

# TRANSLATION of the General Terms and Conditions of Business

of

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# for the production, repair and distribution as well as rental of crash test dummies and accessories

This is a translation of the General Terms and Conditions of CTS dummy-solution GmbH & Co. KG. We are not liable for any translation errors. The German version of the General Terms and Conditions applies exclusively.

#### 1. Scope

- 1.1 These General Terms and Conditions (hereinafter "the General Terms and Conditions") apply to all business relationships between CTS dummy-solution GmbH & Co. KG (hereinafter "CTS-DS" or "We") and its customers (hereinafter "the Customers", "Buyer" or "tenant"), which concerns the purchase or rental of dummies and the associated services.
- 1.2 The General Terms and Conditions only apply if the customer is an entrepreneur (§ 14 BGB), a legal entity under public law or a special fund under public law.
- 1.3 The General Terms and Conditions in their current version also apply as a framework agreement for future contracts with the same customer for the purchase or rental of crash test dummies, without us having to point out the validity of the General Terms and Conditions in each individual case. In this case, we will inform the customer immediately about changes to our terms and conditions.
- 1.4 Our general terms and conditions apply exclusively. Differing, conflicting or supplementary general terms and conditions of the customer will only become part of the contract if and to the extent that we have expressly agreed to their validity. This consent requirement applies in all

- cases, for example even if we accept the customer's order without reservation despite being aware of the customer's general terms and conditions.
- 1.5 Legally relevant declarations and notifications that the customer must make to us after the contract has been concluded (e.g. setting deadlines, reminders, declarations of withdrawal, etc.) must be in writing to be effective.
- 1.6 References to the validity of legal regulations in these General Terms and Conditions only have a clarifying meaning. But even without such clarification, the legal regulations apply, provided that they are not changed or expressly excluded in the General Terms and Conditions.

#### 2. Offer and conclusion of contract

- 2.1 Our offers are subject to change and non-binding. This also applies if we have provided the buyer with catalogs, technical documentation (e.g. drawings, plans, calculations, calculations, references to standards) as well as other product descriptions or documents (including in electronic form). We reserve ownership rights and copyrights to all documents provided to the buyer in connection with the placing of the order. These documents may not be made accessible to third parties unless we give the buyer our express written consent to do so.
- 2.2 When the buyer orders the goods, it is a non-binding contract offer in accordance with Section 145 of the German Civil Code (BGB). In the event that nothing else arises from the order, we are entitled to accept this contract offer within two weeks of receipt of it.
- 2.3 Acceptance of the contract offer by the buyer can be declared either in writing (e.g. through an order confirmation) or by delivery of the goods to the buyer. In the event that we as the seller do not accept the buyer's offer within the period specified in Section 2.2. accept, documents sent to the buyer must be returned to us immediately.

# 3. Prices and payment arrangements

- 3.1 Unless otherwise agreed in writing in individual cases, our current prices ex warehouse at the time the contract is concluded, plus statutory sales tax. The costs of packaging will be invoiced separately. Unless a fixed price agreement has been made, we reserve the right to make reasonable price changes due to changes in wages, materials and sales costs for deliveries made 3 months or later after conclusion of the contract.
- 3.2 For order values over €10,000, a deposit of 50% of the order value is due. This must be paid within 10 days of receipt of the invoice at the latest. If the amount is not paid on time, CTS can withdraw from the order.
- 3.3 As part of a shipment purchase, the buyer must bear the transport costs from the warehouse and the costs of any transport insurance requested by the buyer. In the event that we do not invoice the transport costs incurred in the individual case, we charge a flat rate for transport

- costs (excluding transport insurance) in the amount of €350.00. The buyer must bear any customs duties, fees, taxes and other public charge.
- 3.4 Payment of the purchase price must be made exclusively to the account specified overleaf. The deduction of a discount is only permitted if there is a special written agreement.
- 3.5 Unless otherwise agreed, the purchase price is due and payable within 10 days of invoicing and delivery or acceptance of the goods. However, we are entitled at any time, even within the framework of an ongoing business relationship, to carry out a delivery in whole or in part only against advance payment. We will declare a corresponding reservation with the order confirmation at the latest.
- 3.6 The buyer is in default if the above payment deadline expires. During the delay, interest is to be paid on the purchase price at the applicable statutory default interest rate in accordance with Section 288 Paragraph 2 of the German Civil Code (BGB) in the amount of eight percentage points above the respective base interest rate. We reserve the right to assert further damages caused by default. Our claim to the commercial maturity interest in accordance with Section 353 of the German Commercial Code (HGB) remains unaffected from merchants.
- 3.7 If it becomes apparent after conclusion of the contract that our right to payment of the purchase price is at risk due to the buyer's lack of ability to pay (e.g. by applying for the opening of insolvency proceedings), we are entitled to refuse performance in accordance with the statutory provisions and, if necessary, to withdraw after setting a deadline entitled by the contract (§ 321 BGB). In the case of contracts in which the production of unreasonable items (custom-made items) is owed, we can immediately declare withdrawal. The legal regulations regarding the dispensability of setting a deadline remain unaffected in this respect.

#### 4. Retention rights

The buyer is only entitled to offsetting or retention rights if his claim has been legally established or is undisputed and his counterclaim is based on the same contractual relationship. In the event that defects occur during delivery, the buyer's counter-rights, in particular in accordance with Section 9.6 Sentence 2 of these General Terms and Conditions of Sale, remain unaffected.

# 5. Delivery period and delay in delivery

- 5.1 The delivery period is agreed individually or specified by us when accepting the order. If this is not the case, the delivery period is approximately 6 weeks from the conclusion of the contract.
- 5.2 In the event that we are unable to meet contractually agreed delivery deadlines for reasons for which we are not responsible, we must inform the buyer of this circumstance immediately and, at the same time, communicate the expected or new delivery deadline. If a late delivery cannot take place within the newly announced delivery period due to unavailability of the service, we are entitled to withdraw from the contract in whole or in part; We must immediately reimburse

- any consideration already provided by the buyer (in the form of the purchase price payment). The non-availability of the service occurs, for example, if our supplier did not deliver on time, if we have concluded a congruent hedging transaction, if there are other disruptions in the supply chain (e.g. due to force majeure) or if we have to procure in individual cases are not obliged.
- 5.3 Whether we as the seller are in default of delivery is determined by the statutory provisions. However, the prerequisite for a delay in delivery from us as the seller is a reminder from the buyer. In the event that there is a delay in delivery, the buyer can claim flat-rate compensation for damages caused by the delay. The flat rate for damages amounts to 0.5% of the net price (delivery value) for each completed calendar week of delay, but a maximum of 5% of the delivery value of the goods delivered late. We reserve the right to provide appropriate proof that the buyer suffered no damage or only suffered less damage than the above flat rate.
- 5.4 The buyer's rights in accordance with Section 9 of these General Terms and Conditions and our legally standardized rights, in particular in the event of an exclusion of the obligation to provide performance (e.g. due to the impossibility or unreasonableness of the service and/or supplementary performance), remain unaffected.

# 6. Delivery, transfer of risk, acceptance

- 6.1 Delivery takes place ex warehouse. The warehouse is also the place of fulfillment for delivery and the place for any subsequent fulfillment. In the event that the buyer wishes to have the goods shipped to another destination (shipment purchase), he must bear the shipping costs. In the event that nothing has been agreed contractually, we can decide on the type of shipping ourselves (packaging, shipping route, transport company).
- 6.2 When the goods are handed over to the buyer, the risk of accidental loss and accidental deterioration passes to the buyer. In the context of a mail order purchase, the risk of accidental loss of the goods, accidental deterioration of the goods and the risk of delay are transferred to the freight forwarder or carrier upon delivery of the goods. In the event of a contractual agreement to accept the goods, this is decisive for the transfer of risk. Further statutory provisions of contract law for work and services remain unaffected. The handover or acceptance of the goods is deemed to be the same if the buyer is in default of acceptance.

#### 7. Retention of title

- 7.1 We reserve ownership of the delivered goods until all of our current and future claims arising from the purchase contract and an ongoing business relationship (secured claims) have been paid in full.
- 7.2 Until the secured claims have been paid in full, the goods subject to retention of title may neither be pledged to third parties nor assigned as security. The buyer must notify us immediately in writing in the event that an application is made to open insolvency proceedings or if third parties access (e.g. seizures) the goods belonging to us. If the third party is unable to reimburse us for

- the judicial and extrajudicial costs of a lawsuit in accordance with Section 771 ZPO, the buyer is liable for the loss incurred by us.
- 7.3 In the event of the buyer's behavior in breach of contract, in particular if the purchase price due is not paid, we are entitled to withdraw from the contract in accordance with the statutory provisions and/or to demand the return of the goods on the basis of retention of title. The request for release does not include a declaration of withdrawal; Rather, we are entitled to simply demand the return of the goods and reserve the right to withdraw from the contract. In the event that the buyer does not pay the purchase price due, we must have given the buyer a reasonable deadline for payment before asserting these rights without success. This only applies if such a deadline is not unnecessary according to the legal regulations.
- 7.4 Until revoked in accordance with Section 7.4.c, the buyer is authorized to resell and/or process the goods subject to retention of title in the ordinary course of business. In this case, the following provisions apply additionally:
  - a) The products of our goods resulting from combination, mixing or processing are subject to retention of title at their full value, whereby we are considered the manufacturer. In the event that ownership rights remain in the event of a connection, mixing or processing with the goods of third parties, we acquire co-ownership in proportion to the invoice value of the connected, mixed or processed goods. Otherwise, the same applies to the resulting product as to the goods delivered under retention of title. The buyer also assigns to us, for security purposes, any claims that arise against a third party as a result of the connection of the reserved goods with a property. In this case we accept the assignment.
  - b) The buyer assigns to us at this point in time, in total or in the amount of our possible coownership share in accordance with Section 7.4.a, for security purposes, the claims against third parties arising from the resale of the goods or products in the amount of the final invoice amount agreed with us (including VAT). away. We accept the assignment. The buyer's obligations listed in Section 7.2 also apply with regard to the assigned claims.
  - c) The buyer remains authorized to collect the claim alongside us. As long as the buyer meets his payment obligations to us, there is no defect in the buyer's ability to perform and we do not assert the retention of title by exercising a right in accordance with Section 7.3, we undertake not to collect the claim. If we assert the exercise of a right in accordance with Section 7.3, we can demand that the buyer disclose the assigned claims and their debtors, as well as that the buyer provides all information required for collection, hands over the associated documents and notifies the debtors (third parties) of the assignment. In addition, we are entitled to revoke the buyer's authority to resell as well as his authority to process the goods subject to retention of title.
- 7.5 The buyer is obliged to treat the purchased item with care as long as ownership has not yet been transferred to him. In particular, he is obliged to adequately insure them against theft, fire and water damage at their new value at his own expense (note: only permitted when selling

high-quality goods). If maintenance and inspection work need to be carried out, the buyer must carry this out in a timely manner at his own expense.

#### 8. Rental of dummies and accessories

- 8.1 The rental period is contractually agreed. The rental period begins with the agreed time and, if this is not agreed, with the collection or delivery of the rental item.
- 8.2 The rental period can be extended by mutual agreement. The rental period is extended if we agree in writing to the tenant's request for an extension. An application for an extension must be received by us in good time before the end of the rental period.
- 8.3 Continuation of the use of the rental property after the rental period has expired is objected to.
- 8.4 We will provide the rented property to the tenant in a condition suitable for use in accordance with the contract, together with the necessary documents and descriptions.
- 8.5 The tenant is not entitled to allow the use of the rental property to a third party, in particular to sublet it, without our permission. If the tenant leaves the use to a third party, he is responsible for any fault attributed to the third party in the use, even if the landlord has granted permission for the use. The assertion of further damages remains unaffected.
- 8.6 After the rental item has been returned, CTS-DS carries out an initial inspection. Any damage that occurs during the rental period will be repaired and billed to the customer in accordance with the current price list.
- 8.7 If it turns out after the conclusion of the rental agreement that payment of the rent is at risk due to the tenant's lack of ability to pay (financial loss), CTS-DS can refuse to hand over the rental property unless the tenant pays the agreed remuneration in advance or provides security for it. The right to refuse performance is excluded if CTS-DS is already aware of circumstances relating to the tenant's inability to pay when the rental agreement is concluded.

### 9. Claims for defects by the buyer or the tenant

- 9.1 The legal regulations apply to the buyer's rights in the event of material and legal defects (including incorrect and short delivery as well as improper assembly/installation or defective instructions), unless otherwise specified below. This does not affect the legal provisions regarding the purchase of consumer goods (§§ 474 ff. BGB) and the buyer's rights from separately issued guarantees, in particular from the manufacturer.
- 9.2 Agreements that we have made with buyers regarding the quality and intended use of the goods (this also includes accessories and instructions) regularly form the basis of our liability for defects within the scope of the warranty. A quality agreement includes all product descriptions and manufacturer information that are the subject of the individual contract or that were made public by us (particularly in catalogs or on our Internet homepage) at the time the contract was concluded. In the event that no quality has been agreed, whether a defect exists must be

- assessed in accordance with the provisions of Section 434 Paragraph 3 of the German Civil Code (BGB). Against this background, it should be noted that public statements made by the manufacturer in advertising or on the product label take precedence over statements made by other third parties.
- 9.3 For goods with digital elements or other digital content, it should be noted that we are only obliged to provide and update the digital content to the extent that this expressly results from a quality agreement in accordance with Section 9.2. We assume no liability for public statements made by the manufacturer and other third parties.
- 9.4 We are not liable for defects that the buyer is aware of at the time the contract is concluded or is not aware of due to gross negligence in accordance with Section 442 of the German Civil Code (BGB)..
- 9.5 The buyer's claims for defects only exist if the buyer has complied with his statutory inspection and notification obligations (§§ 377, 381 HGB). If the goods are goods that are intended for installation or other further processing, an inspection must be carried out immediately before processing. A written report to us must be made immediately if a defect becomes apparent during the delivery, the inspection or at a later point in time. Obvious defects must be reported in writing within 5 working days of delivery and undetectable defects within the same period of discovery of the defects. In the event that the buyer neglects or does not fulfill his obligation to properly inspect and/or report defects, our liability for the defect not reported or not reported in a timely or improper manner is excluded in accordance with statutory provisions. If the goods were intended for installation, attachment or installation, this also applies if the defect only became apparent after the corresponding processing as a result of non-compliance or violation of one of these obligations. In this case, the buyer is not entitled to any claims for reimbursement of the "installation and removal costs".
- 9.6 If the delivered goods are defective, we as the seller have the right to choose whether we provide subsequent performance by eliminating the defect (repair) or by delivering a defect-free item (subsequent delivery). In the event that the type of supplementary performance we have chosen is unreasonable for the buyer in the individual case, he can refuse it. However, we reserve the right to refuse supplementary performance under the legal requirements. We are also entitled to make the supplementary performance to be provided by us dependent on the buyer paying the purchase price due. However, the buyer has the right to withhold a portion of the purchase price that is proportionate to the defect.
- 9.7 The buyer must give us the necessary time and opportunity to carry out the subsequent fulfillment. In particular, the buyer must hand over the item for which he has claimed a defect to us for inspection purposes. In the event that we carry out a subsequent delivery of an item that is free of defects, the buyer must return the defective item to us in accordance with legal regulations. However, the buyer is not entitled to a return claim.

- 9.8 Unless we have contractually agreed to do so, subsequent performance does not include the dismantling, removal or deinstallation of the defective item nor the installation, attachment or installation of a defect-free item. The buyer's claims for reimbursement of the "installation and removal costs" remain unaffected by this.
- 9.9 We will reimburse the expenses that are necessary for testing purposes and subsequent performance (transport, labor and material costs as well as dismantling and installation costs, if applicable) in accordance with the statutory provisions and these General Terms and Conditions of Sale in the event that a defect exists. However, we can demand reimbursement of costs incurred by the buyer due to an unjustified request for the removal of defects in the event that the buyer knew or could have recognized that there was actually no defect.
- 9.10 The buyer has the right to remedy the defect himself and to demand reimbursement of the objectively necessary expenses if there is an urgent case (e.g. in the event of danger in relation to operational safety or to prevent disproportionate damage). The buyer must inform us immediately if the work is carried out himself. In the event that we would be entitled to refuse supplementary performance in accordance with the statutory provisions, the buyer has no right to do so himself.
- 9.11 In accordance with the statutory provisions, the buyer can withdraw from the purchase contract or reduce the purchase price if a deadline set by the buyer for supplementary performance has expired without success or is unnecessary under the statutory provisions. However, in the event of a non-significant defect, the buyer does not have the right to withdraw from the contract.
- 9.12 The buyer's claims for reimbursement of expenses in accordance with Section 445a Paragraph 1 BGB are excluded, unless the last contract in the supply chain is a purchase of consumer goods (Sections 478, 474 BGB) or a consumer contract for the provision of digital products (§§ 445c sentence 2, 327 paragraph 5, 327u BGB).
- 9.13 Claims for damages or claims for reimbursement of wasted expenses by the buyer (§ 284 BGB) only exist in accordance with Section 9 and Section 10, even if there is a defect.

#### 10. Statute of limitations

- 10.1 The general limitation period for claims resulting from material or legal defects is, in deviation from Section 438 Paragraph 1 No. 3 BGB, one year from delivery. In the event that acceptance has been contractually agreed, the limitation period begins with acceptance.
- 10.2 The above limitation periods of the purchase law also apply to the buyer's contractual and non-contractual claims for damages that are based on a defect in the goods, unless the application of the regular statutory limitation period in accordance with Sections 195, 199 BGB results in a shorter limitation period in individual cases would lead. The buyer's claims for damages in accordance with Sections 10.1 and 10.2.a) as well as those under the Product Liability Act expire exclusively according to the statutory limitation periods.

# 11. Normal use and reduced warranty

- 11.1 The CTS-DS biofidelic dummies are constructed in such a way that they behave almost like a human under test conditions. The artificial bones can break, and joints or parts of tissue can be damaged. This behavior does not represent a defect but is the intended product feature.
- 11.2 Dummies can be damaged under high test loads. CTS-DS assumes no liability or warranty for this.
- 11.3 No warranty is granted for used dummies.

# 12. Other liability

- 12.1 We as the seller are liable, unless otherwise stated in these general terms and conditions, including the following provisions, for violations of contractual and non-contractual obligations in accordance with the statutory provisions.
- 12.2 Within the scope of liability for fault, we are liable for damages, regardless of the legal basis, only in the event of intent and gross negligence. In the event of simple negligence, we are only liable, subject to statutory liability limitations (e.g. care in our own affairs; insignificant breach of duty)
  - a) for damages resulting from injury to life, body or health,
  - b) for damages that result from the violation of an essential contractual obligation (obligations whose fulfillment enables the proper execution of the contract and on whose compliance the contractual partner relies and may also rely). In this case, however, our liability is limited to compensation for foreseeable, typically occurring damage.
- 12.3 The liability limitations resulting from Section 12.2 also apply to third parties and to breaches of duty by persons for whose fault we are responsible in accordance with statutory provisions. If a defect was fraudulently concealed and a guarantee was given for the quality of the goods, the limitations of liability do not apply. This also applies to claims by the buyer under the Product Liability Act.
- 12.4 The buyer may withdraw or terminate the contract due to a breach of duty that does not result from a defect, only if we as the seller are responsible for the breach of duty.
- 12.5 The buyer's right of termination (in particular in accordance with Sections 650 and 648 of the German Civil Code) is excluded. Otherwise, the legal requirements and legal consequences apply.

# 13. Choice of law and place of jurisdiction

13.1 The law of the Federal Republic of Germany applies to these General Terms and Conditions of Sale and the contractual relationship between us as the seller and the buyer, excluding

international uniform law, in particular the UN Convention on Contracts for the International Sale of Goods.

- 13.2 If the buyer is a merchant within the meaning of the Commercial Code, a legal entity under public law or a special fund under public law, our registered office in Münster is the exclusive and international place of jurisdiction for all matters arising directly or indirectly from the contractual relationship Disputes. The same applies if the buyer is an entrepreneur within the meaning of Section 14 of the German Civil Code (BGB).
- 13.3 We are also entitled to file a lawsuit at the place of fulfillment of the delivery obligation in accordance with these General Terms and Conditions or a priority individual agreement or at the buyer's general place of jurisdiction. This does not affect primary legal regulations (exclusive places of jurisdiction).

#### 14. Miscellaneous

If individual provisions of this agreement are ineffective or later become ineffective, the effectiveness of the remaining provisions remains unaffected.