

General Terms and Conditions of Sale of Gewindewerkzeuge Gabrovo GmbH (current version as of July 1, 2022)

I. Definitions

General Conditions of Sale (hereinafter referred to as GCS)

The seller is Gewindewerkzeuge Gabrovo GmbH (hereinafter referred to as "GWG").

Buyer (hereinafter referred to as "Customer", whereby exclusively for the purpose of better readability the gender-specific spelling is dispensed with, but all personal designations in these GCS are to be understood as gender-neutral) who order goods and/or services from GWG and/or have them performed.

Parties: customers and GWG.

Formal requirements: any agreement between the parties shall be made in writing, with mutual written confirmation, whereby mutual confirmation in the form of e-mails or comparable electronic media clearly attributable to a representative of both parties who is authorized to sign shall also apply.

II. General provisions / scope of application

1. Subject to any other written agreements, the following GCS apply to the sale of goods and services of GWG to commercial enterprises, companies, legal entities under public law and registered associations. Private persons and end consumers are not included.

2. These GCS shall apply exclusively. Any terms and/or conditions of sale, conditions of purchase, other general or special terms and conditions of the customer conflicting with or deviating from these GWG GTC shall not apply to GWG, even if they have been mentioned, communicated or presented to GWG and GWG nevertheless does not expressly object to them.

3. These GCS shall apply in the currently valid version, which can also be viewed at any time in Bulgarian, German and English on the official website (www.gwg-gabrovo.com) of GWG, are available for download and can be provided upon request by e-mail or printed out by mail. In case of changes in the GWG GCS, the customers will be informed separately about the latest version

4. These GCS shall also apply in the respective valid version to all future transactions between the parties concerning deliveries and services without GWG having to refer to these GCS in each individual case.

It is the customer's own responsibility to be familiar with the currently valid version of the GCS when he or a person authorized by him to represent the company confirms an order in a binding manner.

5. Additional agreements besides the GWG GCS and/or deviations in individual points from the GWG GCS are possible in very special cases, whereby these additional agreements shall only become valid if both parties expressly agree to them in writing by a person authorized to sign.

The additional agreements confirmed in writing in this way in addition to the GWG GCS and/or deviations in individual points from the GWG GCS always and exclusively apply to exactly one order and are thus limited in time.

Even if the same or similar additional agreements in addition to the GWG GCS and/or deviations in individual points from the GWG GCS are repeatedly granted to the customers for

individual orders and confirmed accordingly in writing, a claim and/or right that these additional agreements in addition to the GWG GCS and/or deviations in individual points from the GWG GCS apply to future orders is excluded. It shall continue to apply that additional agreements besides the GWG GCS and/or deviations in individual points to the GWG GCS always and exclusively apply to exactly one order and are therefore limited in time.

III. Offer and order conclusion

1. The customer may submit an order request on the basis of the standard catalog of GWG, the associated respectively valid delivery conditions of GWG and the GCS of GWG on which an order is based.

GWG shall conduct an initial review of the request, obtain additional information from the customer, if necessary, and thereafter provide an initial estimate of the delivery date, terms and conditions.

If the customer confirms in writing within 5 working days the initially non-binding delivery time estimate as well as the associated delivery terms and conditions of the goods and services from the basic catalog of GWG and GWG reconfirms the customer's order in writing within another 5 working days, the conclusion is binding for both parties.

If several rounds of negotiations take place, the customer shall have the time to confirm the order in writing, to cancel the order in writing or to submit a further amendment proposal within 5 working days each. GWG on its part has the possibility to react within 5 working days each time by reconfirming the order in writing, which results in a binding conclusion for both parties, by submitting a written counter-proposal or by refraining from the order request in writing.

Regardless of the number of negotiation rounds, GWG shall be entitled to re-evaluate and adjust accordingly the then current prices according to the GWG standard catalog, the provisional delivery date, the delivery terms and conditions at each round restart.

2. In addition, the customer has the possibility to submit an order request for special tools and additional services not included in the standard catalog on the basis of the data and desired performance features provided by the customer.

GWG carries out a first examination of the inquiry, obtains additional information from the customer, if necessary, and then provides a first sales price estimate, which is still non-binding until the time of order, a first estimate of the time of delivery and the associated terms and conditions of delivery.

If the customer confirms in writing the initially non-binding sales price estimate, the initially non-binding delivery time estimate as well as the associated delivery terms and conditions of the special tools and/or special services within 5 working days and GWG reconfirms the customer's order in writing within another 5 working days, the conclusion is binding for both parties.

If there are several rounds of negotiations, the customer shall have the time to confirm the order in writing, to cancel the order in writing or to submit a further proposal for change within 5 working days. GWG on its part has the possibility to react within 5 working days each time by reconfirming the order in writing, which results in a binding conclusion for both parties, by submitting a written counter-proposal or by refraining from the order request in writing.

Irrespective of the number of negotiation rounds, GWG is entitled to re-evaluate the preliminary sales price estimate, the preliminary delivery date, the delivery terms and conditions and to adjust them accordingly at each round restart.

3. With the written order confirmation by the customer, the customer simultaneously and expressly confirms that he has read these GCS, plus any points agreed upon separately with the customer, and that he accepts its contents without any restrictions.

GWG cannot be obliged to verify again at each conclusion of the contract that the customer has actually read, understood and accepted the GCS plus any points agreed upon separately with the customer. On the contrary, GWG can and must rely on this being the case.

4. It is expressly pointed out that if the customer subsequently, irrespective of the point in time after the conclusion of the contract, states that he does not accept these GWG GCS, plus any points separately agreed upon between the parties, in whole or in part, and in particular if the customer subsequently states that he concludes contracts exclusively under his own terms and conditions of business and / or purchase and that only these are valid, then no valid contract has been concluded. This shall not apply if both parties have not agreed on the same terms and conditions under which GWG offers its performance of delivery and service

Even if it is a matter of error on the part of the customer, i.e. negligence or intent cannot be proven, GWG shall be entitled to charge the customer for all costs and consequential costs incurred by it, taking into account payments already made and taking into account the payment provisions in Article V/ Clauses 7 to 12.

If goods have already been partly or completely completed, they shall remain or shall pass back into the ownership of GWG with immediate effect. If the goods are already with the customer, the provisions of Article X (Retention of Title) shall apply.

5. The offers as a whole and in parts of GWG are subject to change and non-binding.

6. The individual services and goods related to the provision of services and transmitted on data carriers and in electronic media or communicated in other advertising mailings are subject to change without notice for GWG. They do not constitute a binding offer for GWG, GWG thus does not assume any procurement risk. GWG reserves the right to exchange or replace agreed components, devices, materials or subcontractors, to change prices and other conditions as well as to change product characteristics even during the performance of services, if this becomes necessary due to unforeseeable circumstances, whereby the customer shall be informed immediately if this case occurs.

IV. Scope of delivery, delivery time and place of delivery

1. The information, illustrations, drawings, weight or dimensional data or other technical data as well as E-, DIN-, VDE-standards or data referred to in relation to individual components, devices, materials, which are in connection with the provision of services and have been transmitted on data carriers and in electronic media or are communicated in

other advertising mailings, do not contain any express or implied legal assurance of product characteristics and do not constitute any guarantees (warranties), but merely represent quality specifications, which may be corrected at any time until the conclusion of the contract.

2. Dimensions, illustrations and drawings shall only be binding for the goods in general, but in particular for special tools and special services, if they have been expressly confirmed by GWG in writing.

Underdeliveries or overdeliveries of special production items are permissible within the scope of $\pm 10\%$.

Weights shall be determined on site at the GWG works and shall be decisive for the calculation. In case of delivery, no matter by which means of transport, the total weight shall be decisive for the calculation. Differences compared to the calculated individual weights shall be distributed proportionally among them.

Deviations in dimensions, weight and quality are permissible in accordance with current practice.

3. GWG reserves all industrial property rights and/or the statutory copyright and also the ownership of all information communicated to the customer, also on data carriers and in electronic media, and other sales documents; they may not be handed over to third parties. Any kind of use of the aforementioned documents, in particular of calculations, illustrations, planning documents, drawings, designs and logos contained in the first cost estimate and in the offers, shall require the prior written consent of GWG.

4. The stated delivery time is given in calendar days and starts with the day on which the confirmed and binding order of the customer is reconfirmed by GWG.

5. The delivery period shall be deemed to have been complied with if the ordered goods have left GWG's works or if GWG has notified the customer that the goods are ready for dispatch.

6. The date of delivery and performance shall only be binding for GWG if all documents to be provided by the customer, in particular also of plans and drawings for special tools, are available in due time, if the customer makes advance and/or partial payments as agreed and in due time and if the customer has fulfilled all other obligations, in particular the required permits and releases for import or export of the goods.

If the customer does not meet his obligations completely and properly, GWG shall have the right to fix a new delivery and performance date, whereby a changed occupancy of production capacities, the replacement period of raw and auxiliary materials as well as changed personnel schedules shall be included in the fixing of a new date.

7. If, after the mutually confirmed order confirmation, there is a change in one or more points confirmed in writing by both parties, irrespective of which point this change concerns, in particular the delivery and/or performance date agreed upon before the change must be confirmed again in writing by GWG in order to continue to be binding for GWG

8. If GWG itself is in default, the customer shall set a reasonable grace period depending on the reason for default and may not reject offered partial deliveries. Claims for damages or other claims of the customer against GWG due to

delayed performance, performance in parts or due to non-performance shall only be admissible if it is judicially determined that GWG acted grossly negligent or intentionally.

9. The delivery and/or performance period shall be extended accordingly if the non-compliance with the delivery and/or performance period is due to events and circumstances (including their traceable consequential effects) for which GWG cannot be held responsible, such as:

- shortage of energy and/or raw materials
- untimely or incorrect delivery by upstream suppliers
- difficulties in the provision of transport
- instructions from authorities
- force majeure
- local, regional up to worldwide environmental disasters, health disasters (incl. pandemic), wars and war-like conditions, terrorist attacks, riots, strikes, lockouts
- virus attacks or other attacks on the IT systems of GWG, which occur despite appropriate protective measures,
- legal obstacles resulting from applicable national rules and regulations in the countries of the parties and/or resulting from EU and international rules of foreign trade law and embargo and/or sanction regulations, including all events and circumstances comparable to the circumstances and events listed here, which are not listed individually here, but which are unforeseeable and cannot be influenced by GWG.

This shall also apply if these aforementioned circumstances occur with GWG's upstream suppliers or subcontractors and in case of non-timely self-supply by suppliers of the upstream supplier, if GWG's upstream supplier has concluded a congruent covering transaction and is not obliged to procure in the individual case. GWG shall not be responsible for the aforementioned circumstances even if they occur during an already existing delay.

In all the cases mentioned in this point, the customer may - irrespective of the legal basis - neither withdraw from the contract nor claim damages or reimbursement of costs and expenses incurred by the customer. GWG shall notify the customer in writing of the beginning and end of such impediments as soon as GWG has knowledge thereof.

V. Packaging, pricing and payment

1. Unless otherwise agreed, the prices shall apply ex works of GWG and shall include factory packaging.
2. Subsequent orders to an already confirmed order shall be treated as new orders. The customer shall not be entitled to the prices, delivery dates and/or delivery conditions agreed in the initial order.
3. GWG shall be obliged to take into account in the respective valid sales prices increases in the manufacturing costs or increases in the costs of performance, in particular with regard to wage costs and external labor costs on the basis of collective bargaining agreements, with regard to raw and auxiliary materials, with regard to energy and with regard to transport costs.
4. Unless otherwise agreed with the customer and confirmed in writing, and subject to circumstances beyond GWG's control, in particular as mentioned in Article IV / clause 9 and their effect on changes in production costs and/or costs of performance, GWG is prepared to adjust the

sales prices and delivery conditions of the GWG standard catalog no earlier than 3 months after a general revision carried out beforehand, in order to ensure stable planning for the customer and for GWG itself.

5. Irrespective of Article V / clause 4, the parties expressly agree on the stability of the value of claims including ancillary claims. GWG shall be obliged to review changes in the costs necessary for production and/or performance, in particular in wage costs and costs of external labor on the basis of collective bargaining agreements, in raw and auxiliary materials, in energy and in transport costs in the period between the date of conclusion and the valid date of delivery, to adjust the agreed sales prices accordingly downwards or upwards and to invoice the prices thus adjusted per article by means of a lump-sum deduction or surcharge. GWG reserves the right to deduct the adjustment thus determined as a total lump sum from the invoice amount previously agreed upon or to add it to the invoice amount.

6. If the discounts or surcharges determined in accordance with Article V / Item 5 are within a corridor between +5% surcharge and -5% discount, GWG shall not make any value adjustment and shall issue the invoice at the confirmed sales prices and conditions, otherwise Article V / Item 5 shall apply.

7. Payments, including any agreed partial payment, shall be made immediately upon maturity in the effective currency indicated on the invoice and, except for undisputed tax provisions and agreements to the contrary between Bulgaria and the country in which the billing address provided by the customer is located, including the applicable value added tax and other taxes. The payments shall be made to the account indicated by GWG on the invoice without any deduction and without transaction fees.

8. If payment by letter of credit has been agreed, the customer shall bear the costs of opening, notification and confirmation of the letter of credit.

9. Bills of exchange and checks shall generally not be accepted; exceptions shall require prior written agreement, whereby the customer shall bear the costs of discounting and collection. GWG shall not be liable for bills of exchange not presented in due time or for the absence of a protest of a bill of exchange.

10. Payments, also in particular from bills of exchange and/or checks, shall always be subject to the receipt of the account by GWG. They shall be made on the value date on the basis of the day on which GWG can dispose of the countervalue.

11. Irrespective of any objections, objections and/or claims of the customer against GWG, the customer shall be obliged to make the agreed payments.

Withholding of payments and/or parts of payments by the customer, with whatever justification, is excluded.

Withholding of payments and/or parts of payments by the customer, for whatever reason, shall be deemed as default of payment, whereby, inter alia, the conditions in case of default of payment under Article V / clause 12 shall come into force.

12. In case of reasonable doubts about the customer's solvency which become known after the respective conclusion of the contract and which are likely to reduce the creditworthiness of the buyer and/or in case of total or

partial default of payment, GWG shall be entitled to withdraw from all confirmed orders with immediate effect and without regard to any other agreements made and to invoice all outstanding claims as a total amount payable immediately.

Furthermore, GWG shall be entitled to charge default interest (in the amount of 4 % above the respective discount rate of the ECB, however, at least 8 %) as well as all reminder and collection expenses until receipt of the outstanding total amount at the account of GWG and to claim additional damages resulting from the customer's default of payment, explicitly including consequential damages resulting from the suspension of performance.

VI. Transfer of Risk, Acceptance and Delivery of Goods

1. The risk shall pass to the customer at the latest upon handover of the goods ex GWG works directly to the customer (self-collection) or upon handover of the goods ex GWG works to a logistics partner agreed upon with the customer. This shall also apply if the parties have agreed on partial deliveries and/or the customer obtains further services from GWG, such as organizing the dispatch or the transport for the customer.

2. The customer expressly and without limitation assumes the shipping and transport costs as well as the shipping and transport risk ex works of GWG.

3. Delivered goods are to be accepted by the customer even if they show insignificant quality defects. The legal remedies of the customer in case of material defects shall remain unaffected thereby.

4. If the handover of the goods ex works to the customer directly or to the logistics partner agreed with the customer is delayed due to circumstances for which the customer is directly or indirectly responsible, the risk shall pass to the customer on the day on which the goods concerned are ready for dispatch.

5. If the customer is in default of acceptance of goods and/or agreed services, GWG shall be entitled to set a grace period of 2 working days. If the customer does not accept the goods and/or services within this period, GWG shall be entitled to dispose of the goods otherwise or to suspend the performance until further notice. GWG shall be entitled to fix a new delivery and performance period in accordance with the delays occurred and to notify the customer thereof in writing. The customer shall be liable for any additional costs resulting from the delays.

6. If the customer is in danger of a delay in delivery and/or acceptance due to unfinished preparatory work and/or expert opinions, notices and approvals not obtained in due time, the customer shall be obliged to inform GWG immediately. If the customer fails to do so, GWG shall be entitled to charge the customer 10% of the total invoice amount for the delay in delivery and/or acceptance.

VII. Quality defects of goods and services

1. The customer shall be obliged to inspect the goods immediately after delivery for any defects or for compliance with the agreed product characteristics - if any. The customer shall be obliged to notify GWG in writing of any obvious defects without delay, however, no later than 3 working days after delivery. Hidden defects shall be notified in writing within 14 working days after discovery of the defects. If the customer does not comply with the aforementioned

conditions, the goods shall be deemed to have been accepted.

2. Defects which cannot be discovered within these periods even after careful inspection must be reported immediately after discovery, with immediate cessation of any processing, but no later than 6 weeks after receipt of the goods.

3. defective goods will be taken back by GWG and replaced by faultless goods. It is left to GWG to credit the reduced value in appropriate cases.

4. A claim for defects shall become time-barred one month after rejection of the notice of defects by GWG. Other claims for compensation are excluded.

5. The customer shall be obliged to give GWG the opportunity to examine the customer's complaints, in particular to make the defective goods and their packaging available for inspection. Refusal of this opportunity shall release GWG from any liability, exchange or other compensation.

6. GWG shall not be liable for defects in goods and services which are manufactured at the special request of the customer without complying with the OVE/DIN/VDE, EN regulations or comparable standard norm regulations.

7. Claims for defects are excluded in the case of only insignificant deviation from the agreed quality, in the case of only insignificant impairment of usability or in the case of defects caused by natural wear and tear or by improper and improper use by the customer, by customers of the customer or third parties and listed here in particular: in the case of excessive use, in the case of unsuitable or improper assembly and/or use, in the case of incorrect or negligent handling and maintenance, in the case of unsuitable and improper storage and safekeeping.

8. Withholding of payments by the customer on the basis of a notice of defect is excluded. If the customer acts contrary to this, the measures and conditions according to Article V / Item 12 come into force.

VIII. Liability

1. The liability of GWG for claims of the customer for damages or reimbursement of expenses or other costs concerning the goods and/or services delivered by GWG or resulting from a violation of these GCS or the violation of additional agreements expressly confirmed in writing by both parties shall be excluded until gross negligence or intent on the part of GWG have been confirmed by a court of law.

2. All claims by the customer for damages or reimbursement of expenses or other costs not relating to the goods and/or services supplied by GWG, such as, but not limited to: Loss of production, loss of use, loss of orders, loss of profit, claims of third parties or claims for indirect or consequential damages are excluded, irrespective of the legal ground.

IX. Impossibility of performance

If unforeseen events considerably change the economic importance or the content of the agreed performance of delivery and/or service or have a considerable effect on it or make it impossible in whole or in part, the contract shall be adapted in compliance with the GCS and any amendments or modifications shall be confirmed in writing by both parties in order to become valid.

As far as an amendment or modification of agreements made is no longer economically and/or legally justifiable, GWG shall have the right to withdraw from the contract.

If GWG intends to make use of this right of withdrawal, it shall notify the customer thereof without undue delay after having become aware of the consequences of the event, even if an extension of the delivery and/or performance period had been agreed with the customer initially.

In case of withdrawal from contracts, the customer shall pay to GWG the value of the goods delivered and/or services already rendered.

For claims for damages or reimbursement of expenses of the customer and other costs incurred by the customer, the provisions in Article VIII.

X. Reservation of ownership

1. GWG retains title to all goods delivered for each individual transaction until the customer has paid the sales invoices in full and all claims against the customer resulting from the business relationship have been settled.

2. If the customer is in default of payment and if the goods are already at the customer's premises, the customer shall be obliged, even if GWG does not withdraw from the transactions, to immediately and irrevocably return these goods subject to retention of title to GWG by written request of GWG.

For this purpose, the customer is obliged to grant GWG and/or a partner commissioned in writing by GWG access to business and storage premises in order to inspect the goods subject to retention of title accordingly before taking them back and to accept them thereafter.

After taking back the goods subject to retention of title, GWG shall be entitled to realize them at its own discretion. The proceeds of the realization shall be credited against the customer's liability less reasonable costs of realization.

3. If the customer is in default of payment and if the customer has resold the goods to third parties and physically handed them over to third parties despite not yet having obtained ownership, the customer shall assign all claims against the third party to GWG with immediate and irrevocable effect upon written request by GWG and the customer shall be immediately and directly obliged to inform the third party of the nature, reasons and legality of the assignment of the claim to GWG.

If the goods subject to retention of title are resold together with other items and no individual price has been agreed for the goods subject to retention of title, the customer shall assign to GWG that part of the total price claim which is attributable to the price of the goods subject to retention of title invoiced by GWG.

4. In case of payment by check or bill of exchange, GWG shall retain title to the goods until the check has been honored or until the liability of GWG arising from the bill of exchange, including a claim for enrichment of the bill of exchange, has expired.

5. Pledging or transfer by way of security of the goods subject to retention of title shall not be permitted; GWG shall be informed immediately in case of seizure, attachment or similar interventions by third parties. Upon proof of a reasonable interest, the customer shall immediately provide

GWG with the information and/or documents required to assert its claims against third parties.

6. The assertion of the reservation of title by GWG shall not automatically be deemed to be a rescission or termination of contracts, which does not mean that a rescission or termination of contracts by GWG subsequently is to be excluded.

XI. Conditional fulfillment

1. The fulfillment of this contract requires that there are no obstacles due to applicable national, EU or international rules of foreign trade law or embargoes or other sanctions.

2. the customer will provide all the information and documents necessary for export, shipment and import.

XII. Jurisdiction, Venue and Applicable Law

For all transactions with GWG, the place of performance for deliveries and payments shall be the location of the GWG plant and/or a GWG warehouse. The place of jurisdiction for all mutual rights and obligations arising from the business transactions with GWG shall be Gabrovo/ Bulgaria, at GWG's option, without regard to the amount of the subject matter of the dispute.

All transactions and agreements between GWG and its customers shall be governed by Bulgarian law to the exclusion of the UN Convention on Contracts for the International Sale of Goods.

XIII. Separability

The legal invalidity of one or more provisions of these GWG General Terms and Conditions, as well as amendments and modifications to the GWG General Terms and Conditions expressly confirmed by both parties in writing, shall in no way affect the validity of the remaining points and provisions of these GWG General Terms and Conditions.