed to the designated project managers or official contact persons of the parties. The Contractor is entitled, at its own discretion, to use secure transmission channels (e.g., encrypted cloud links, secured upload portals) if this serves to protect the data.

11.2 Data Security

Both parties undertake to implement appropriate technical and organisational measures in accordance with Article 32 GDPR in order to protect transmitted data from loss, misuse or unauthorised access. The Client is obliged to check transmitted data for malware before dispatch.

11.3 Retention and Deletion

After completion of the project, the Contractor shall – upon the Client's written request – either

- securely return sensitive or personal data, or
- delete or securely destroy it in compliance with statutory retention requirements.

If no deletion request is made, the Contractor shall retain the data for a maximum period of 24 months in order to process any follow-up queries or subsequent orders efficiently.

11.4 Data Processing on Behalf

Insofar as the Contractor processes personal data on behalf of the Client, the parties shall, prior to commencement of the processing, conclude a data processing agreement (DPA) in accordance with Article 28 GDPR.

12. Place of Jurisdiction and Applicable Law

12.1 Place of Jurisdiction

For all disputes arising from or in connection with this contract, Mannheim shall be the exclusive place of jurisdiction, to the extent permitted by law. However, the Contractor shall also be entitled to bring an action against the Client at the Client's general place of jurisdiction.

12.2 Applicable Law

Exclusively the law of the Federal Republic of Germany shall apply, excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG) and the conflict-of-law rules of private international law, insofar as their application may be waived.

12.3 Severability Clause

Should individual provisions of these GTC or of the underlying contract be or become wholly or partially invalid, the validity of the remaining provisions shall remain unaffected. In place of the invalid provision, a regulation shall be deemed agreed that comes closest to the economic purpose of the invalid provision.

Status as of 09/2025

Felsaris GmbH