



General Terms and Conditions of Felsaris GmbH

1. Scope

1.1 These General Terms and Conditions ("GTC") apply to all contractual relationships between Felsaris GmbH (hereinafter the "Contractor") and its business customers (hereinafter the "Client") and govern, in particular:

- engineering services in mechanical engineering (e.g. prototype development, pre-series and concept studies, CFD simulations),
- special projects in the field of innovative drive technology (in particular the conversion of internal combustion engines to hydrogen operation, including accompanying development and testing services),
- consulting and support services in the field of public funding programs (in particular advice on, review, optimization and preparation of applications under the ZIM program, as well as accompanying project administration).

1.2 These GTC apply exclusively to business operators within the meaning of Section 14 of the German Civil Code (BGB). Deviating, conflicting or supplementary terms and conditions of the Client shall only become part of the contract if the Contractor expressly agrees to their validity in writing.

2. Conclusion of Contract

2.1 Offers made by the Contractor are non-binding, unless expressly designated as binding.

2.2 A contract is concluded upon acceptance of the offer by the Client in writing or in text form (e.g. e-mail), or upon order confirmation by the Contractor.

2.3 Amendments, additions and side agreements must be made in writing or in text form to be effective, unless a stricter form is required by law in an individual case.

3. Scope of Services

3.1 Contractually Owed Services

The specific scope of services results from the respective offer, the project description or the order confirmation. Depending on the agreement, it includes, in particular:

a) Prototype and Simulation Services:

Development of concepts, designs and prototypes for testing and demonstration purposes, including the necessary calculations and CFD simulations (flow, thermal, combustion). Responsibility for series development, series production or type approval of the developed components is expressly not assumed.

b) Special Projects – Hydrogen Engine:

Development, design and integration of components for the conversion of internal combustion engines to hydrogen operation, including procurement, simulation, test runs and calibration of the engine control unit (ECU).

Felsaris does not provide any guarantee or assurance of achieving specific performance parameters (e.g. horsepower figures, acceleration values, consumption values) insofar as these exceed the state of the art or depend on factors outside Felsaris's sphere of influence.

c) Funding Consulting and Application Management:

Advice on the funding eligibility of projects, review and optimization of applications, preparation of application documents, as well as project-accompanying administration (interim reports, disbursement requests, final reports). No claim to the approval of funding or the achievement of specific funding amounts is expressly guaranteed.

3.2 State of the Art

The Contractor shall perform its services with the required care and in accordance with the generally recognized state of science and technology at the time the services are rendered.

3.3 Client's Cooperation

The Client shall provide the Contractor in good time with all information, documents, data and, where applicable, hardware required for the provision of services, and shall cooperate in tests, acceptances and disbursement requests. Delays resulting from a lack of cooperation shall lead to a reasonable adjustment of deadlines and remuneration.

3.4 Distinction from Warranty of Success

The service owed is a service or work performance, but not a specific economic or technical success (e.g. production readiness, approval, funding commitment).

4. Client's Obligations

4.1 Provision of Information and Documents

The Client shall provide the Contractor with all information, documents, data, access and – where necessary – hardware or software required for the provision of the services, in good time, in full and in a suitable format.

4.2 Duties to Cooperate

The Client undertakes to actively cooperate in the execution of the project. This includes, in particular:

- the timely coordination of drafts,
- participation in meetings and tests,
- the granting of necessary approvals,
- the transmission of decisions, evidence and statements relevant to funding applications or disbursement requests.

4.3 Transparency Obligation for Success-Based Remuneration

In the case of success-based remuneration models – in particular fee shares based on approved funding – the Client is obliged to provide the Contractor without delay with the respective approval and disbursement decisions, and to grant access to all documents relevant to the calculation of remuneration.

4.4 Consequences of Insufficient Cooperation

If the Client fails to fulfil its duties to cooperate or to provide information, or fails to do so in time, agreed service deadlines shall be extended accordingly. The Contractor is entitled to invoice separately for the

additional expense thereby incurred (e.g. additional working time, downtime costs). The Contractor's rights under Sections 293 et seq. of the German Civil Code (BGB) (default of acceptance) remain unaffected.

4.5 Data Security

If the Client provides the Contractor with data electronically, it shall ensure that such data is free of viruses, malware or other harmful programs.

5. Remuneration and Payment Terms

5.1 Remuneration Models

Remuneration is based on the agreement made in the offer or in the order confirmation. The following remuneration models are possible, individually or in combination:

- a) Time-Based Fee: Billing according to actual time spent, at the agreed hourly rates.
- b) Lump-Sum Fee / Fixed Price: Billing according to the lump sums specified in the offer.
- c) Success-Based Remuneration: In the case of funding projects, remuneration is paid proportionally as a percentage of the funding approved and drawn down by the customer. The amount actually disbursed per drawdown shall be decisive.

5.2 Advance Payment for Funding Projects

For success-based remuneration, an advance payment may be agreed, which will be offset against the later success fee. If no funding approval is granted, the Contractor shall – if agreed – refund 50% of the advance payment. A refund requires that the Client submit the complete rejection notices.

5.3 Due Date and Payment Method

All invoices are due for payment within 14 calendar days of invoicing, without deduction. In the case of success-based remuneration, invoicing shall take place promptly after each funding drawdown by the customer. The Client is obliged to promptly provide the Contractor with the corresponding disbursement notices and proof of payment (see Section 4.3).

5.4 Default and Interest

In the event of payment default, the Contractor is entitled to charge default interest at the statutory rate (Section 288 BGB). The assertion of further damages caused by default remains reserved.

5.5 Set-Off and Rights of Retention

A set-off against the Contractor's remuneration claims is only permissible with undisputed or legally established claims. The Client's right of retention is limited to claims arising from the same contractual relationship.

6. Service Period and Delays

6.1 Service Deadlines

Unless expressly agreed in writing as binding, deadlines and dates named by the Contractor apply exclusively as non-binding planning or target dates. They serve for orientation purposes and do not constitute a fixed-date obligation within the meaning of Section 286 (2) No. 4 BGB.

6.2 Delays Caused by the Client or Third Parties Engaged by It

Delays resulting from insufficient or late cooperation by the Client, from incomplete or incorrect information, late approvals, materials not provided, or other circumstances within the Client's sphere of influence or that of its vicarious agents or performance assistants, shall extend the agreed deadlines at least by the duration of the hindrance plus a reasonable start-up period.

The Contractor is entitled to invoice separately for the additional or downtime expense caused by such delays, in accordance with the agreed rates or market-standard terms. The Contractor's rights under Sections 293 et seq. BGB (default of acceptance) remain unaffected.

6.3 Contractor's Default

The Contractor is only in default if an expressly and bindingly agreed service deadline is exceeded and the Client, after the due date, has set a reasonable grace period in writing. Only after the fruitless expiry of this grace period may the Client withdraw from the contract. Further claims are only possible in accordance with Section 8 (Liability).

6.4 Limitation of Liability for Delay

The Client's claims for damages due to default are limited in amount to the foreseeable, contract-typical damage. Claims for compensation of indirect damages (e.g. loss of production, lost profit) are excluded, unless the Contractor caused the default intentionally or through gross negligence. Contractual penalties are only owed if expressly agreed in writing.

6.5 Force Majeure

Events outside the Contractor's sphere of influence (e.g. force majeure, natural events, epidemics, pandemics, official measures, strikes, failure or delayed delivery by subcontractors through no fault of the Contractor) shall release the Contractor from its performance obligation for the duration of the disruption. Agreed service deadlines shall be extended by the duration of the hindrance plus a reasonable restart period. The Contractor shall inform the Client of the occurrence and the expected duration of the hindrance.

7. External Service Providers

7.1 Engagement of Subcontractors

The Contractor is entitled to use suitable external service providers, subcontractors or cooperation partners to fulfil its contractual obligations.

7.2 Confidentiality and Binding Instructions

The Contractor shall contractually obligate all external service providers engaged to maintain confidentiality and to comply with the applicable data protection provisions.

7.3 Liability for External Service Providers

The Contractor is liable for fault on the part of the external service providers engaged only within the scope of the statutory provisions (Section 278 BGB). Further-reaching liability, in particular for delivery delays or defective performance caused by third parties, is excluded, unless the Contractor is at fault in its selection or supervision.

7.4 Duty to Inform

At the Client's request, the Contractor shall name the material external service providers engaged, insofar as legitimate confidentiality interests do not preclude this.

8. Liability

8.1 Principle

The Contractor shall perform its services with the care customary in its own business operations and in accordance with the state of science and technology at the time the services are rendered.

8.2 No Promise of Success

The Contractor does not warrant that specific research, development or innovation goals will be achieved, or that specific performance parameters (e.g. horsepower values, acceleration times, maximum funding amounts) will be attained.

8.3 Exclusion of Liability

To the extent legally permissible, the Contractor is not liable for damages arising solely from the use of, or reliance on, information, data, simulation results or prototypes provided.

8.4 Liability for Own Fault

Claims for damages – regardless of the legal basis – are excluded unless they are based on

- intent or gross negligence on the part of the Contractor, or
- culpable injury to life, body or health, or
- the breach of material contractual obligations ("cardinal obligations").

8.5 Cardinal Obligations

Material contractual obligations are those whose fulfilment makes the proper performance of the contract possible in the first place and on whose compliance the Client may regularly rely. In the event of negligent breach of material contractual obligations, the Contractor's liability is limited to the foreseeable, contract-typical damage.

8.6 Limitation of Liability

Except for damages arising from injury to life, body or health, or in the case of intent and gross negligence, the Contractor's liability is limited in amount to the cover available under the Contractor's professional liability insurance for the specific case of damage:

- EUR 600,000 per claim for property and financial damages (capped at three times this amount per insurance year)
- EUR 3 million per claim for personal injury.

8.7 Exclusion of Consequential Damages

Claims for compensation of indirect damages, in particular lost profit, loss of production, loss of use or pure financial losses, are excluded, unless they are based on intent or gross negligence.

8.8 Liability for Vicarious Agents

The above limitations of liability also apply for the benefit of the Contractor's legal representatives, employees, officers, other staff, vicarious agents and subcontractors.

9. Confidentiality

9.1 Confidentiality

Both parties undertake to treat as strictly confidential all business and trade secrets, technical documents, design data, prototypes, simulation results, funding application documents and other information marked as confidential, or confidential by its nature, that becomes known within the scope of the cooperation. Disclosure to third parties is only permitted insofar as this is necessary to fulfil contractual obligations or a statutory disclosure obligation exists.

9.2 Duration of Confidentiality

The confidentiality obligation applies for the duration of the contractual relationship as well as for a period of five years after its termination, unless mandatory statutory provisions require a longer or shorter retention period.

9.3 Data Protection

Insofar as personal data is processed within the scope of the performance of the contract, both parties undertake to comply with the General Data Protection Regulation (GDPR) and the German Federal Data Protection Act (BDSG). The Contractor processes personal data exclusively for the performance of the contract and on the basis of an appropriate legal basis or consent.

9.4 Processing on Behalf

If personal data is processed on behalf of the Client, the parties shall conclude a data processing agreement (DPA) pursuant to Art. 28 GDPR prior to the commencement of processing.

9.5 Return and Deletion

Upon completion of the project, the Contractor shall, at the Client's request, return or delete all confidential documents, insofar as no statutory retention obligations preclude this.

10. Intellectual Property and Rights of Use

10.1 Rights to Work Results

All documents, drawings, design data, simulations, software setups, prototypes, reports, calculation results and other work results arising in the course of the performance of services (together the "Work Results") shall – subject to a deviating written agreement – remain the sole property and intellectual property of the Contractor.

10.2 Granting of Rights of Use

The Client receives a simple, non-transferable, non-sublicensable right of use in the Work Results, limited to the contractually agreed purpose. Any use beyond this, in particular

- disclosure to third parties,
- reproduction,
- use for series production or type approval, insofar as this is not expressly the subject of the contract,

requires the Contractor's prior written consent and may be made conditional on payment of additional remuneration.

10.3 Reservation of Methods and Know-How

Irrespective of the granting of rights of use, all intellectual property rights, copyrights, trademark rights, trade secrets, processes, models, software setups, libraries, know-how and methodological approaches remain with the Contractor.

10.4 Rights in the Event of Payment Default

The granting of rights of use is subject to the condition precedent of full payment of the agreed remuneration. In the event of payment default, the Contractor is entitled to prohibit use of the Work Results until payment has been made in full.

10.5 Protection of Prototypes and Samples

Prototypes and samples handed over remain the property of the Contractor, unless expressly agreed otherwise. Disassembly, reverse engineering or reproduction is not permitted.

11. Data Processing

11.1 Communication Channels

Unless otherwise agreed, the exchange of project data and documents shall take place electronically by e-mail, preferably in PDF format. E-mails shall be addressed to the named project managers or official contact persons of the parties. The Contractor is entitled, at its own discretion, to use secure transmission channels (e.g. encrypted cloud links, secure upload portals) where this serves to protect the data.

11.2 Data Security

Both parties undertake to take appropriate technical and organizational measures pursuant to Art. 32 GDPR to protect the transmitted data against loss, misuse or unauthorized access. The Client is obliged to check transmitted data for malware prior to sending.

11.3 Retention and Deletion

Upon completion of the project, the Contractor shall, at the Client's written request, either

- securely return, or
- delete or destroy in a data-protection-compliant manner, subject to statutory retention obligations,

sensitive or personal data.

If no deletion request is made, the Contractor shall retain the data for a maximum period of 24 months in order to be able to process any follow-up queries or orders efficiently.

11.4 Processing on Behalf

Insofar as the Contractor processes personal data on behalf of the Client, the parties shall conclude a data processing agreement (DPA) pursuant to Art. 28 GDPR prior to the commencement of processing.

12. Jurisdiction and Applicable Law

12.1 Jurisdiction

For all disputes arising from or in connection with this contract, Mannheim shall – insofar as legally permissible – be the exclusive place of jurisdiction. However, the Contractor is also entitled to sue the Client at the Client's general place of jurisdiction.

12.2 Applicable Law

The law of the Federal Republic of Germany shall apply exclusively, excluding the UN Convention on Contracts for the International Sale of Goods (CISG) and the conflict-of-laws rules of private international law, insofar as their application can be waived.

12.3 Severability Clause

Should individual provisions of these GTC or of the underlying contract be or become wholly or partially invalid, the validity of the remaining provisions shall remain unaffected. In place of the invalid provision, a provision shall be deemed agreed that comes closest to the economic purpose of the invalid provision.

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Felsaris GmbH