

**General terms and conditions (GTCs)
Delivery and Payment Conditions (DPCs)
of Hart Keramik AG**

1. Application, Conclusion of Contract, Form

- (1) These Delivery and Payment Conditions (DPCs) apply to all sales and work supply contracts (Contract) between Hart Keramik AG (Seller/We) and our commercial customers in the meaning of Sec. 310 (1) Civil Code (Purchaser) The DPCs apply exclusively; we do not accept general terms and conditions of business of the Purchaser even if the Purchaser has expressly referred to them in its order and we have not expressly rejected them.
- (2) The DPCs apply as a framework including for future contracts with the same Purchaser (ongoing business relationship) without our having to refer to them again in each case. The DPCs as amended at the time of the order and accessible at all times on our website and/or as most recently communicated to the Purchaser in writing (text form) apply.
- (3) Individual agreements (e.g. master delivery agreements, quality assurance agreements) and our individual case specifications in particular in offers and order confirmations take priority over the DPCs. Even trading clauses (e.g. FCA) apply in priority over the DPCs and are, in case of doubt, to be interpreted in accordance with the Incoterms® issued by the International Chamber of Commerce in Paris (ICC) in the version applicable at the conclusion of the Contract.
- (4) Our offers remain free and non-binding. The order of the goods by the Purchaser is deemed to be a binding offer to contract which, unless otherwise provided, remains valid for two weeks.
- (5) On written order confirmation or delivery of the goods and delivery note a binding contract comes into force concerning the goods stated thereon. That also applies if the order confirmation and/or the delivery contain minor deviations or deviations usual in the trade from the order (e.g. with regard to measurements, surfaces, material, colours, design etc.). Such deviations are deemed to be approved if and to the extent they are insignificant for the functionality of the goods and the Purchaser does not object to them without undue delay (usually within 3 days).
- (6) Legally significant declarations and by the Purchaser after the conclusion of the Contract (e.g. setting

deadlines, objections, defects notices, reduction/rescission notices) must be submitted in writing. Written form in the meaning of these DPCs includes written and text form (e.g., letter, e-mail, fax). Statutory form regulations and other evidence in particular in case of doubt as to the authority of the declarant remain unaffected.

2. Purchase Price, Additional Costs, Payment Due

- (1) Unless otherwise agreed or stated in Clause 1 (3), our prices at the time of the conclusion of the Contract and ex works/warehouse in Schirnding plus statutory VAT, public charges (e.g., customs duties, fees) and other additional costs (e.g. packaging and shipping costs) apply. All additional costs will, if possible, be quantified in the order confirmation, at the latest, however, on the invoice.
- (2) The Purchase Price with additional costs is due for payment within 14 days after notice that the goods are ready for shipment and/or the shipment of the goods (corresponds to the date of the invoice) without deductions unless otherwise agreed or shown on the invoice in favour of the Purchaser (e.g. discount, longer payment period). We are entitled at any time, even within an ongoing business relationship, to perform a delivery fully or partially only against payment in advance. We declare that reservation at the latest with the order confirmation.
- (3) If we have committed to prices in a delivery contract for a specific period and if the Purchaser does not call and/or take the quantity as anticipated or if the Purchaser is in delay with payment, we are entitled to rescind the price commitment. In case of doubt, the sending of a price list is non-binding and contains no price commitment. In all cases, the price commitment is of no effect on the expiry of its specified period. In addition, we are entitled to change price commitments in our equitable discretion (Sec. 315 Civil Code) if unforeseen changes to the basis of the calculation arise due to significant increase in purchase costs and/or production costs. If the change in price is unreasonable for the Purchaser, it can rescind the Contract. In all cases further contractual and statutory rights of the Parties remain unaffected.

(4) We are entitled, subject to the objection of the Purchaser, to invoice electronically. All payments are made by bank transfer in EURO to our bank account stated on the invoice.

3. Delay in Payment, Counterclaims, Defence of Uncertainty

- (1) On the expiry of the payment period according to Clause 2 (2), the Purchaser falls into delay. Interest for delay amounts annually to 9% over the base rate from time to time. Subject to further compensation claims, we also have the right to make a fixed charge of 40 Euro. Our right to commercial interest for delay according to Sec. 353 Commercial Code remains unaffected.
- (2) The Purchaser has set-off or withholding rights only to the extent its claim has been legally adjudicated or is undisputed. That does not apply if the counterclaim relates directly to our main performance obligation under the same contract.
- (3) If it becomes clear after the conclusion of the Contract (e.g., by an application for the opening of insolvency proceedings, deferred payments etc.) that our contractual payment claims are at risk because of the Purchaser's inability to pay, we are, in accordance with the statutory provisions on refusal to perform, and – after setting a grace period as the case may be – entitled to rescind the Contract (Sec. 321 Civil Code). In the case of contracts for the production of individual items (special productions), we can declare the rescission immediately. In all cases, the statutory provisions on dispensing with grace periods and other statutory claims remain unaffected.

4. Delivery Conditions, Collection, Shipping

- (1) The delivery is made from our works/warehouse in Schirnding which is also the place of performance of the delivery and any subsequent performance improvement. Unless otherwise agreed, the Purchaser is obliged to collect the goods at its own expense and risk after prior agreement on an appointment.
- (2) If we, in a particular case, undertake the shipping of the goods, that is at the costs (cf. Clause 2 (1)) and risk (destruction, deterioration and delay) of the Purchaser. We are thereby entitled but not obliged to conclude transport insurance as is usual in the trade at the expense of the Purchaser. If the shipping is delayed on grounds for which we are not responsible, the risk passes to the Purchaser at the time notice of readiness for shipping is issued. The statutory passing

of risk due to delay in acceptance and other rights following for us from the delay in acceptance (e.g. for reimbursement of storage costs or other additional expenditure) remain unaffected.

- (3) Within the delivery periods and within what is reasonable for the Purchaser, we are entitled to make partial deliveries. On request, we take back packaging in accordance with the statutory provisions at the place of performance. Otherwise, the Purchaser itself ensures legal disposal.

5. Delivery Period, Unavailability of Performance, Delivery Contract

- (1) The delivery period is agreed individually or stated by us in the order confirmation. In the cases of approximate or nonbinding delivery periods, the Purchaser can, after their expiry, specify a reasonable, binding delivery period in writing.
- (2) If we cannot comply with a binding delivery period for reasons for which we are not responsible (unavailability of performance e.g. due to unforeseen disruption in the supply chain, non-delivery by the superior supplier or force majeure), we inform the Purchaser accordingly without delay stating the reason for the delay and stating the new anticipated delivery period as the case may be. If the performance is still not available within the new delivery period, we are entitled to rescind the Contract. We will refund without delay any consideration already provided by the Purchaser in that case.
- (3) The statutory provisions on the conditions for and consequences of any delay in delivery apply. In particular, we do not fall into delay if the Purchaser itself has substantially caused the delay (e.g., due to lack of information) or the performance is not provided because of another circumstance for which we are not responsible. In all cases, a written reminder from the Purchaser is required.
- (4) Other contractual or statutory rights of the Parties and the statutory provisions on the processing of the Contract in case of the exclusion of the obligation to perform (e.g., due to impossibility) remain unaffected.

6. Retention of title

- (1) We retain title to the goods until full payment of all claims under the Contract and an on-going business relationship (Secured Goods).
- (2) The Secured Goods must be treated with due care and stored separately from other goods. They must

be insured at replacement value to the usual extent against material damage (in particular damage by fire, flood, or theft).

- (3) The Secured Goods may neither be pledged to third parties nor transferred as security prior to full payment of the secured claims. The Purchaser must inform us without delay in writing if an application for the opening of insolvency proceedings is made or if third parties seize the Secured Goods (execution).
- (4) In case of conduct in breach of contract by the Purchaser, especially non-payment of the purchase price due, we are entitled in accordance with the statutory regulations to rescind the Contract and/or demand surrender of the Secured Goods based on the retention of title. The demand for surrender does not contain a declaration of rescission at the same time. We are, in fact, entitled to demand the surrender of the Secured Goods only and to reserve the right of rescission. If the Purchaser does not pay the purchase price due, we can exercise these rights only if we have previously set the Purchaser a reasonable period for payment without result or the setting of such a period may be dispensed with in accordance with the statutory provisions.
- (5) Until cancellation in accordance with (c) below, the Purchaser is entitled to process or sell the Secured Goods in the normal course of business (Prolonged Retention of Title). In that event, the following provisions apply in addition:
- a) Processing (including mixing and combining) takes place for us as manufacturer of the new product. We directly acquire ownership of the product at full value or – if the processing takes place with substances of a number of owners – co-ownership of the product in the proportion borne by the Secured Goods to the value of the product. In addition, the same applies for the resulting product as for the Secured Goods.
- b) The claims against third parties arising from the resale of the Secured Goods or products are hereby assigned in full by the Purchaser to us as security – proportionately in the case of our co-ownership. We accept this assignment. The same applies to other claims which replace the Secured Goods or which otherwise arise in regard to the Secured Goods (e.g. insurance claims or tort claims in the event of loss or destruction). The obligations of the Purchaser under Clauses 6(2) and 6(3) also apply with regard to the assigned claims.

- c) The Purchaser remains, with us, entitled to collect the assigned claims. We undertake not to collect the claims as long as the Purchaser meets its payment obligations to us and as long as we do not assert the Retention of Title by exercising a right under Clause 6(4). If that is, however, the case, we can demand that the Purchaser informs us of the assigned claims and of the debtors thereof, provides all data necessary for the collection of same, hands over the associated documents and notifies the debtors (third parties) of the assignment. Furthermore, we are entitled in that case to revoke the Purchaser's entitlement to sell and/or process the Secured Goods.
- d) If the realisable value of the security exceeds our claims by more than 10%, we will, on request of the Purchaser in writing, release security at our choice.

7. Examination, Notice of Defects

- (1) We are not liable for defects noticed by the Purchaser at the conclusion of the Contract or not noticed by the Purchaser because of gross negligence (Sec. 442 Civil Code). The Purchaser is obligated to examine the goods without undue delay for defects (including wrong and short delivery) in accordance with the statutory regulations (Secs. 377, 381 Commercial Code) and to the extent that is feasible in the ordinary course of the business to pursue any suspicion of a defect with reasonable effort. In the case of building materials and other goods to be fitted, attached, installed or otherwise processed, the examination must take place in any case directly prior to the further processing.
- (2) If a defect is established at delivery, on examination or some later time, (including due to complaints of a customer of the Purchaser), we must be notified thereof immediately. In any event, patent defects must be notified within 3 days from delivery and in case of defects not noticeable on examination within the same period from discovery of the defect in writing. In addition, transport damage is also to be complained of directly to the transport company and noted on the acknowledgement of receipt. All notices and complaints must be in writing.
- (3) If the Purchaser fails to properly examine the goods and/or give notice of defects, our liability for the unnotified and/or not punctually notified, or not properly notified defect is excluded in accordance with the statutory provisions. In the case of goods intended to be fitted, attached or installed, that also

applies even if the defect became obvious as a result of the breach of one of those obligations only after the corresponding processing. In that case, the Purchaser in particular has no claim for reimbursement of the relevant costs (Removal and Refitting Costs).

8. Defects Claims of the Purchaser

- (1) For the rights of the Purchaser in the case of material defects and defects of title (including wrong or short delivery and faulty fitting/installation or defective instruction), the statutory provisions apply unless otherwise provided below. In all cases, the statutory provisions on the purchase of consumer goods (Secs. 474 ff. Civil Code) and rights of the Purchaser out of separately given manufacturer guarantees apply.
- (2) We are not usually obliged vis-à-vis the Purchaser to examine components and materials used by us in production. If such an obligation nevertheless applies because of the special circumstances of the individual case, it does not constitute a fundamental contractual obligation. We do not accept any responsibility for the manufacturing process of our supplier.
- (3) The basis for the liability for defects is above all the agreement on the quality of the goods and the intended use of the goods (including accessories and instructions). All product specifications and manufacturer's data (performance programmes, certificates etc.) which are subject matter of the individual contract or published by us (in particular in brochures or on our website) at the time of the conclusion of the Contract are deemed to be agreements on the quality of the goods.
- (4) In addition, the question of defectiveness is to be assessed according to the statutory provision (Sec. 434 (3) Civil Code). Public statements of the manufacturer or on its behalf (in particular in advertising or on the label of the goods) take priority over statements of other third parties. If in this connection compliance with public law requirements (including product or market-related obligations) is decisive, only the provisions relevant to marketability of the goods in the Federal Republic of Germany and the European Union are applicable (in particular DIN standards referred to and the EU Construction Products Regulation) as the criteria. Different foreign requirements which are disadvantageous to us, in particular of the country of destination of the product, are relied on only if this is expressly agreed in an individual case.
- (5) The Purchaser's claims for defects shall be conditional on the Purchaser having satisfied its examination and notification obligations in accordance with Clause 7. Minor or usual trade deviations in the delivery from the goods ordered, (e.g. with regard to measurements, surfaces, material, colours, design, etc.) do not constitute defects if they are of no consequence for the functionality of the goods.
- (6) If the goods delivered are defective, we can choose whether to provide subsequent performance by rectifying the defect (rectification) or by supplying goods without defects (replacement). If the method of subsequent performance chosen by us is unreasonable for the Purchaser in an individual case, it can reject it. Our right to refuse subsequent performance on the statutory conditions remains unaffected.
- (7) The Purchaser must give us the time and opportunity necessary for the subsequent performance, in particular provide the goods concerned to us for purposes of examination. In the case of replacement, the Purchaser must return the defective goods to us on request in accordance with the statutory provisions. The Purchaser, however, has no return right. We can make subsequent performance dependent on the Purchaser paying the purchase price due. The Purchaser is entitled to temporarily withhold part of the purchase price reasonable in relation to the defect.
- (8) Subsequent performance does not include either the dismantling, removal or deinstallation of the defective goods or the fitting, attachment or installation of a defect-free item if we are not originally obliged to perform those services. Claims of the Purchaser for reimbursement of such costs (Removal and Refitting Costs) remain unaffected.
- (9) The expenses required for the purpose of the examination and subsequent performance, especially labour and material costs and removal and refitting costs shall be borne or reimbursed by us in accordance with the statutory provision and these DPCs as the case may be if a defect actually exists. Otherwise, we can demand from the Purchaser reimbursement of the costs incurred (in particular examination and transport costs) if the Purchaser was aware or could have been aware that no defect existed.
- (10) If a reasonable period set by the Purchaser for the subsequent performance expires fruitlessly or is unnecessary according to the statutory provisions (e.g., has failed), the Purchaser may rescind the

Contract or reduce the purchase price. No right of rescission shall arise, however, from insignificant defects.

- (11) Claims of the Purchaser for reimbursement of expenses according to Sec. 445a (1) Civil Code are excluded unless the last contract in the supply chain is a consumer purchase contract (Secs. 478, 474 Civil Code) or a consumer contract for the provision of digital products (Secs. 445c, sent. 2, 327 (5), 327u Civil Code). Claims of the Purchaser for compensation or reimbursement of futile expenditure (Sec. 284 Civil Code) arise even in the case of defects only in accordance with the provisions of Clause 9.
- (12) In deviation from Sec. 438 (1) No. 3 Civil Code, the general limitation period for claims arising from material defects or defects of title (warranty period) shall be one (1) year from delivery. After the expiry of the warranty period, defects claims are excluded. That also applies to compensation claims due to defects. Special statutory regulations on limitation (Secs. 438 (1) Nos. 1 and 2, (3), 444, 445 Civil Code) remain unaffected. The five-year warranty period for construction products according to Sec. 438 (1) No. 2 b Civil Code does not apply in particular if the defectiveness of the construction was caused only by the fitting and not by a defect in the goods.

9. Damages, Rescission

- (1) We shall be liable for damages in accordance with the statutory provisions unless otherwise provided below.
- (2) In the case of breaches of duty – no matter on what legal ground – we are, in the context of fault liability, liable in case of intent or gross negligence.
- (3) In case of simple negligence and less onerous liability standards (e.g. care in one's own affairs), we shall be liable only
- a) for damage due to injury to life, body or health, and
 - b) for damage due to not insignificant violation of a material contractual obligation (an obligation whose satisfaction enables the proper performance of the Contract in the first place and on whose satisfaction the contracting party regularly relies and may rely); in this case, however, the liability shall be limited to compensation for foreseeable damage typically incurred.
- (4) The above limitations on liability also apply vis-à-vis third parties and in the case of breaches of duty by or in favour of persons for whose fault we are

responsible. For claims under the Product Liability Act, the provisions in Clause 10 apply.

- (5) The Purchaser may rescind or terminate the Contract on the ground of a breach of a contractual obligation other than a defect only if we are responsible for such breach. The Purchaser's right of rescission in the case of delay in delivery according to Clause 5(3) remains unaffected, including the statutory provision on the burden of proof. Otherwise, the statutory preconditions and legal consequences apply to the right of rescission and termination.
- (6) If the Purchaser has no right of rescission, rescission (cancellation) of the Contract requires our written consent. We reserve the right to grant such consent in particular only subject to the condition of payment in advance of reasonable compensation (usually at least 25% of the net purchase price). The Purchaser bears the return shipping costs.

10. Product Liability

- (1) Our liability for defective products vis-à-vis third parties (including employees, colleagues etc. of the Purchaser) is governed by the statutory provisions. However, we are never liable beyond the following provisions.
- (2) The Purchaser can, in particular in the context of a joint and several debt settlement, derive claims against us at most, however, in so far as we ourselves are liable externally and the defect has been (partially) caused by us with fault.
- (3) If the Purchaser is obliged to conduct a risk aversion measure (e.g., product recall) because of a defective product supplied by us, we contribute to the costs verifiably incurred by the Purchaser in accordance with the statutory provisions, however, at most in so far as:
- a) we ourselves are obliged to avert the risk and the defect in the product has been (partially) caused by us with fault.
 - b) the Purchaser has informed us – as far as possible and reasonable – in advance of the nature and extent of the risk aversion measures including the contribution attributable to use and given the opportunity to express an opinion, and
 - c) the risk aversion measure conducted was necessary legally and factually taking account of all the circumstances of the individual case.
- (4) If we are claimed against by third parties because of a defective product supplied by us to the Purchaser, the Purchaser indemnifies us against that claim if it is internally solely or overwhelmingly responsible for the

defect giving rise to the liability in particular because of defective examination and/or further processing of the goods taking account of the quality control agreements (if any) existing between the Parties and/or advice and instructions provided by us.

11. Choice of law, Place of jurisdiction

(1) These DPCs and the contractual relationships between the Parties shall be governed by the laws of the Federal Republic of Germany with the international uniform law, in particular, the United Nations Convention on Contracts for the International Sale of Goods being excluded. The choice of law also applies to non-contractual obligations which are closely connected with the Contract. In all other respects, the scope and extent of the choice of law is governed by the statutory provisions. The conditions

for and effects of retention of title are subject to the law of the place of storage of the goods provided that according thereto the choice of German law is inadmissible or invalid.

(2) For all disputes – including international disputes – arising from the contractual relations the exclusive place of court jurisdiction shall be the location of our registered office in Waldsassen, Germany. We are, however, in all cases also entitled, in accordance with the statutory provisions, to file a lawsuit at the place of performance of the delivery obligation or at the Purchaser's place of general jurisdiction. Statutory provisions with priority in particular on exclusive jurisdiction remain unaffected.

As of: November 2023