

General Terms and Conditions for Consulting Services

§1 Scope of application

- (1) Development, design, testing and other services (hereinafter referred to as "services") of Menzerna Polishing Compounds GmbH & Co. KG (hereinafter referred to as "Menzerna") are provided exclusively on the basis of these General Terms and Conditions. Purchasing conditions or other conditions of the Client are not applicable; this also applies even if such terms and conditions have not been expressly contradicted.
- (2) Our offers are non-binding. Offers made by the Client are only considered accepted if we expressly declare this. Silence in response to such an offer shall not constitute acceptance.
- (3) Our declarations relating to the conclusion, amendment or termination of contracts must be made in writing.
- (4) Documents and offers submitted by us are not the intellectual property of the Client. The recipient of the offer may only make use of them if a contract is concluded.

§2 Subject matter

- (1) The subject of the contract is the agreed development, design, testing or related service; we shall provide this service in accordance with the principles of proper professional practice by qualified employees. The selection of the service-providing employee remains at our discretion. We are entitled to make use of third parties in the provision of services.

§3 Scope and performance of services

- (1) The task, procedure and nature of the documents to be provided or other services to be rendered shall be regulated in written agreements between the contracting parties.
- (2) Our performance shall be based on the contractually agreed development, testing or production objectives. The Client shall bear the sole risk of suitability and use of the services. Specific use or specific suitability requirements with regard to the contractual service shall require express agreement.
- (3) With regard to the contractual services, the occurrence of specific economic or scientific success is not owed, unless otherwise agreed.
- (4) If and to the extent that we provide services for which there is no recognized state of the art or proven research and scientific knowledge, we shall only be obliged to provide a service that is scientifically justifiable in accordance with recognized research and scientific methods within the scope of the care we use in our own affairs; such services generally require practical testing, verification and further development, which are not part of our scope of services without express agreement.
- (5) If the service owed consists of consultation, we shall provide the Client with a scientifically sound and justifiable assessment of the issue from our professional perspective and, if agreed upon, with suggestions, recommendations and possible solutions or further examination based on recognized state of the art. The consulting service shall be limited to the areas of activity for which our company is equipped.

- (6) As part of our contractual services, items produced (e.g., but not limited to: prototypes, samples, etc.) are, unless otherwise agreed, research, experimental or test objects that are not ready for serial production. The Client must take this into account when using and handling them.
- (7) Amendments, additions or extensions to the task, the procedure and the content of work documents require a special written agreement.

§4 Service periods and deadlines

- (1) Service periods and deadlines are generally only guidelines, unless they are expressly agreed to be binding in individual cases.
- (2) Delays or failures on the part of the Client to cooperate or other hindrances arising from the Client's sphere of responsibility, as well as changes to the task or additional services, shall extend the execution period by reasonable additional time, without prejudice to further claims by Menzerna. The same shall apply to service deadlines.
- (3) Insofar as the performance of the service is dependent on advance services or supplies from third parties, service periods and deadlines are subject to the timely delivery by our own suppliers.
- (4) We will notify the Client immediately of any delays or hindrances, stating the reasons and the expected duration of the delay.
- (5) In the event of non-compliance with binding service periods or deadlines, the Client shall only be entitled to compensation instead of the service and/or a right of withdrawal if we are in default and the Client has allowed us a reasonable deadline for the service, which – deviating from Sections 281, 323 BGB (German Civil Code) - is accompanied by a declaration that he rejects the acceptance of the service after the deadline has expired. After the expiry of the deadline, the claim for fulfillment is excluded. The provisions of Section 15 shall apply to all potential claims of the Client for damages or reimbursement of expenses.

§5 Client's obligation to cooperate

- (1) The Client undertakes to promote our services to the extent agreed or otherwise necessary and required. This includes, but is not limited to, the communication of all necessary information, data and framework conditions as well as the correct and timely answering or decision of questions arising for the continued performance of the services.
- (2) Contact persons or contact points designated by the Client shall be authorized to make the declarations or decisions required by the Client for the performance of the service.

§6 Fiduciary duties

- (1) The contracting parties shall commit to mutual loyalty. In particular, the hiring or other employment of employees or former employees who have been involved in the execution of the service is particularly prohibited within twelve months after the end of the cooperation.
- (2) The contracting parties shall commit to treating the service confidentially and shall keep any information and knowledge obtained thereby secret for as long as it is not publicly known or is not state of the art. The partners shall also impose this obligation on third parties who have

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access to the information exchanged.

- (3) Menzerna is entitled to publish insights gained in consulting projects in professional articles, lectures or other forms, provided that this does not infringe on the legitimate confidentiality interests of the Client. The name of the Client shall only be published with the Client's consent.

§7 Copyrights, patents and other property rights

- (1) The Client is obliged, within the scope of the due diligence customary in the industry, to ensure that the services commissioned by him are possible without infringing copyrights, patent rights or other industrial property rights (hereinafter "industrial property rights") of third parties. If we are or become aware of any conflicting property rights, we shall inform the Client of the existence of such property rights and obtain the Client's decision regarding their use.
- (2) If copyrights, patents or other protective rights have arisen from the work results of Menzerna, these shall remain the exclusive property of Menzerna.
- (3) Each contracting party shall apply for industrial property rights for the inventions it has created in its own name and at its own expense. The contracting parties shall each bear the inventor's remuneration for their own inventors. Joint inventions within the contractual services shall be registered jointly in accordance with the shares of the contracting parties in the invention, sharing the costs incurred.
- (4) Unless otherwise agreed between the contracting parties, the Client shall receive a non-exclusive, free right of to use the overall development result for the further processing, manufacturing and distribution of corresponding products. If Menzerna's existing industrial property rights or those arising during the development work are included in the development result, the Client shall be granted a simple, non-exclusive, royalty-free license limited to utilize these rights as a whole. The customer may only exercise the aforementioned rights after full payment of our underlying services.

§8 Defects

- (1) In the event of material defects in the contractual service, we are obliged to provide subsequent performance – at our discretion by remedying the defect or by providing the service again. If the subsequent performance is not successfully completed within a reasonable period of time, the Client may set us a reasonable deadline for subsequent performance, after which, if unsuccessful, he may reduce the remuneration or withdraw from the contract. In addition, the Client is only entitled to compensation for damages or reimbursement of expenses in accordance with Section 15, regardless of the legal basis. Otherwise, further claims by the Client are excluded.
- (2) The limitation period for defects in a work, the success of which lies in the manufacture, maintenance or modification of an item or in the provision of planning or monitoring services for this purpose, is one year, subject to Section 8 paragraph 4, from handover or completion. The same applies to the delivery of manufactured goods.
- (3) The limitation period for defects in other services is one year, subject to Section 8 paragraph 4, from handover or completion.
- (4) Insofar as the services relate to a structure, the limitation period for defects is three years, from handover or completion of the service.

- (5) In the event of legal defects, the above provisions shall apply accordingly, provided that we are entitled to a period of at least four weeks to remedy the legal defect.

§9 Default of acceptance

- (1) If the Client is in default in acceptance of the services or fails to provide or delays any cooperation required of them under Section 5 or otherwise, we may demand the agreed remuneration for the services not rendered as a result, without being obliged to provide subsequent performance.
- (2) Our claims for compensation for additional expenses incurred remain unaffected.

§10 Remuneration, ancillary costs, due dates

- (1) Remuneration for our services are based on the contractual agreements.
- (2) Unless otherwise agreed, services not covered by the agreed remuneration (e.g. additional or modified services) are subject to our current hourly rates, which we will provide upon request. The smallest billing unit is the hour started.
- (3) Special individual costs (e.g. devices, tools, additional measuring technology or external programming costs) and consumables will be invoiced separately, unless otherwise agreed.
- (4) Any ancillary costs incurred, such as travel costs, allowances, expert costs, fees and charges, license fees, expenses for plans, blueprints and drawings, must be reimbursed to us upon proof, unless these are expressly agreed to be included in the remuneration.
- (5) We shall invoice services provided and ancillary costs to be reimbursed at the agreed times or otherwise after the service has been provided; we shall be entitled to demand reasonable payments on account. Payment shall be made based on daily rates, which cover the use of all test facilities and measuring equipment at Menzerna and the deployment of specialist and management personnel.
- (6) We shall document our services through time records specifying the type of service provided, the employee and the time spent. Time records shall be deemed accepted if the Client does not object in writing within two weeks of their submission.
- (7) The term of payment is thirty days after receipt of the invoice. All invoices are to be paid immediately and without deduction. Payments must be made without discount in such a way that we can dispose of the amount on the due date. The Client may only offset undisputed or legally established claims; he shall only be entitled to rights of retention insofar as they are based on the same contractual relationship.
- (8) In the event of late payment, default interest will be charged at a rate of eight percentage points above the respective base interest rate; further claims arising from default remain unaffected.
- (9) Without prejudice to our legal rights, we are entitled at any time to customary securities in terms of nature and scope, even if the claims are conditional or overdue.

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§11 Retention of title

- (1) All manufactured and/or delivered items, drafts, plans, expert opinions or other documents shall remain our property (hereinafter collectively referred to as "reserved goods") until all claims have been settled, in particular also the respective balance claims to which we are entitled within the scope of the business relationship. This also applies to future and conditional claims, e.g., but not limited to, reverse bills of exchange.
- (2) The processing and handling of the reserved goods shall be carried out for us as the manufacturer within the meaning of Section 950 BGB without any obligation on our part. The processed goods shall be regarded as reserved goods within the meaning of paragraph 1.
- (3) If the Client processes, combines, or mixes the reserved goods with other items, we will obtain co-ownership of the new item. This co-ownership will be proportionate to the invoice value of the reserved goods compared to the invoice value of the other goods used. If our ownership expires as a result of combining, mixing or processing, the Client hereby transfers to us the ownership or expectancy rights to the new inventory or item in the amount of the invoice value of the reserved goods, or, in the case of processing, in proportion of the invoice value of the reserved goods to the invoice value of the other goods used. The Client shall store them for us at no cost. Our co-ownership rights shall be regarded as reserved goods within the meaning of paragraph 1.
- (4) The Client may only resell the reserved goods in the ordinary course of business under normal business conditions and as long as he is not in default, he retains ownership, and the claims from the resale are transferred to us in accordance with paragraphs 5 and 6. The Client shall not be entitled to dispose of the reserved goods in any other way. As resale, the use of the reserved goods to fulfill work and work delivery contracts shall also be considered.
- (5) The claims of the Client from resale of the reserved goods are hereby transferred to us. They shall serve as security to the same extent as the reserved goods within the meaning of paragraph 1.
- (6) If the reserved goods are resold by the Client together with other goods, the claim arising from the resale shall be assigned to us in proportion to the invoice value of the reserved goods to the invoice value of the other goods. In the case of the resale of goods in which we have co-ownership shares in accordance with paragraph 3, a portion of the claim corresponding to our co-ownership share shall be assigned to us.
- (7) The Client shall be entitled to collect claims from the resale unless we revoke the collection authorization in the cases specified in these General Terms and Conditions. At our request, the Client is obliged to inform its customers immediately of the assignment to us - unless this is done by us - and to provide us with the necessary information and documents required for collection. The Client is in no case authorized to assign the claims; this also applies to all types of factoring transactions that the Client is also not permitted to carry out on the basis of our collection authorization.
- (8) If the Client defaults on payment and this indicates that the realization of a significant part of our claim is at risk, we shall be entitled to prohibit further processing of the delivered goods, to retrieve the goods and, if necessary, to enter the Client's premises for this purpose. The retrieval does not constitute a withdrawal from the contract.
- (9) The Client must inform us immediately of any seizure or

other impairments by third parties.

- (10) If the value of the existing securities exceeds the secured claims by more than ten percent in total, we are obliged to release securities of our choice at the request of the Client.

§12 Contract duration and termination

- (1) The contract ends upon completion of the agreed service or upon expiry of the agreed period. However, it may be terminated earlier in writing with a notice period of eight weeks to the end of the month if this is required for operational reasons on the part of the Client. In this case, we shall be entitled to the agreed remuneration less any expenses saved.
- (2) If the Client falls behind on payment and this indicates a risk to the feasibility of a significant part of our claim, we are entitled to prohibit the further processing of the delivered goods, retrieve the goods, and if necessary, enter the Client's premises.

§13 Force majeure

- (1) Events of force majeure which, through no fault of our own, make performance significantly more difficult or impossible for us or our agents shall entitle us to postpone the fulfillment of our obligations for the duration of the hindrance and for a reasonable start-up period. Strikes, lockouts and similar circumstances that directly or indirectly affect us or our agents shall be deemed equivalent to force majeure.
- (2) If the force majeure lasts longer than six weeks, each contracting party shall be entitled to a contract adjustment or may declare its withdrawal, excluding any further claims against the other contracting party.

§14 Liability

- (1) We shall only be liable for damages and/or reimbursement of expenses - irrespective of the legal grounds and also for non-contractual claims - in the event of intent or gross negligence on the part of our legal representatives or vicarious agents. This shall not apply in the event of culpable breach of essential contractual obligations. In this case, we shall only be liable - except in the event of intent or gross negligence on the part of legal representatives or vicarious agents - for damage that is foreseeable and typical for the contract, whereby any liability for loss of production and loss of profit is excluded.
- (2) In the event of delay, Menzerna's liability for damages caused by delay shall be limited to ten percent of the total order value. Furthermore, any liability of Menzerna for indirect consequential damages and pure financial losses, in particular for loss of production and loss of profit, is excluded.
- (3) Overall, Menzerna's liability for any legal reason is limited to the total order value, unless higher insurance coverage or higher claims against third parties exist.
- (4) The exclusions and limitations of liability contained in these General Terms and Conditions shall not apply in the event of injury to life, limb or health and shall not apply to claims under the Product Liability Act for personal injury or damage to privately used property.

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§15 Final Provisions

- (1) All contractual and non-contractual relationships between the contracting parties shall be governed exclusively by the law of the Federal Republic of Germany, as it applies to domestic parties.
- (2) Insofar as individual provisions of these General Terms and Conditions are invalid, the remaining provisions shall remain unaffected. In this case, the parties undertake to replace the invalid provision with a provision that comes closest to the economic purpose of the invalid provision.
- (3) The place of performance and jurisdiction for both parties is Ötigheim; we are also entitled to choose the Client's place of jurisdiction.