

General Terms and Conditions of Sale and Delivery of CleanControlling, Inc.

I. Scope

1. Unless otherwise expressly agreed upon in writing, our products and services are exclusively subject to the following General Terms and Conditions of Sale and Delivery („GTC“). These apply to all our offers, supplies, and services unless expressly agreed otherwise in writing.
2. The applicability of divergent or additional conditions of business from the purchaser is expressly rejected unless we agree expressly to their applicability in writing. Divergent conditions of purchase do not become part of contract content through acceptance of the order.
3. These GTC are applicable to all deliveries of CleanControlling („CC“), regardless of the legal nature of the contract underlying the delivery. They therefore apply to purchase contracts, contracts for services, for contracts whose object is the delivery of mobile goods to be manufactured or generated, as well as for combined contracts.

II. Formation of Contract

1. Our offers are non-binding. They are merely an invitation for the customer to place an order.
2. If we include documentation such as diagrams, drawings, weight, and dimensional data with an offer, these are not binding unless we expressly confirm in writing that they are binding. We reserve the right to make changes with respect to the order to the extent that said changes are not of a fundamental nature and do not limit the contractual purpose of the goods supplied to an extent that is unreasonable for the purchaser.

Reasonable changes include but are not limited to a) change in the level of scientific and technical knowledge, b) new information about the properties of materials, and c) do not alter the subject matter of the contract or the mechanical design.

We retain the ownership of and copyright in all documents and offers, including but not limited to cost proposals, drawings and other documents of a material or non-material nature, including in the electronic form. The purchaser shall not share any documents provided by CC to any third party, without CC's prior written consent.

3. Purchaser's orders are regarded as accepted only after our written or confirmation. Fulfillment of the order by us shall also be regarded as confirmation. Unless otherwise agreed, the data in our offers sets the standard for the application concerned.
4. Verbal agreements, contractual changes or supplementary provisions require our written confirmation to be legally valid.

III. Prices

1. The prices are net "Ex Works" (EXW, Incoterms 2020), not including applicable sales or use taxes or VAT, which will be added to the prices at the rate in force at the time of supply.
2. Prices do not include additional costs such as packaging, transport, insurance fees, customs charges, postage, and any bank and money transfer charges, all which shall be borne by the purchaser.
3. We retain the right to vary the contractually agreed price appropriately in the event of wage and salary increases, increases in the costs of raw materials or fuel, energy costs, freight costs or customs duties.

IV. Payment Conditions

1. Unless otherwise agreed in writing, payment of our invoices is due upon receipt of the delivered goods without deduction or setoff. If the purchaser falls into arrears in paying any amount due from the business relationship as a whole, any agreed payment targets lapse and all outstanding liabilities from the business relationship with the purchaser become payable immediately and without any discount.
2. If the purchaser is in default with any payments due, interest shall accrue on all sums due at the lesser of 1.5% per month or the maximum interest allowed under applicable law.

3. All amounts payable to CC shall become due immediately if the purchaser does not comply with its contractual obligations. In the event of payment default or suspension of payments, CC shall be entitled to demand immediate payment of all CC's claims, regardless of any due dates agreed upon. This shall also apply in the event that circumstances become known to CC which in CC's opinion make the creditworthiness or the financial standing of the purchaser doubtful, even if these circumstances have existed at the time the order was placed but were not known to CC at that time.

Notwithstanding any other rights, CC shall be entitled in all above mentioned cases to make outstanding deliveries against advance payment or security only, and, if no advance payment is made or security granted within a one (1) week period, to rescind the contract without fixing any further time period for compliance. In addition to the foregoing, CC shall be entitled to reasonable attorneys' fees incurred in connection with the enforcement of its rights hereunder.

4. The purchaser is not entitled to assign any claims to third parties arising out of or in connection with this contract without our prior written consent.

5. All taxes of any kind levied by any federal, state, municipal or other governmental authority, which tax CC is required to collect or pay with respect to the production, sale, or shipment of goods sold to purchaser shall be the responsibility of purchaser. Purchaser agrees to pay all such taxes and further agrees to reimburse CC for any such payments made by CC.

V. Delivery Date

1. The delivery date agreed between the purchaser and CC will be regarded as an estimate.

2. In cases of force majeure, for example operational disturbances or breakdowns, delay in transportation, measures taken in the course of industrial action, strikes or other circumstances beyond our control, including without limitation, Acts of God, natural disasters, epidemics, pandemics, or any local, state, federal state of emergency, we shall be entitled to extend the delivery period for the duration of the obstruction and for a reasonable period thereafter to reinstate production. If it is foreseeable that the inability to perform will be of a permanent nature, we are entitled to refuse the delivery in whole or in part. In that case the purchaser is not entitled to any damage claims. If such circumstances cause the delivery date to be extended for an indefinite period, the purchaser is entitled to withdraw from the contract or from the unfulfilled portion of the contract in the case of a partial delivery upon expiration of a reasonable extension of time set by purchaser. Other legal or contractually agreed rights of withdrawal remain unaffected.

3. The purchaser may, without setting a date, withdraw from the contract if we are unable to provide the complete service before the transfer of risk. The purchaser may also withdraw from the contract if full delivery is impossible and purchaser has a justified interest in declining partial delivery, in CC's reasonable discretion, otherwise, the purchaser is obligated to pay the contractual price for the partial delivery. Notwithstanding the foregoing, to the extent such impossible delivery is the fault of purchaser, in whole or in part, purchaser shall be obligated to pay for the full delivery.

4. We are entitled to provide partial consignments and to invoice these separately.

VI. Transfer of Risk, Acceptance

1. Our deliveries shall be "EX WORKS" (EXW, Incoterms 2020), unless otherwise agreed in writing.

2. The risk shall transfer to the purchaser when the goods leave CC's facility.

3. If dispatch and/or acceptance is delayed or does not occur as a result of circumstances outside of CC's control, the risk transfers to the purchaser from the day of notification of readiness to dispatch and/or to accept the goods. If asked to do so, we will undertake to arrange insurance at the purchaser's expense.

4. If the purchaser refuses acceptance of the goods or if shipment is delayed for reasons for which the purchaser is responsible, the risk shall pass over to purchaser when purchaser's default in acceptance commences.

Any storage costs incurred after the risk has passed shall be payable by purchaser. In such case, CC shall be entitled to charge purchaser for storage in the amount that is the greater of (i) 0.5% of the invoice amount per month or (ii) the actual storage costs incurred by CC per month. In addition, if purchaser fails to accept the goods within a period of 14 days, CC is entitled to rescind the contract or claim damages for non-fulfillment.

5. Delivered goods, even if incomplete, must be accepted by the purchaser regardless of any rights under Section VII.
6. Unless otherwise agreed upon in writing, goods may not be returned without our prior written consent. Any stock items, when returned, must be shipped at purchaser's expense and accompanied by a „Return Authorization“ issued by CC and will be credited at the lowest prevailing price and subject to a minimum restocking fee of 15% plus any reconditioning charges. Custom ordered products are not subject to cancellation, change, reduction in amount or return for credit or otherwise without our prior written consent and upon terms which indemnify CC fully against any losses associated therewith. All credits must be taken within six (6) months or they will be disallowed.

VII. Defect Claims

At the time of risk transfer, we are responsible for quality and title defects of the delivered goods in accordance with the following provisions:

A. Quality Defects

1. We warrant the design, manufacture and materials of our goods being free of substantial defects and in accordance with the respective state of the art as well as the manufacture of the goods being in accordance with the technical standards applicable in the industry.

An explicit guarantee for certain characteristics or qualities of our goods shall only be valid if made in writing.

2. CC's warranty for quality defects is limited to, at CC's sole discretion, either repair or replacement of the defective product. If we choose to replace the defective product, such defective product shall be returned to us and shall be and remain CC's property.

In the event that our remediation efforts fail after three (3) attempts, the purchase price shall be reduced by the amount of such defective product.

3. The purchaser will grant us the necessary time and opportunity to undertake any repair work or supply of replacement parts that we consider necessary. Only in urgent cases and when we have been informed in time beforehand and purchaser's operational safety is threatened and/or serious additional damage has to be prevented, the purchaser is entitled to repair the defect itself or have it repaired by third parties. Arising costs shall only be borne by us if they are reasonable.
4. We bear all costs required for the purpose of repair of defects, including transport, infrastructure, labor and material costs; however, we will only be responsible for transport costs from the location to which the goods purchased were delivered by agreement and at maximum up to the amount of the value of the delivered goods.
5. The purchaser has the right to cancel the contract if we – taking legal exceptions into account – fail to observe a reasonably set date for the repair or replacement of a defect. In addition, if we have made partial deliveries of defect-free components, purchaser shall be unable to cancel the entire contract. If a defect remains unrepaired, the purchaser only has a right to reduce the contract price. Any further claims will be determined in accordance with **Section VIII** below of these conditions.
6. The purchaser must take notice of the installation, operation, and maintenance instructions of our goods to the full extent to guarantee operational safety before initial installation and start-up and during operation.
7. We assume no responsibility for defects arising for the following reasons: unsuitable or improper use, alterations or maintenance work carried out without our prior written consent, incorrect installation or operation by the purchaser or third parties, normal wear and tear, incorrect or careless operation, including overloading, incorrect fuels and lubricants, unauthorized replacement materials, chemical, electrochemical, electronic and electrical effect.
8. Furthermore, no warranty claims shall exist if (i) the purchaser changes the delivered item or has it changed by third parties, and/or (ii) the purchaser does not replace parts of the delivered item or does not have them replaced by original spare parts from us.
9. Any other claims by the purchaser, including for personal injury or damage to items that were not the contract goods, or for loss of income, consequential costs, etc., are excluded unless otherwise covered by Section VIII.

10. Our guarantee does not extend to the fitness of the delivered goods for the purchaser's intended purpose where this varies from the standard application unless agreed to in writing by us.

B. Defective Title

1. CC guarantees the use of our goods supplied will be free of any claims of patent or copyright infringement in the United States and will indemnify purchaser of same if:

- a) the purchaser notifies us promptly of any alleged patent right or copyright infringements;
- b) the purchaser supports us to a reasonable extent in our efforts to defend the alleged claims and/or facilitates our carrying out modifications; and
- c) the defective title is not caused by the purchaser changing the supplied goods on his own initiative or using them in a way that is contrary to the contract.

2. CC reserves the right to undertake all defensive measures, including extra-judicial procedures it deems necessary.

VIII. Remedy for Breach of Warranty, Limitation of Liability

1. Purchaser shall examine the goods immediately upon receipt at the place of destination. The goods shall be deemed to have been accepted without any defects, unless the purchaser notifies us of any defect immediately after receipt of the goods at the place of destination or, in case of hidden defects, within five (5) working days after the defect was discovered. The notification must be made in writing and, in reasonable detail, specify the defect.

2. Purchaser has an affirmative obligation to notify the freight forwarder of any goods damaged in transit.

3. No claim for damages for goods that do not conform to specifications will be allowed unless CC is given immediate written notice after delivery of goods to the first destination to which they are shipped and allowed an opportunity to inspect them. Goods for which damages are claimed shall not be returned, repaired, or discarded without CC's express written consent.

4. PURCHASER'S EXCLUSIVE REMEDY AGAINST CC, AND CC'S SOLE OBLIGATION, FOR ANY AND ALL CLAIMS, WHETHER FOR BREACH OF CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, SHALL BE LIMITED TO CC'S REPLACING GOODS THAT DO NOT CONFORM TO SPECIFICATIONS OR, AT CC'S OPTION, REFUNDING THE PURCHASE PRICE. IN NO EVENT SHALL CC HAVE ANY LIABILITY FOR DAMAGES IN AN AMOUNT EXCEEDING THE PURCHASE PRICE OF THE GOODS SOLD HEREUNDER, NOR SHALL CC HAVE ANY LIABILITY FOR INCIDENTAL, COMPENSATORY, PUNITIVE, CONSEQUENTIAL, INDIRECT, SPECIAL OR OTHER DAMAGES OF ANY KIND WHATSOEVER.

5. Any warranty claims shall become time-barred one (1) year after delivery of the goods unless purchaser can prove such defect was solely caused by CC's fraud or willful misconduct. Any unauthorized use of, or changes to, our engineering work product without prior written consent of CC shall void any warranty applicable thereto and we shall have no liability to purchaser and purchaser shall indemnify CC from any damages resulting therefrom.

IX. Assignment of Rights

The purchaser may assign its rights arising from this contract to third parties in part or in full only with CC's prior written consent.

X. Retention of Title

1. CC retains title in all goods supplied to purchaser until paid in full to the extent such retention of title is valid under applicable law. The purchaser shall at our request assist CC in taking any measures necessary to protect CC's title in the goods, including the execution and filing of UCC-1 financing statements. Such retention of title also extends to goods that are processed or combined with other goods or materials to the extent of the value of CC's goods in relation to the total of all combined goods or materials.

2. If necessary, at CC's sole discretion and at CC's written request, the purchaser shall assign to CC all claims arising from the sale of goods to which CC has ownership rights to the extent of CC's co-ownership in the sold goods, including, but not limited to all subordinate rights.

3. The purchaser is authorized to collect any transferred debts only in the course of normal business and only on a revocable basis. CC may revoke such authorization if the purchaser fails to fulfill its obligations under this contract, including but not limited to purchaser's failure to make payment for the goods, becomes insolvent, or if insolvency proceedings are initiated against purchaser.

In such cases, CC is entitled to terminate the contract after providing purchaser written notice and a ten (10) day cure period, and to take possession of the reserved goods at purchaser's sole cost and expense. To the extent the goods have lost value, purchaser shall reimburse CC of such lost value within ten (10) days of written notice of same from CC. In the event of revocation, the purchaser is responsible for notifying us immediately of the name and/or company of the debtors associated with the assigned claims.

4. In the event CC takes possession of the goods pursuant to Section X.3 above, purchaser shall, at CC's sole discretion, notify the debtor of such revocation.

5. The purchaser will inform us promptly and in writing of any imminent or enforced access by third parties to the reserved goods or to the transferred debts and provide us with all documentation necessary to intervene. Any such costs and expenses related to such intervention, including court costs and reasonable attorneys' fees, shall be borne by purchaser.

XI. Additional Costs, Servicing

1. In the event CC has additional costs as a result of service work, such costs will be invoiced to the purchaser as part of the purchase price at the time of such service. Prior to incurring such costs, CC shall provide purchaser of written notice of same. Such additional costs include but are not limited to the following:

- a) Overtime hours;
- b) Interruption of the service work requiring additional travel;
- c) Connection to equipment that is not included in our scope of delivery;
- d) Air and electrical supply for the equipment;
- e) Wait times;
- f) If incorrect components are made available to us for testing.

2. The purchaser shall provide additional labor free of charge if this is necessary for service work.

3. In the event that CC services any CC products or goods at the request of purchaser, payment for such services shall be due upon receipt of the invoice for same.

XII. Software Usage

Supplied software, including its documentation, is provided for use on the goods for which it is intended. Use of the software on more than one system is prohibited. The purchaser undertakes not to remove manufacturer's details, including but not limited to copyright notices - or to change same without our express prior written consent. Other rights to the software and documentation, including copies, remain with CC and/or the software supplier. Transfer of sublicenses strictly prohibited.

XIII. Miscellaneous

1. Place of Performance shall be CC's place of business.

2. This Agreement shall be governed by and construed in accordance with the internal laws of the State of North Carolina, without regard for any choice of law considerations or any rules of conflict of law.

3. Place of Jurisdiction shall be at CC's Place of Business. Nonetheless, CC shall have the right to take purchaser to court at its place of business. Purchaser specifically consents to these rules.

3. Should any condition in these GTC prove ineffective, the effectiveness of the remaining conditions shall not be affected.

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