

INTERNATIONAL TERMS AND CONDITIONS FOR DELIVERY & SERVICES OF KARL GEORG GMBH

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1. APPLICATION OF THESE TERMS

- 1.1 These International Terms and Conditions shall apply to the present and all subsequent contracts ("Contract") on the delivery of goods or the rendering of services ("Goods") between our customers ("Purchaser") and us in business-to-business relationships exclusively.
- 1.2 Conflicting, differing or supplementing terms and conditions of the Purchaser are not accepted and shall not bind us, even if we do not explicitly object to them or if we unconditionally render performance or accept payments. Any deviations from these International Terms and Conditions shall only become valid, if they have expressly been agreed upon in writing.
- 1.3 Any agreement shall only become binding by our confirmation in writing.
- 1.4 Our offers shall generally not be binding. However, if an offer is declared as being binding by us in writing, it shall be revised and adapted, if, after its submission, modifications of the contractual obligations are necessary due to new or modified legal requirements or new requirements of public authorities and inspection boards, taking into account the interests of both Parties. This shall apply accordingly after the acceptance of the offer.

2. SCOPE OF DELIVERY AND PRICES

- 2.1 If not agreed upon otherwise in writing, prices shall be EXW our premises (Incoterms 2020) and shall exclude accessory charges, in particular, but not limited to packing, freight, insurance, storage, inspection by third parties, value added tax (if applicable) and any other additional charges or taxes.
- 2.2 In addition to the price set forth on the Contract, Purchaser shall be responsible for additional charges as set forth in these Terms.
- 2.3 With regard to export deliveries, any and all taxes, custom duties, bank charges, social security contributions and any other public charges which are levied on us or our employees (including our subcontractors and their personnel) in connection with the performance of the Contract in the country of destination, if any, shall be reimbursed by the Purchaser.
- 2.4 Design, work at site, erection, supervision of erection, training services, start-up assistance and materials other than crane wheels, wheel sets or wheel blocks are included to the extent they are expressly specified in the Contract.

3. DELIVERY TIME

- 3.1 The agreed dates of delivery shall only apply if in due time
 - a) all details of the Contract have been clarified,
 - b) all necessary documents and approvals to be procured by the Purchaser have been provided to us,
 - c) all drawings have been approved by the Purchaser, and
 - d) any agreed down-payments have been received by us and any securities agreed upon have been provided. A further precondition shall be the completion of the preparatory services for installation and/or erection to be provided by the Purchaser in due time, in particular provision of electrical power, gas, water and any required auxiliary workers free of charge for us.The agreed dates of delivery shall be considered as met with the notice of readiness for dispatch, especially if the Goods ready to be delivered cannot be dispatched on time for reasons for which we cannot be held responsible.

- 3.2 We shall be entitled to a reasonable extension of the delivery time (which shall not be less than the length of the delay) if the delivery is delayed due to Purchaser's actions or actions by a third party under the control of Purchaser, such as modifications requested by Purchaser, delay in the approval of the relevant drawings, delay in the preparing work at the erection site and delay in payments, or it becomes evident that the Purchaser will not fulfil his contractual obligations.
- 3.3 We shall be entitled to partial deliveries providing these are reasonable for the Purchaser.
- 3.4 Should we be hindered in fulfilling our obligations due to an event of unforeseen circumstances affecting us or our sub-suppliers and/or sub-contractors and which we could not have avoided with due care based on the circumstances of the specific case, e.g. war, intervention by a higher authority, internal unrest, natural forces, accidents, strikes and lockouts, other interruptions and delays in the supply of major operating material or any pre-materials or other necessary supplies, the delivery deadlines shall be extended by the duration of the interruption and a reasonable startup time. Regarding the adjustment of the other terms of the Contract, the Purchaser shall enter into good faith negotiations with us. Should the fulfilment of our obligations become impossible or unacceptable for us due to the unforeseen circumstances, we may terminate the Contract.
- 3.5 In case of delay with delivery or delay with any other performance related to the Contract we shall only be liable if the delay has been culpably caused by us. Our liability for damages thereby caused (including damages as a result of a declaration of avoidance of the Contract by the Purchaser due to the delay) shall in the aggregate be limited to an amount of 0.5 % of the contractual value of the Goods (net) for each full week of delay up to a maximum of 5 % of the contractual value of the Goods (net) whereas such value shall in each case be calculated in relation to the delayed part of the Goods. A grace period of 10 working days shall be applied. Payment of damages pursuant to this Clause 3.4 shall constitute the sole and exclusive compensation of the Purchaser for delay to the exclusion of further claims for damages. This limitation of liability shall not apply in any of the events stipulated in Clause 9.4 below.

4. INSPECTIONS DURING MANUFACTURING

- 4.1 If an acceptance has been agreed upon, the acceptance test must be carried out immediately by the Purchaser after our notification of readiness for acceptance. After completion of the acceptance test the Purchaser shall confirm the acceptance in written form within two weeks. The Purchaser must provide for the conditions required for carrying out the acceptance test. With the exception of our labour costs, the Purchaser shall bear all costs arising in relation with the acceptance.
- 4.2 In case of Purchaser's failure to carry out the acceptance test or to confirm the acceptance of the Goods in the time frame indicated or if the Goods or any portion thereof are put into operation by the Purchaser without our prior consent, the Goods shall be deemed to have been accepted by the Purchaser. The same shall apply if the Purchaser refuses the acceptance, but does not state the reasons therefor in writing within one week after receipt of our request. The reasons to be stated by the Purchaser shall at least indicate the portion of the Goods that the Purchaser considers incomplete or substantially defective and why the Purchaser is of such an opinion. The Purchaser shall in particular not be entitled to refuse acceptance in case of a) defects which only insignificantly impair the use of the respective Goods; b) minor deviations of the Goods from the specification of the Goods; c) defective installation or erection not carried out by us.

5. PACKING AND MARKING

The Equipment shall be packed in accordance with our standard packing procedures as required for transportation under normal transport conditions on Purchaser's costs. The Equipment shall be clearly marked and carry the necessary information concerning Purchaser's identification and place of destination.

6. DELIVERY TERM AND PASSING OF THE RISK

- 6.1 Any agreed delivery term shall be construed in accordance with Incoterms 2020. If no delivery term is specifically agreed, the delivery term shall be EXW our premises.
- 6.2 The risk of loss of or damage to the Equipment shall pass from us to Purchaser in accordance with the agreed delivery term. If no delivery term is set forth in the Contract, the risk of loss shall pass to Purchaser EXW our premises.
- 6.3 Goods which have been notified as ready for dispatch must be called off immediately by the Purchaser, otherwise we shall be entitled, at our discretion, to store them at the cost and risk of the Purchaser and to invoice them as if delivered, same is valid in case delivery is impossible acc. to reasons mentioned in Section 3.4.

7. DOCUMENTATION

- 7.1 The delivery includes our standard technical documents (depending on the product), such as operating manuals and installation instructions (if the installation is not included in the scope of delivery) and main dimension drawings in English. We shall not be obliged to provide manufacturing drawings for the Equipment or spare parts.
- 7.2 We retain the ownership, copyrights and other intellectual and industrial property rights to documents, drawings, software, reports, technical information, definitions, descriptions, manuals and any other intellectual property that we have or create.
- 7.3 Documents, drawings, software, reports, technical information, definitions, descriptions, manuals and any other intellectual property received by the Purchaser shall not, without the consent of us, be used for any other purpose than for the erection, commissioning, operation or maintenance of the Equipment. They may not otherwise be used or copied, reproduced, transmitted or communicated to a third party. We may, however transmit the documents or software to a third party that we sell the Equipment to.

8. WARRANTY, LIABILITY FOR DEFECTS

Without prejudice to any further legal and contractual preconditions and restrictions set forth notably under the applicable law, our liability for defects shall be subject to the following provisions:

- 8.1 The Goods shall only be defective if already at the time of passing of risk a) the Goods are clearly different from the specifications laid down in the Contract (which shall conclusively describe the applicable conformity standard of the Goods) or, in the absence of agreed specifications, they are not fit for the purpose for which they were designed or b) the Goods are not free from enforceable rights or claims of third parties. Except for any express warranties stated in the Contract, we disclaim any other express or implied warranties, including but not limited to implied warranties of merchantability and fitness for a particular purpose, or otherwise. We shall in particular not be liable for compliance of the Goods with any legal requirements existing outside of Germany. Our liability shall not apply to defects which are a) due to reasons beyond our control, b) defects in expendable and/or consumable parts regularly replaced due to normal wear and tear arising after passing of risk, c) caused by faulty or negligent handling, excessive strain, or other abuse by Purchaser or any third party, d) attributable to non-compliance with the instructions contained in the operation and maintenance manuals of the original equipment manufacturer, e) minor defects or g) attributable to incorrect or negligent treatment, incorrect, inappropriate, omitted or untimely maintenance, inappropriate storage, excessive loading or operation, unsuitable operating equipment, defective civil engineering or building work, unsuitable building site or due to special influences (e.g. chemical, electrochemical or electrical influences or exceptional temperature and atmospheric influences) not specified as requirements according to the Contract.
- 8.2 Notification of defects must be submitted immediately and in writing. We shall be given adequate time and opportunity to cure any defect. For this purpose, the Purchaser shall grant to us working access to the defective Goods. The Purchaser shall provide us with a complete technical data report and shall carry out the disassembly and reassembly of the Goods upon our request, all of this without cost to us.
- 8.3 To the extent that we have incurred cost or expenses, we shall be entitled to compensation if a) the defect notified to us by the Purchaser is subsequently determined to not exist or b) we are not liable for the notified defect.
- 8.4 We shall not be liable if a) the Purchaser or a third party carries out modifications or repairs to the Goods, b) the Purchaser does not notify us during the limitation period in writing of a defect without undue delay, at the latest however fourteen (14) calendar days after Purchaser's discovery or after the Purchaser should have discovered the respective defect if Purchaser had exercised due care pursuant to the requirements of the applicable law (whereas the Purchaser is obliged to examine the Goods with regard to potential defects immediately after take over), c) if the Purchaser has not immediately taken all appropriate steps to mitigate a damage caused by a defect, or d) if the Purchaser prevents us from remedying a defect.
- 8.5 The limitation period for any rights or claims due to defects shall be twenty-four (24) months from the delivery, however, limited to thirty (30) months from the date of passing of risk, if not agreed upon otherwise. Any actions against us based on a defect of the Goods shall be time-barred thereafter. For the avoidance of doubt, no new limitation period shall commence with regard to any repaired or replaced parts of the Goods.
- 8.6 Subject to all and any additional requirements set forth by applicable law and this Section 8, the Purchaser shall not be entitled to declare the Contract avoided unless a defect amounts to a fundamental breach of contract and a reasonable period of time required for appropriate remedial works has expired to no avail after the receipt of the Purchaser's written notification of the defect.
- 8.7 With regard to claims for damages due to defects, any other claims or rights of the Purchaser due to any defect of the Goods shall be explicitly excluded. The Purchaser shall in particular not be entitled to rescind the Contract based on any error about conditions which it considered to be a necessary basis for the Contract, notably an error about the actual condition of the Goods.

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9. LIMITATION OF LIABILITY

- 9.1** Subject to any further legal and contractual preconditions and restrictions set forth notably by the applicable law and without prejudice to further limitations set forth below in this Section 9, we shall in any event not be liable for damages that have been not intentionally or negligently caused by us.
- 9.2** Without prejudice to Clause 3.4, but notwithstanding anything to the contrary elsewhere in the Contract, we shall in no event and irrespective of the legal basis (contract, tort or any other area of law) be liable towards the Purchaser for loss of profit or revenue, loss of use, loss of data, cost of capital, downtime costs, cost of substitute goods, the costs of assembly and reassembly of the Goods, property damage external to the Goods and any damage or loss arising out of such damage or any special, incidental, indirect or consequential damage or any of the foregoing suffered by any third party.
- 9.3** Furthermore, our overall liability shall in the aggregate be limited to the contractual value of the Goods (net).
- 9.4** The aforementioned restrictions of liability shall not apply a) in the event of gross negligence or willful misconduct of our managing partners or of our executive employees but they shall apply in the case of willful misconduct and gross negligence of any other party acting for us, including without limitation our subcontractors, agents, advisors and employees; b) in case of bodily injury or insofar as mandatory law provides otherwise.
- 9.5** These limitations of liability shall also apply for the benefit of our subcontractors, agents, advisors, directors and employees.

10. TERMS OF PAYMENT

- 10.1** The payments shall be made in accordance with the payment schedule specified in the Contract.
- 10.2** Whenever any part of the payment is to be made by means of a Letter of Credit, Section "Letter of Credit" of the Terms shall apply.
- 10.3** If Purchaser delays making any payment or in the establishment of the Letter of Credit or if it becomes evident that the Purchaser will not fulfil his contractual obligations, we may postpone the fulfilment of its obligations until such a payment is made or the Letter of Credit is established.
- 10.4** Without prejudice to any further rights and remedies, in the event of a default in payment of the Purchaser or in the event of a material deterioration of the Purchaser's creditworthiness or application or commencement of insolvency proceedings relating to the assets of the Purchaser we shall be entitled to make due immediately all claims we have against the Purchaser, regardless of the terms of any bills of exchange, or to demand securities. We shall also be entitled to effect any outstanding deliveries against prepayment only or against the provision of securities or to declare the Contract avoided.
- 10.5** We shall be entitled to charge interest from the Purchaser if payment is past due. The rate of the interest is the highest rate permissible under the applicable law. The interest shall be counted from the due date until the actual date of the payment. Purchaser shall pay such interest within thirty (30) days from the date of the respective invoice.
- 10.6** If Purchaser has not paid the amount due within three months we shall be entitled to terminate the Agreement by notice in writing to Purchaser and to claim compensation for the loss it has incurred.

11. RETENTION OF TITLE

- 11.1** Notwithstanding Section 6.1, we will retain the title of delivery until all the debts or receivables resulting from the Contract with the Purchaser are paid.
- 11.2** In the event the applicable laws do not permit us to retain title, we shall be entitled to a security interest or charge in the property. The Purchaser shall give us assistance in securing an interest in the property or taking any measure required to protect our title or such other rights. The retention of title, security interest or charge shall not affect the passing of risk of loss or damage under Section 6.2.
- 11.3** The Purchaser shall inform us immediately in writing in the case of seizure or other intervention by third party with regard to the delivery which are still under our ownership.
- 11.4** The Purchaser is entitled to resell the delivery in the ordinary course of business. The Purchaser, however, already now assigns his claims to us arising from the resale of the delivery to third parties in order to secure our claims up to equal to the amount of the goods invoiced of which property is retained.
- 11.5** Any processing or alteration of the objects delivered under reservation of title as well as combination of goods with foreign goods by the Purchaser or third parties shall be carried out on our behalf. We shall acquire co-ownership of the resulting new item with the corresponding value of the delivered goods.
- 11.6** The Purchaser is entitled to assert all his claims against his customer even after their assignment as long as he complies the terms of the Contract and is not insolvent. Our power to collect the claims is not affected thereby. However, we will not undertake to collect the receivables as long as the Purchaser meets the payment obligations or he is not insolvent. Otherwise, we may demand that the Purchaser indicate the assigned receivables and their debtors, give all data or particulars required for the recovery of the claims, submit all pertinent documents, and inform the debtors of such assignment.
- 11.7** In breach of the contract by the Purchaser, including but not limited to default of payment, we, after giving prior notice, shall be entitled to recover the goods delivered and the Purchaser shall return the same. The Purchaser is liable for all damages arising from return of the delivery.
- 11.8** Our exercise of our right under the reservation of title clause shall not constitute a termination of the Contract.
- 11.9** During the retention of title, the Purchaser shall be obliged to insure the delivery against the pertinent risks subject to the condition that we are entitled to the rights arising from the insurance policy. At our request, the insurance policy is to be presented to us.
- 11.10** We will undertake to waive, at the request of the Purchaser, the right reserved in this clause, insofar as their value exceeds the debts to be secured by more than 10 %, to the extent that they are not paid yet.

12. STANDARDS OF MANUFACTURING AND DESIGN

The Equipment supplied and the work carried out shall be in accordance with the technical standards and safety instructions commonly used in Germany. If the Equipment shall be operated outside Germany, the scope of the work agreed in the Contract shall prevail. We shall not take into consideration laws and regulations prevailing at the place of operation, if they are not agreed in the Contract. Purchaser shall inform us of the applicable safety regulations. Any costs in excess of the costs of compliance with European standards resulting from mandatory local laws and regulations shall be added to the price and paid by the Purchaser.

13. FORCE MAJEURE

Either party shall be entitled to suspend performance of its obligations under the Contract to the extent that such performance is impeded by circumstances beyond the control of the party, including but not limited to war (whether declared or not), revolution, strikes, failure of supplies of power, fuel, transport, equipment or other goods or services, natural disasters, unacceptable weather conditions, acts of government, traffic accidents, export or import prohibitions, fire, explosions, floods, accidents, sabotage, civil commotions, riots, and breakage or loss during transportation or storage as well as delays of deliveries by the subcontractors (when caused by Force Majeure as herein defined).

14. DELAY OF DELIVERY

- 14.1** In case of delay with delivery or delay with any other performance related to the Contract we shall only be liable if the delay has been culpably caused by us. Our liability for damages thereby caused (including damages as a result of a declaration of avoidance of the Contract by the Purchaser due to the delay) shall in the aggregate be limited to an amount of 0.5 % of the contractual value of the Goods (net) for each full week of delay up to a maximum of 5 % of the contractual value of the Goods (net) whereas such value shall in each case be calculated in relation to the delayed part of the Goods. A grace period of 10 working days shall be applied. Payment of damages pursuant to this Clause 14.1 shall constitute the sole and exclusive compensation of the Purchaser for delay to the exclusion of further claims for damages.
- 14.2** At our request, the Purchaser is obliged to declare within a reasonable period of time whether he wants to assert any rights he may be entitled to due to a delay.
- 14.3** Any right of the Purchaser to declare the Contract avoided shall apply exclusively to the part of the Contract not yet fulfilled.

15. DELAY OF PURCHASER

If any part of the delivery or the acceptance of the Equipment is delayed due to reasons not caused by us, the risk of loss passes to Purchaser, the warranty starts to run and the Purchaser pays the storage costs in the amount of 0.5 % of price of the delayed portion of Equipment for each complete week of delay, starting 10 working days after notification of the readiness for shipment or acceptance, where the costs are limited to 5 % of the price of the Equipment, unless higher costs or damages can be proven by us. The Purchaser shall compensate any additional expenses incurred by us due to delay.

16. LETTER OF CREDIT

- 16.1** The Letter of Credit shall be irrevocable and transferable, it shall allow partial shipments, loading on deck, charter party Bill of Lading and transshipments.
- 16.2** The Letter of Credit shall be established in a form acceptable to us not later than 30 days from the date on which the Contract is executed by us and it shall remain valid for a period of at least 30 days after the date of last shipment.
- 16.3** The Letter of Credit shall be issued and confirmed by a first class international bank acceptable to us and it shall be payable at sight at the counters of a bank nominated by us against presentation of a commercial invoice and/or other documents specified in the Contract.
- 16.4** Regardless of any other paragraph of these Terms, if any, if we are unable to ship the goods due to any reason outside of our control, the Letter of Credit shall be payable against the forwarding agent's receipt, or, should the Purchaser fail to name the forwarding agent, against the warehouse receipt.
- 16.5** Purchaser shall pay all expenses including but not limited to those arising from the opening, confirming and extending of the Letter of Credit.

17. APPLICABLE LAW AND SETTLEMENT OF DISPUTES

- 17.1** The Contract shall be governed by and construed in accordance with the laws of Germany.
- 17.2** Any disputes arising in connection with this Contract shall be finally settled under the Arbitration Rules of the German Institution of Arbitration (DIS) by one or more arbitrators appointed in accordance with the said rules. The arbitration shall take place in Altenkirchen/Westerwald (Germany). The language of the arbitration proceedings shall be English. Notwithstanding the above, we shall be entitled to take action for collecting its receivables from Purchaser at the courts of the Purchaser's place of domicile.

18. LANGUAGE AND SEPARABILITY

- 18.1** All documents and correspondence between us and Purchaser shall be in English.
- 18.2** Invalidity or enforceability of any provisions of the Contract shall not impair the validity or enforceability of any other provisions; provided, however, that the Contract shall be reformed to the maximum extent permitted by law to carry out the parties' original intention.

As of 2023