

General Terms and Conditions of Purchase

of Orcan Energy AG

1. Applicability and contract formation

- 1.1. All deliveries and services shall be subject to these General Terms and Conditions of Purchase unless the Parties have agreed otherwise in writing.
- 1.2. The applicability of other general terms and condition, in particular those general terms and conditions of supply of the Supplier, is excluded, even if, on a case-to-case basis those conditions have not been rejected or deliveries and/or services have been accepted without reservation.
- 1.3. Any purchase order, order confirmation, or other contractual documents between the parties, must be in writing. The written form is conserved, if such document is provided via fax, e-mail, data-transfer or via simple/advanced electronic signature.
- 1.4. Unless offers contain an express binding period, offers shall be binding between the Supplier and the Customer for a period of 3 months following the offer's issuance date.
- 1.5. An individual contract becomes binding if Supplier accepts the purchase order by issuing an order confirmation. If no order confirmation has been received from the Customer within two weeks following the date of the purchase order, the Customer is entitled to withdraw its purchase order towards the Supplier.

2. Delivery, place of performance, transfer of risk, late delivery

- 2.1. Unless otherwise agreed in writing, deliveries must be made free house Customers' premises (including packing and shipping).
- 2.2. Agreed delivery times shall be binding. The Customer shall be notified immediately of any circumstances which may prevent the delivery time from being met or delay delivery. The time the goods are received, or the service is completed at the Customer's premises or at the place where they are to be delivered / performed as stated in the order ("place of performance") shall determine whether the delivery time has been met.
- 2.3. In any case, the risk shall not pass to the Customer until the goods have arrived at the Customers' premises or at the specified place of delivery.
- 2.4. Part deliveries shall require the prior written consent of the Customer.
- 2.5. Events of force majeure, such as natural disasters, epidemics, war, armed conflicts, terrorism, sabotage, civil war, revolution, fire, labour disputes, or other events beyond the control of the Customer, shall entitle the Purchaser to reasonably extend the acceptance periods without the Supplier being entitled to claim damages and without the Customer being able to invoice for quantities returned prior to acceptance. Acceptance delays arising from or in connection with an event of force majeure such as e.g. the COVID 19 pandemic (e.g. plant closures, travel restrictions, border closures, transport restrictions or delays, etc.) which make it impossible or unreasonably difficult to comply with the acceptance, delivery or performance time, shall be deemed to be an force majeure event within the meaning of 2.5, if the specific restriction (e.g. plant closures, travel restriction, border closures, transport restrictions or delays, etc.) did not exist at the time the purchase order was submitted by the Customer or at the time the conclusion of the contract or was not yet known to the Customer at this time. The Customer shall inform the Supplier of when such circumstances start and end as soon as possible. If the event lasts for more than 3 months, the Customer shall also be authorised to terminate the contract.
- 2.6. Without prejudice to the statutory rights to which the Customer is entitled (rescission and damages in lieu of performance) and without prejudice to the right to claim proven damage caused by delay which

exceeds the contractual penalty claimed, the penalty for delayed delivery and /or services shall amount to 0.5% of the value of the contract per each commenced week, up to a maximum amount of 10% of the value of the contract. This contractual penalty can also be claimed after acceptance of the delivery up to the final payment, without the need for a reservation upon acceptance of the delayed delivery or service.

3. Prices, bill of materials, invoice, payment terms

- 3.1. The agreed prices shall be fix and binding. They shall apply carriage, packaging and fee paid to the place of performance (see section 2.2 above).
- 3.2. Delivery note and invoice must be identical in form and content. In addition to the minimum legal requirements, they must contain the following information: ordering company, complete order number and item number in the case of several order items. Each purchase order shall be handled separately in all correspondence and using the above information.
- 3.3. If the Customer does not receive the delivery note together with the goods or if it or the labelling of the goods does not comply with the aforementioned provisions, the Customer shall be entitled to reject the goods or to store the goods at the Supplier's expense and risk until the proper documents are received.
- 3.4. Invoices are to be sent to the address specified in the purchase order, stating the purchase order number. The invoice is to be structured in accordance with the purchase order. Any invoices for down payments and part payments as well as final invoices shall be identified as such. If work has been supplied, worksheets (reports) signed by the Customer and the Supplier must be attached to invoices.
- 3.5. Should it be necessary to place purchase orders without prior price agreement, the prices of the previous purchase order shall be deemed agreed in the event of a continuing business relationship. Otherwise, the Supplier's list price valid at the time of the purchase order shall apply, unless the list price at the time of fulfilment by the Supplier is more favourable for the Customer.
- 3.6. Invoices must be sent separately from the consignment of goods and may not be sent before the goods have been dispatched. Invoices shall indicate the mode of shipment. Invoices do not serve as advice of dispatch.
- 3.7. Unless otherwise agreed in writing, payment shall be made within 30 days net, following receipt of the goods/services in line with the contractual conditions and receipt of a correct verifiable invoice. In the event of acceptance of premature deliveries, however, the period shall commence at the earliest on the agreed delivery date.

4. Shipping, packaging, and acceptance

- 4.1. The Supplier is responsible for the choice of shipment company and its default as for its own default.
- 4.2. Notification of shipment of the goods (also via email or fax) shall be given at the latest when the deliveries leave the Suppliers' premises.
- 4.3. The Supplier agrees to specify the purchase order number and the Customer's exact delivery address on all shipping documents and delivery notes. Should the Supplier fail to do this, the Supplier shall be responsible for all the resulting delays.
- 4.4. Shipments for which the Customer is paying all or part of the freight costs shall be transported and in accordance with the Customer's shipping specifications.
- 4.5. The applicable shipping instructions are specified in the purchase order.

- 4.6. The Supplier undertakes to pack the goods that need to be transported in accordance with the purchase order and the applicable specifications so the goods will not be damaged if they are handled in the normal way.
- 4.7. Acceptance: If the Supplier has to perform work, a formal acceptance of it by the Customer is required. The Customer may choose whether to make the acceptance at the Supplier's plant or at the place of performance. Unconditional payments shall not constitute acceptance, approval of the items supplied or the waiving of claims for defects.
- 5. Quality assurance, technical acceptance**
- 5.1. The Supplier undertakes to continuously monitor the quality of its goods by using a suitable quality assurance system, e.g. DIN EN ISO 9001 ff or a comparable system, and to conduct the quality checks and inspections specified by the Customer or which are otherwise appropriate during and after the manufacture of its goods. The Supplier shall document these inspections and retain this documentation for a period of ten years.
- 5.2. The Customer or a person engaged by the Customer has the right to demand proof that the delivery items and the quality assurance system of the Supplier are of the quality specified in the contract and also to satisfy themselves at all times that the quality and/or the way in which the checks and inspections are carried out at the plant of the Supplier or the sub suppliers are adequate and also to undertake, during normal business hours, acceptances or an audit in the plant of the Supplier or its sub supplier at the Supplier's costs and expenses.
- 5.3. Without being requested to do so, the Supplier shall immediately inform the Customer of changes in the composition of the processed material or design of its goods or services. The changes shall require the written consent of the Customer.
- 5.4. Where the Supplier intends to arrange for goods or services to be provided wholly or mainly by a sub supplier, the Supplier shall inform the Customer of this beforehand. In this case, the subcontracting requires the written approval of the Customer.
- 5.5. The quality assurance policy of the Customer disclosed to the Supplier and the quality assurance agreements concluded with the Supplier shall be part of the contract, notwithstanding if they were referred to or not.
- 5.6. If the Customer has reserved the right to a technical acceptance of the finished goods (work performance) at the Supplier's works or those of its subcontractors, the readiness for acceptance shall be notified in writing 14 days before readiness for dispatch. If the Customer has stipulated technical acceptance by a named third party, the Supplier shall arrange for this acceptance on its own initiative and shall send the acceptance certificate to the Customer without delay, at the latest, however, together with the delivery note. In any case, the costs of the acceptance, insofar as the acceptance is carried out by a third party, shall be borne by the Supplier.
- 5.7. The Customer's performance of quality audits and or technical acceptances do not imply that the Customer is waiving any rights that the Customer may have with regard to its contractual and statutory remedies.
- 6. Notice of defects**
- The Customer shall check incoming deliveries for identity, correct quantities, damage in transit and obvious defects, insofar and as soon as this is expedient in the ordinary course of business and shall report such defects in writing (email, fax, data transfer, via simple/advanced electronic signature). The Customer reserves the right to carry out more detailed checks on incoming goods. Other defects will be reported to the Supplier within a period of ten (10) working days of discovery. In those regards, the Supplier waives the argument of receiving delayed notice of defects.
- 7. Liability for defects**
- 7.1. The Supplier warrants the Customer within the warranty period, that the supplied goods and services:
- 7.1.1. Are free of defects and legal imperfections in title, of the Customer intended material and quality and
- 7.1.2. are fully suitable for the use / intended use / place of use as well as normal use as specified in the order, also as a functional component of a device or system, and do not impair the functionality of a device or system.
- 7.2. Claims for defects shall become time-barred – except in cases of intention to deceive – in 36 months starting from when the goods were received at the place of performance and/or 30 months after the work was accepted. If the Supplier meets its obligation to remedy a defect by supplying substitute goods, the period of limitation for said goods/services shall commence anew for a period of 12 months after they have been delivered or accepted, however shall not end before the end of the original warranty period.
- 7.3. If a defect or imperfection in title exists, the Customer shall be entitled to statutory warranty claims in its entirety.
- 7.4. In principle, the Customer shall have the right to select the manner of remedy. If the Supplier does not begin with subsequent remedy as part of the contract, i.e. rectification of defects or delivery of a substitute, as soon as the Supplier has been requested to do so by the Customer, the Customer shall have the right in these cases and also to avert danger or avoid/limit damage, to carry out the manner of remedy selected by the Customer, or to have it carried out by a third party, at the expense of the Supplier. The Customer shall have the same right if rectification of defects and/or delivery of a substitute fails or is refused.
- 7.5. Should removal and installation costs be incurred during rectification work following a defect, the Supplier shall cover these costs together with the transport costs of the replacement item to and from the site in cases where the Supplier had an obligation to install the delivered item as part of the delivery or if the Supplier was responsible for the defect.
- 8. Product liability**
- 8.1. The Supplier undertakes to take out and to maintain an appropriate product liability insurance. At the Customer's request Supplier shall provide the confirmation of such product liability insurance coverage in writing.
- 8.2. The Supplier undertakes to comply with the legal requirements that apply at its registered office and the place of performance.
- 8.3. In case of the supply of goods which fall under the scope of application of a European Directive for first-time marketing, such as the EU Machinery Directive, Pressure Equipment Directive, EMC Directive, etc., the Supplier undertakes to comply with the relevant health and safety requirements and processes specified in them and issue the documents provided for in these. In the case of partly completed machinery according to the applicable EC Machinery Directive, the Supplier shall provide the Customer with a declaration of incorporation according to Annex II B of the EC Machinery Directive in the form requested by the Customer (extended declaration of incorporation) as well as in addition provide instructions for use. The Supplier shall at the request of the Customer and as chosen by the Customer hand over to the Customer the risk assessment that the Supplier has produced or allow the Customer to inspect this.
- 8.4. If the Supplier is responsible for damage outside the supplied goods and claims are asserted against the Customer pursuant to product liability law, the Supplier shall be obliged to indemnify the Customer against these claims for damages by third parties at the first written request if the cause of the damage is in the sphere of responsibility of the Supplier and the Supplier itself is liable in relation to third parties.
- 8.5. As part of its liability, the Supplier is also obliged to reimburse any expenses incurred by the Customer from or in connection with a

warning issued or recall conducted by the Customer. Where possible and reasonable, the Customer shall inform the Supplier of the content and scope of the measures to be performed and coordinate them with the Supplier. Other claims under product liability law shall remain unaffected.

9. Drawings, models, tools, reservation of ownership, parts for processing

9.1. Documents, drawings, plans and sketches and other know-how of the Customer, which the Customer entrusts to the Supplier for producing the ordered delivery and/or service in whatever form, shall remain the property of the Customer. The Supplier undertakes to make them available only to employees who need them for fulfilling the contract and who are in turn obligated to maintain confidentiality, not to make them available to third parties, to make copies only for the purpose of executing the order, and to return all documents, including copies of them to the Customer upon request. There shall be no right of retention. Any copies made by the Supplier must be destroyed; the only exceptions to this are storage within the framework of statutory storage obligations and storage of data for backup purposes within the framework of normal data backup.

9.2. Tools, devices, and models which the Customer makes available to the Supplier or which are manufactured for contractual purposes and which are charged separately to the Customer by the Supplier shall remain the property of the Customer or shall become its property. Supplier shall indicate those tools and models as property of the Customer and – where possible – stored separately from the other products of the Supplier, as well as insured at the expense of the Supplier against disasters such as fire, water, theft, loss, and other damage.

Resale of the parts produced to third parties using these models and tools shall not be permitted without the express written approval of the Customer.

The costs of maintenance and repair of these items shall be borne by the contracting parties – unless agreed otherwise - in equal parts. However, insofar as these costs are attributable to defects in such items manufactured by the Supplier or to improper use on the part of the Supplier, its employees, or other vicarious agents, they shall be borne solely by the Supplier. The Supplier shall immediately notify the Customer of any damage to such items which is not merely insignificant. Upon request, it shall be obliged to return these items to the Customer in proper condition. In all other respects, paragraph 1 shall apply with regard to confidentiality.

9.3. The Supplier's rights to reserve ownership are not recognized.

9.4. Where the Customer provides the Supplier with substances, parts, containers, etc., the Customer shall retain ownership of these. The processing or transformation of these parts shall be on behalf of the Customer. If the reserved goods are processed with other items that do not belong to the Customer, the Customer shall acquire joint ownership of the new object in proportion to the value of the Customer's property in relation to the other processed items at the time of processing.

9.5. The Supplier shall be liable for loss of or damage to the items owned by the Customer. The Supplier shall adequately insure the items owned by the Customer in accordance with the above provision, keep them in proper custody and hand them over to the Customer upon termination of the contract. Upon request, he shall draw up inventory lists of the items owned by the Customer and submit them to the Customer.

9.6. The Customer must be informed immediately of any damage to items owned by the Customer. This shall also apply in the event of enforcement measures of any kind.

10. Spare parts

10.1. The Supplier shall ensure that spare parts for the item supplied will be available for a minimum of ten years after manufacture of the product series has ceased.

10.2. If the Supplier intends to discontinue the production of spare parts for the delivered goods, he shall notify this immediately after the decision on the discontinuation. This decision must, subject to paragraph 1, be at least 6 months before the cessation of production takes place.

11. Confidentiality

11.1. The Supplier is obliged to keep the terms of the order as well as all information and documents made available for this purpose (with the exception of publicly accessible information) secret for a period of 5 years after conclusion of the contract and to use them only for the execution of the purchase order. He shall return them immediately upon request of the Customer after completion of enquiries or after processing of purchase orders, without any right of retention being applicable.

11.2. Without the prior written consent of the Customer, no reference shall be made to the contractual relationship between the parties, no associated correspondence shall be used for advertising purposes.

11.3. Supplier warrants to impose this obligation to the same extent to its sub-suppliers.

12. Data protection - Software

12.1. The Customer is entitled to collect, store, use and transfer the Supplier's personal data, providing this is required for performing the legal transaction or consent has been obtained from the persons concerned. Persons concerned have the right to obtain information on the personal data stored about them and the purpose for which it is being processed and used. Any requests for information or the enforcement of further rights on the part of those concerned must always be submitted to the Customer and are provided within the framework of national legislation.

12.2. The Customer shall receive the right to use software that is part of the scope of delivery, including the documentation for it, with the agreed features and to the extent necessary for ensuring use of the software in compliance with the contract or permitted by law (Sections 69a ff. of the German Copyright Law, UrhG). Before the software is shipped or installed on a system of the Customer or its end customers, the Supplier shall check it for viruses, Trojans and other computer malware using up-to-date, customary antivirus programs and shall eliminate such malware (if any).

13. Termination rights

In addition to Customer's rights at law, the Customer is entitled to terminate the contract if the Supplier's financial circumstances have deteriorated significantly or there is a risk that this will occur and as a result the obligation to supply goods and services is put at risk or if insolvency occurs or if the Supplier suspends payments. The Customer may also terminate the contract if the Supplier comes under the controlling influence of a competitor of the Customer.

14. Corporate responsibility, minimum wage

14.1. The Supplier declares its commitment within the scope of its corporate responsibility to ensuring that it complies with legal provisions, including environmental protection laws, regulations relating to labour law and legislation on the maintenance of employees' health, and does not tolerate child or forced labour in or in relation to the production and sale of its goods or the provision of its services. Upon accepting the order, the Supplier further confirms that it shall not commit or tolerate any form of bribery and corruption.

14.2. The Supplier undertakes to comply with the laws that apply in each case in respect of the general minimum wage and to impose this obligation to the same extent to its sub suppliers. The Supplier shall furnish proof that the above assurance has been complied with, if requested to do so by the Customer. If the above assurance is not adhered to, the Supplier shall indemnify the Customer against claims by third parties and undertakes to reimburse fines imposed on the Customer in connection with this.

15. Origin of goods – export control

- 15.1. If requested to do so by the Customer, the Supplier undertakes to provide proof of origin that complies with the valid legal requirements on the date on which it is issued. The Supplier shall provide this for the Customer free of charge. If long-term supplier declarations are used, the Supplier shall, when the purchase order is accepted, without being prompted to do so inform the Customer of changes in the originating status. The actual country of origin shall in every case be stated in the documentation for the transaction, even if there is no eligibility for preferential customs treatment.
- 15.2. The Supplier has an obligation to instruct the Customer about any authorization obligations that may exist if the Supplier's goods are (re-) exported, as required by German, European and US American legislation as well as other applicable export and customs requirements. For this purpose, unless this information is provided in the Supplier's quotation the Supplier shall provide this information in the order confirmation and in every invoice at the relevant items for the goods: the commodity code, the AL No. (export list number) of the current version of the EC Dual Use Regulation or Part I of the export list (Annex "AL" of the German Foreign Trade and Payment Regulation) and the ECCN (Export Control Classification Number) in accordance with US export legislation.
- 15.3. At the request of the Customer, the Supplier shall be obligated to inform the Customer in writing of all further foreign trade data related to the goods and its components, as well as inform the Customer immediately in writing of all changes to the data specified in these aforementioned Sections. If the above details are not provided or are provided incorrectly, the Customer shall be entitled to terminate or cancel the contract without prejudice to further claims.

16. Safety at work, environmental protection, conflict minerals

- 16.1. The Supplier shall ensure that its goods and services satisfy environmental protection, accident prevention and occupational safety regulations that apply at the Customer's site or the other place of performance with which it is familiar as well as with other safety-related rules so that negative effects on people and the environment are avoided or reduced.
- 16.2. The Supplier undertakes to comply with the applicable requirements of the EU regulation on chemicals REACH (EU Regulation No. 1907/2006), in particular registration of the substances. The Customer is not obligated to obtain approval for a delivery item provided by the Supplier within the framework of the REACH regulation.
- 16.3. The Supplier undertakes through appropriate measures in its organization and with reference to its own delivery chain to work towards ensuring that the products to be delivered to the Customer do not contain conflict minerals as defined by Sections 1502 and 1504 of the Dodd-Frank Act of the United States of America (including but not limited to columbite-tantalite (coltan), tin, wolframite, gold and their derivatives originating from the Democratic Republic of Congo and its neighbouring states).
- 16.4. The Supplier has an obligation to indemnify the Customer from all liability in relation to the Supplier's non-compliance with the above regulations and/or to compensate the Customer for losses incurred as a result of the Supplier's non-compliance with the regulations or in relation to this.

Furthermore, the Supplier shall observe the relevant rules for the disposal of waste and residual materials and make the Customer aware of any product treatment, storage, and disposal requirements.

17. General Provisions

- 17.1. The Supplier is not entitled to assign claims against the Customer or to have them collected by third parties. The provision of § 354a HGB remains unaffected by this.
- 17.2. The offsetting of counterclaims or the exercise of a right of retention against claims of the Customer is only permissible if the respective

counterclaim has been recognised in writing by the Customer concerned or has been legally established.

- 17.3. The Customer shall be entitled to set off its claims of whatever kind against the Supplier's claims against the Customer. This shall also apply in the event of different due dates of the claims.
- 17.4. Persons who work on the Customer's premises or on the premises of companies associated with the Customer to perform the contract must observe the terms of the respective work rules. Liability for accidents that befall these persons on works premises shall be excluded unless they have been caused by deliberate or grossly negligent infringement of obligations on the part of our statutory representatives or their vicarious agents.

18. Applicable law, legal venue

- 18.1. The laws of Germany shall govern the contractual relationship with conflicts of law and the United Nations Convention on the International Sale of Goods (CISG) being excluded.
- 18.2. The legal venue for both parties, regarding claims in connection with the contractual relationship, including the validity of the contract, is the competent court at the Customer's registered office. The Customer may also take legal action at the Supplier's place of business.
- 18.3. If individual provisions of these conditions are or become invalid in full or in part, this shall not affect the remaining provisions.