

General Terms and Conditions (GTCs) 2026

RAFI Eltec GmbH

1. Scope and Applicability

- (1) These General Terms and Conditions (hereinafter also referred to as “GTCs”) govern all contractual relationships whose subject matter comprises product development, feasibility studies for series manufacturing, industrialization, consulting, manufacturing, material procurement, testing or repair of electronic and electromechanical products or assemblies, and the related services of RAFI Eltec GmbH (hereinafter “RAFI Eltec”).
- (2) These GTCs apply exclusively to relationships with entrepreneurs (*Unternehmer*), merchants (*Kaufleute*), legal entities under public law (*juristische Personen des öffentlichen Rechts*) or special public-law funds (*öffentlich-rechtliche Sondervermögen*).
- (3) These GTCs govern the relationship between RAFI Eltec and its customers (each hereinafter individually referred to as “Customer”) exclusively. Accordingly, any deviating or conflicting conditions of a Customer are expressly rejected by RAFI Eltec, unless RAFI Eltec has expressly consented to them in a document signed by both the Customer and RAFI Eltec using a qualified electronic signature or in manuscript. Deviating provisions in the Customer’s general terms and conditions shall not apply, even if RAFI Eltec performs services with knowledge of conflicting conditions. RAFI Eltec’s unchallenged performance of services or its unconditional acceptance of payments does not constitute consent to any deviating conditions of the Customer. In commercial dealings between businesses, the so-called “defensive clause” (*Abwehrklausel*) of these GTCs shall be deemed agreed, so that RAFI Eltec’s GTCs take precedence.
- (4) These GTCs apply to all services and deliveries by RAFI Eltec to the Customer and thus apply to current and future individual contracts, framework agreements, purchase orders and other forms of engagement.
- (5) If a contract between RAFI Eltec and a Customer is transferred to an affiliated company of RAFI Eltec with the (even implied) consent of the Customer, these GTCs shall, in the absence of any other written agreement, apply equally to the company to which the respective contract has been transferred.

2. Legal Nature of RAFI Eltec’s Services

- (1) RAFI Eltec’s services constitute a remunerated engagement which, depending on the individual contractual arrangement, may comprise different legal content. RAFI Eltec’s business model always encompasses the outsourcing of the Customer’s processes with respect to the Customer’s products, which would otherwise have to be performed by the Customer itself. The products are typically those whose design and intended purpose are determined by the Customer in various industries. Design authority, system responsibility and placing on the market (*Inverkehrbringung*) therefore rest with the Customer.
- (2) RAFI Eltec consequently never acts in its own interest but in the interest of its Customer. This means that RAFI Eltec’s services are as a rule to be classified as contract development and/or Electronic Manufacturing Services and the related activities accordingly constitute a service mandate (*Geschäftsbesorgung*) carried out at the Customer’s risk and for the Customer’s account. To the extent that the Customer is a manufacturer of medical devices or the manufactured products are subject to an approval regime (in particular PPAP approval), RAFI Eltec acts

exclusively as a pure contract manufacturer (Lohnhersteller / Contract Manufacturer) without any status as manufacturer or entity placing the product on the market. In such case the Customer remains the sole holder of all regulatory obligations, approvals and CE marking; RAFI Eltec assumes no independent manufacturer obligations in that regard.

- (3) Electronic Manufacturing Services (hereinafter “EMS”) constitute a service mandate (*Geschäftsbesorgung*) which is configured differently depending on the agreement but may typically include the following services:
- a. Consulting the Customer in preparing a product or prototype developed by the Customer or a third party for series manufacturing (so-called industrialization, including feasibility analysis and consulting on the production process);
 - b. Assisting the Customer in selecting components and materials required for manufacturing;
 - c. Assisting the Customer in defining inspection steps and test equipment;
 - d. Commissioning the manufacture of, or independently manufacturing, production and test equipment;
 - e. Manufacturing products in accordance with the Customer’s specification;
 - f. Assisting the Customer in preparing test documentation and conformity evidence, to the extent expressly agreed and remunerated within the scope of the mandate; regulatory responsibility for certification, registration and notification obligations rests exclusively with the Customer as legal manufacturer.

3. Formation of Contracts (Offer, Order, Change Proposals)

- (1) Upon request, RAFI Eltec will prepare an offer for the Customer on the basis of the information available at the time. The Customer may accept this offer by placing an order. This creates a binding individual contract which, in principle, cannot be canceled unilaterally by the Customer. RAFI Eltec is, however, prepared to consent to a cancellation on a case-by-case basis, provided that such cancellation is made against reimbursement of all costs incurred, costs for ordered and procured components and materials, and a reasonable amount of lost profit for the requirements likely to have arisen with corresponding probability.
- (2) If the Customer’s order contains provisions deviating from RAFI Eltec’s offer, such order constitutes a new offer. RAFI Eltec is then entitled to accept or reject the order within ten (10) working days of receipt.
- (3) Technical changes to products, changes to production/test equipment, and changes to software or hardware are evaluated and proposed by RAFI Eltec within the framework of change management. These changes may become necessary at the Customer’s request or owing to changes in standards, component changes, material discontinuations by manufacturers or similar reasons. In this regard RAFI Eltec always bases its assessment on the actual additional and reduced costs for implementing the changes (in particular any Excess Material that is not otherwise usable by RAFI Eltec) throughout the entire manufacturing process.
- (4) In urgent cases, RAFI Eltec may commence implementation after prior notification of the Customer and provided the Customer does not object without undue delay, even before a formal mandate has been issued. RAFI Eltec will inform the Customer of the expected effort as early as possible. The reasonable costs incurred for the Customer will be invoiced retrospectively. For regulated products (e.g. medical devices, automotive products with PPAP approval or OEM homologation), any activity without a formal mandate is permissible exclusively for measures that do not affect the approved specification, bill of materials (BOM) or manufacturing instruction. Any deviation from the approved specification requires in such cases the Customer’s prior written consent, even in an emergency.

4. Special Provisions for Contract Developments

- (1) For contracted development services rendered by RAFI Eltec, German contract law for work (Werkvertragsrecht) applies as a rule. For the subsequent manufacturing and delivery of customer-specific products and all related services of RAFI Eltec, the rules for EMS services and thus the law of the service mandate contract (Geschäftsbesorgungsvertrag) apply from the time of the respective sample approval. RAFI Eltec in this case provides a production service and maintains production capacities on a long-term basis for this purpose, while the material procurement and sales risk rests entirely with the Customer. Purchase-law provisions do not apply to this contractual relationship. The same applies to all series deliveries, even if these are referred to in the largely standardized order documentation as a purchase contract (Kaufvertrag), works contract (Werkvertrag), works supply contract (Werkliefervertrag) or any other type of contract.
- (2) The contractual relationship is also not to be interpreted such that a remuneration described as a “price” or “unit price” for the manufacturing of assemblies could justify classification as a purchase contract. The use of these designations merely reflects the customs of certain industries and does not reflect the actual legal nature of the service relationship.
- (3) An exception applies only if a different type of contract has been expressly determined with express reference to the above provision, or in a contractual document negotiated by both parties and signed with legally binding effect.
- (4) For the avoidance of doubt, it is hereby clarified that design, construction, or development defects arising from development services performed by RAFI Eltec prior to sample approval or prior to commencement of series supply are subject to warranty even if such defects are only discovered after sample approval or after commencement of series supply.

5. Special Provisions for Standard Components

- (1) As a rule, RAFI Eltec does not supply standard components or commercial goods. Where such goods are exceptionally offered by RAFI Eltec, they constitute an exception to the services of RAFI Eltec described above. German purchase contract law (Kaufvertragsrecht) is applicable to their sale and acquisition.
- (2) An exception applies if the terms and conditions of RAFI GmbH & Co. KG in the version applicable at the time of purchase have been incorporated. These are available at <https://www.rafi-group.com/allgemeine-geschaeftsbedingungen/>

6. Special Provisions for EMS Services

- (1) Material procurement for EMS and E²MS services (e.g. selection of individual components and materials) is carried out in accordance with the Customer’s instructions and thus as a service mandate (*Geschäftsbesorgung*). The entrepreneurial freedom of decision and product ownership, as well as the procurement risk, remain entirely with the Customer.
- (2) In the case of EMS services, RAFI Eltec is solely liable for a defect-free procurement, manufacturing and testing process, unless deviating agreements have been made. Liability for design, material and component selection (including the respective manufacturer), design, infringement of intellectual property rights and the suitability of the products for a particular purpose or in particular environmental conditions rests, with the exception of willfully caused damage, exclusively with the Customer. The same applies to E²MS services from the time of sample approval, but no later than the commencement of series supply (SOP). RAFI Eltec is not entitled to deviate from the last approved bill of materials (BOM), the approved component

manufacturer or the approved source of supply without the Customer's express written approval (Design Freeze). In the case of regulated products (in particular medical devices and products with PPAP approval), RAFI Eltec shall be liable for damage caused by its unilateral deviation from the Design Freeze. Advisory indications or suggestions for improvement by RAFI Eltec within the framework of feasibility analyses do not, however, give rise to any liability on the part of RAFI Eltec if the Customer has expressly incorporated and approved these in the Customer's own specification.

7. Special Provisions for Development Services (E²MS)

- (1) Until the time of sample approval, all development and adaptation services rendered by RAFI Eltec, including custom software, are governed by German contract law for work (*Werkvertragsrecht*) in addition to the provisions set out below, unless otherwise agreed. Support actions by RAFI Eltec for the Customer that are not expressly agreed and remunerated, e.g. in the search for technical solutions or material selection, do not constitute a service under a works contract but rather a gratuitous courtesy (*kostenlose Gefälligkeit*).
- (2) Even informal communications or e-mails from the Customer may constitute mandates within the meaning of the service contract if the content and circumstances indicate that a remunerated service is to be commissioned. RAFI Eltec will inform the Customer of the expected effort and costs arising before rendering the service. Exceptions to the principle of remuneration must be recorded in writing.
- (3) Development and adaptation services can only be carried out in close coordination with the Customer. The Customer is therefore obliged to support RAFI Eltec appropriately and in particular to provide all information required for the agreed services. If RAFI Eltec does not receive the information required from the Customer (e.g. the requirements specification, product requirements or sample approvals), or not in time or not in full, delivery schedules and milestones will be postponed accordingly. Any additional costs arising therefrom will be invoiced by RAFI Eltec to the Customer against appropriate evidence. The Customer is obliged to approve or reject samples. If no feedback is received within four (4) weeks of the transmission of a sample, although RAFI Eltec explicitly drew the Customer's attention to this legal consequence of silence at the time of transmission, the respective samples shall be deemed accepted (*abgenommen*).

8. Procurement and Material Acceptance Obligation (Forecast)

- (1) It is frequently agreed that production services in ongoing series manufacturing are provided on the basis of a request for volume-related prices or a rolling demand forecast (frequently referred to as a "Rolling Forecast"). To the extent that a Rolling Forecast procedure has been agreed between the parties, the first three months of the demand forecast shall be deemed a firm order whose quantities and delivery dates are binding on both parties. The following three months create an acceptance obligation of the Customer with respect to the finished products, provided RAFI Eltec has demonstrably planned resources and materials on the basis of these quantities.
- (2) The quantities announced by the Customer for the further six months following the firmly agreed quantities of the first six months of the demand forecast constitute a material release (*Materialfreigabe*) for RAFI Eltec. Accordingly, the procured components and raw materials are to be accepted for up to twelve months, the highest announced quantity being taken as the basis with regard to the continual updating of the demand forecast. A demand forecast extending beyond this is non-binding for both parties unless otherwise agreed or unless circumstances exist on the basis of which RAFI Eltec may assume that the forecast has been firmly agreed with regard to material procurement and resource planning (e.g. owing to delivery schedules, the communication of time pressure or unexpected requirements).

- (3) Excess Material (*Restmaterial*) that cannot otherwise be utilized by RAFI Eltec and was procured project-specifically for the Customer must be accepted in full by the Customer. Unless a follow-on order or another mutually agreed solution for compensation can be found, RAFI Eltec is entitled to charge the material costs including the advance-financing and storage fee and to make all Excess Material available for collection concurrently (FCA Incoterms 2020), or, if so desired, to dispose of it properly against reimbursement of costs (e.g. in the event of obsolescence). The payment period for the material fee is 14 (fourteen) days after receipt of the invoice.
- (4) In the event of delivery delays, RAFI Eltec may, upon request, examine whether the material already procured or in transit can be stored for the Customer. This requires interim financing by the Customer, which shall be agreed in good-faith negotiations on a case-by-case basis. If no agreement is reached within three (3) months of notification of the delivery delay for the respective material, RAFI Eltec is free to insist on the acceptance of the material as described above.
- (5) RAFI Eltec endeavors to implement the Customer's wishes as quickly as possible and to the highest technical and qualitative standards, without losing valuable time through formalistic procedures. RAFI Eltec therefore draws attention to the fact that all services that were not yet specified in the original requirements specification or other customer requirements will give rise to supplementary offers. These are generally prepared, if required, six (6) months after the series release and include reimbursement of costs and market-standard remuneration for additional services. Clause 3.4 applies in this regard.

9. Tooling and other Operating / Manufacturing Equipment

- (1) In order to render the requested EMS service, it may be necessary to manufacture special tooling or other operating/manufacturing equipment (hereinafter "Tooling") individually for the Customer. The costs thereof are borne by the Customer either in full or on a proportionate basis as so-called non-recurring engineering costs.
- (2) If the non-recurring engineering costs cover 100% of the manufacturing costs of the Tooling (full costs), title to the Tooling passes to the Customer upon full payment of the tooling costs. The Tooling shall then be labelled accordingly as the Customer's property and stored on behalf of the Customer. The relevant provisions of the German Commercial Code (*Handelsgesetzbuch – HGB*) apply.
- (3) If the non-recurring engineering costs are partial and no express written agreement to the contrary has been made, Tooling or other operating/manufacturing equipment shall at all times remain the property of RAFI Eltec. RAFI Eltec undertakes, however, not to use the individually manufactured Tooling or operating/manufacturing equipment for its own or third-party purposes without the Customer's consent. Such consent may not, however, be unreasonably withheld by the Customer.
- (4) Unless contractual agreements to the contrary are in place, maintenance and upkeep costs shall be borne by the respective owner. In cases of proportionate ownership, such costs shall be borne proportionately.
- (5) RAFI Eltec has extensive expertise in the creation of test equipment. The software customarily used for this process and the associated licenses are not intended for independent operation. The Customer must note that the test software used for the creation of test equipment is RAFI Eltec's intellectual property and remains with RAFI Eltec. The hardware specifically procured within the framework of the creation of test equipment becomes the Customer's property upon full payment.
- (6) The use of test equipment provided by the Customer requires careful examination and, if necessary, the chargeable integration into the IT landscape and/or the maintenance process. A separate agreement is required for such cases. RAFI Eltec will provide a corresponding procedure plan upon request.

10. Risk and Responsibility Matrix

(1) The matrix set out below governs the allocation of responsibilities between the Customer and RAFI Eltec for the respective service and responsibility area. This allocation of responsibilities applies whenever nothing else has been expressly agreed in writing between RAFI Eltec and the Customer, for example in a framework agreement, a quality assurance agreement or a development services contract.

Service	Responsible	Supporting	Approval (Acceptance)
Development services (pure EMS mandate)	Customer or its vicarious agents	—	—
Development services (E ² MS mandate)	Customer or its vicarious agents	RAFI Eltec (if mandated)	Customer
Contract development followed by EMS mandate	RAFI Eltec (if mandated)	Customer or its vicarious agents	Customer
Specification for manufacturing	Customer or its vicarious agents	RAFI Eltec (if mandated)	Customer
Material selection with specification	Customer or its vicarious agents	RAFI Eltec (if mandated)	—
Material selection without specification	RAFI Eltec (per Customer specification)	Customer	Customer
Quality assurance planning	Customer	RAFI Eltec (if mandated)	—
Change costs & adaptation development (e.g. availability, quality of components, regulatory requirements, third-party requirements)	Customer	RAFI Eltec (if mandated)	—
Implementation of agreed quality assurance measures	RAFI Eltec (if mandated)	Customer	Customer (e.g. by audit)
Test concept	Customer	RAFI Eltec (if mandated)	Customer
Execution of agreed tests	RAFI Eltec	Customer	—
Field tests, environmental conditions	Customer	—	—
Manufacturing of products per most recently approved sample	RAFI Eltec (per mandate)	Customer	—
Final inspection before delivery to end customer	Customer	—	—
Training / operating manual / assembly instructions	Customer	RAFI Eltec (if mandated)	—

Service	Responsible	Supporting	Approval (Acceptance)
Sales risk in Customer's target market	Customer	—	—
Approvals and compliance in target markets	Customer	RAFI Eltec (if mandated)	—
Financing of material procurement and costs of procured material per Rolling Forecast	Customer	RAFI Eltec (pre-financing for max. 3 months)	—
Returns / complaints from the field without RAFI Eltec production defect	Customer	RAFI Eltec against reasonable compensation	—
Returns / complaints from the field with proven production defect and obligation of RAFI Eltec to replace	RAFI Eltec	Customer	—

- (2) The party responsible for the respective service is responsible for both the costs and the execution and quality of the respective service. The supporting party shall provide support, within the scope of its expertise, through information and proposals, but shall only be liable in cases of intent (*Vorsatz*) or gross negligence (*grobe Fahrlässigkeit*) for this support service, provided that such service is remunerated accordingly. Approval corresponds to the assumption of responsibility for the work result of the supporting party, unless and to the extent the supporting party acted fraudulently or willfully.

11. Delay in Performance and Acceptance Default

- (1) RAFI Eltec shall not be liable for impossibility of performance or delays in rendering services to the extent these were caused by force majeure or other events that were unforeseeable at the time of contract conclusion (e.g. operational disruptions of any kind, difficulties in material or energy procurement, transport delays, strikes, lawful lockouts, shortage of labor, energy or raw materials, difficulties in obtaining necessary governmental approvals, pandemics or epidemics, governmental measures, or the failure, improper or untimely supply by suppliers despite RAFI Eltec having entered into a congruent cover transaction (*kongruentes Deckungsgeschäft*) and despite reasonable efforts to procure alternative supply) for which RAFI Eltec is not responsible.
- (2) If such events substantially impede or render impossible RAFI Eltec's delivery or performance and the impediment is not merely temporary, both parties are entitled to withdraw from the contract. In the case of temporary impediments, RAFI Eltec will notify the Customer without undue delay and simultaneously communicate the anticipated new performance deadline. If performance is not available within the new performance deadline either, both parties are entitled to withdraw from the contract in whole or in part; any consideration already rendered by the Customer will be reimbursed without undue delay by RAFI Eltec.
- (3) If the delay renders acceptance of the delivery or service unreasonable for the Customer, the Customer may withdraw from the contract by immediate written declaration to RAFI Eltec. In cases of doubt, the prerequisites for force majeure and the hardship clauses of the International

Chamber of Commerce (ICC) shall be deemed agreed between the parties. The ICC Force Majeure Clause (long form) is thus incorporated into each contract. This is available at: <https://iccwbo.org/wp-content/uploads/sites/3/2020/03/icc-force majeure-hardship-clauses-march2020.pdf>.

- (4) In the event of acceptance default (*Annahmeverzug*) or other attributable violations of cooperation obligations by the Customer, RAFI Eltec shall be entitled to compensation for the resulting damage, including any additional expenditure.

12. Liability for Defects (Warranty)

- (1) The assertion of claims on grounds of defective performance by RAFI Eltec presupposes that the Customer has fulfilled its duty to inspect and give notice of defects without undue delay (*Untersuchungs- und Rügeobliegenheit*). Given the service mandate nature of the contract, § 377 of the German Commercial Code (*HGB*) applies by analogy: recognizable performance defects must be notified by the Customer in writing within ten (10) working days of receipt of the service or the assemblies; in the case of regulated products (medical devices or safety-critical automotive assemblies) the period is, by way of exception, thirty (30) calendar days from receipt. Hidden defects must in both cases be reported without undue delay after discovery, but no later than twelve (12) months after delivery of the assembly to the end customer.
- (2) RAFI Eltec shall only be responsible for reductions in quality or usability of the assemblies where RAFI Eltec has stored or used purchased material improperly or beyond its shelf life.
- (3) The limitation period for claims on grounds of defective services is two (2) years from delivery of the assembly to the Customer or to a location designated by the Customer. By way of exception, the limitation period for regulated products (e.g. medical devices, safety-critical automotive assemblies with PPAP approval) is three (3) years; in such case the period commences at the latest upon delivery of the assembly by the Customer to its end customer, but no more than five (5) years after delivery of the assembly to the Customer. This extended period does not apply to claims based on a production defect for which RAFI Eltec is responsible but of which RAFI Eltec had no knowledge and could not have had knowledge.
- (4) RAFI Eltec is in principle only liable for the defect-free execution of the specifically mandated services. Liability for design, material and component selection (including the respective manufacturer), design, infringement of intellectual property rights and the suitability of the products for a particular purpose or in particular environmental conditions rests in the case of EMS or E²MS services described in Clauses 4 and 5, with the exception of willfully caused damage, exclusively with the Customer. This shall not apply insofar and to the extent that the Customer expressly entrusted RAFI Eltec with the design, material and component selection and the design of the assembly and RAFI Eltec had committed to this.
- (5) RAFI Eltec shall only be liable for gratuitous courtesies (*kostenlose Gefälligkeiten*) in cases of intent. This may occur for example through proposals or ideas for product changes or in the search for replacement components after their discontinuation, if this does not form part of defect rectification and if this is done without a mandate or remuneration in support of the Customer.
- (6) In the event of a timely notified performance defect that more than insignificantly impairs the value or fitness for purpose of the assemblies, RAFI Eltec shall first be entitled and obliged to provide supplementary performance (*Nacherfüllung*) by means of remanufacture or rectification. RAFI Eltec shall have the right to choose the type of supplementary performance, provided that the chosen type is reasonable for the Customer and does not lead to disproportionate delay. After two failed attempts at supplementary performance or after expiry of a reasonable grace period (*Nachfrist*) set by the Customer, the Customer shall be entitled to reduce the remuneration

appropriately or to terminate the service contract (*Geschäftsbesorgungsvertrag*) for good cause. A right of withdrawal does not exist given the service mandate classification of the contract.

- (7) If the design or construction specified by the Customer results in the assemblies not being repairable in the event of damage, the Customer's right to supplementary performance is limited to a reduction of the remuneration. Claims for damages by the Customer on grounds of intent or gross negligence remain unaffected.
- (8) The Customer's right to demand damages in cases of fault remains unaffected.
- (9) The Customer undertakes to ensure the suitability of the product for its use itself, and in particular to ensure field tests under realistic environmental conditions of potential deployment sites. In the event of a breach of this obligation, RAFI Eltec's liability is limited to intent and gross negligence, unless RAFI Eltec breaches a fundamental contractual obligation (*wesentliche Vertragspflicht – Kardinalpflicht*); in such case RAFI Eltec shall also be liable for simple negligence, limited to the foreseeable damage.
- (10) Liability for culpably caused injury to life, body or health, liability arising from tortious acts, including liability under the German Product Liability Act (*Produkthaftungsgesetz – ProdHaftG*) and under EU Product Liability Directive 2024/2853, which is to be transposed into German law by 9 December 2026 and in particular extends liability for software, digital services and AI components in products, remain unaffected by the above provisions. Any recourse claims by RAFI Eltec against its upstream suppliers shall be governed by the relevant contractual relationships and the general statutory provisions. In cases of intent or gross negligence on the part of RAFI Eltec or its servants or agents (*Verrichtungs- oder Erfüllungsgehilfen*), RAFI Eltec shall be liable in accordance with the statutory provisions; the same applies in cases of culpable breach of fundamental contractual obligations. To the extent no willful breach of contract has occurred, RAFI Eltec's liability for damages is limited to the foreseeable, typically occurring damage as at the time of contract conclusion or at the latest at the time of the breach of duty.
- (11) Except as expressly otherwise provided in this clause or in Clauses 9, 10 or in the following Clause 12, RAFI Eltec's liability is excluded. Liability for damage arising from injury to life, body or health, for damage caused by willful or grossly negligent conduct of RAFI Eltec or its vicarious agents (*Erfüllungsgehilfen*), and for damage arising from the breach of fundamental contractual obligations (*Kardinalpflichten*) shall at all times remain unaffected.

13. Recalls, Field Actions and Exchange Campaigns

- (1) RAFI Eltec also stands behind defects arising despite its high-quality standards if these were demonstrably caused and culpably incurred by RAFI Eltec, or if RAFI Eltec can be held legally liable therefor. Any recourse claims will, however, only be accepted by RAFI Eltec if the Customer is obliged to take the corresponding measures under statutory provisions and RAFI Eltec was involved in these measures in advance. RAFI Eltec shall only be liable to the extent that RAFI Eltec would also be liable to third parties for such costs.
- (2) RAFI Eltec expressly draws attention in particular to the fact that liability for the costs of a recall or a precautionary exchange of products is assumed by RAFI Eltec only where there is a statutory obligation, unless cost allocation was coordinated and bindingly agreed in advance in writing between the parties. This applies in particular to purely esthetic defects. RAFI Eltec will in general also not bear the costs of a precautionary exchange on goodwill or reputational grounds where any defects do not pose a risk to third parties' legal interests.
- (3) RAFI Eltec will make available to the Customer the insurance conditions within the framework of its public liability insurance (*Betriebshaftpflicht*) upon written request for information purposes.

- (4) To the extent that a recall or a Field Safety Corrective Action (FSCA) or a corresponding automotive recall obligation is based on a proven production defect of RAFI Eltec, RAFI Eltec is obliged to provide reasonable support to the Customer in the implementation of the FSCA and to reimburse the costs demonstrably attributable to RAFI Eltec. The allocation of costs is governed by the proportion of the damage attributable to RAFI Eltec's production defect; joint and several liability (*Gesamtschuld*) is excluded. RAFI Eltec shall be involved in the planning prior to the initiation of the measure and has the right to examine the causality of the production defect.
- (5) FSCAs based on a design decision, material specification or specification of the Customer shall be borne entirely by the Customer. RAFI Eltec will support the Customer in such cases against reasonable reimbursement of costs. RAFI Eltec is not obliged to pre-finance costs in such cases.

14. Change Management and Design Freeze

- (1) Any deviation from the specification, bill of materials (Bill of Materials, BOM), manufacturing instruction, test specification or approved source of supply last approved by the Customer requires the Customer's prior written approval (Change Control). This applies regardless of whether the change is required at the Customer's request, owing to material discontinuations, changes in standards or other circumstances. RAFI Eltec is obliged to notify the Customer without undue delay in writing of any need for changes.
- (2) In the case of regulated products (in particular medical devices and automotive products with PPAP approval or OEM Customer Specific Requirements), the Customer is responsible for obtaining any necessary regulatory approvals, notifying the Notified Body (*Benannte Stelle*) and updating the technical documentation and the PPAP. Until the required approvals are in place, RAFI Eltec shall manufacture exclusively in accordance with the previously approved specification; any deviation is excluded.
- (3) Costs for re-evaluations, re-approvals, additional tests and production interruptions in connection with changes shall be borne by the party that caused the need for the change. If the change is attributable to statutory or normative requirements that equally affect both parties, the parties shall bear the costs equally unless otherwise agreed.
- (4) RAFI Eltec shall maintain a traceable change register for all approved changes and shall make this available to the Customer upon request, in particular in the context of audits. The retention period for change documents is governed by the statutory and regulatory requirements of the respective product area.

15. Quality Assurance Agreement (QAA)

- (1) For the manufacturing of medical devices in accordance with MDR/IVDR as well as safety-critical automotive products (classification in accordance with OEM Customer Specific Requirements or IATF 16949), the conclusion of a Quality Assurance Agreement ("QAA") between the Customer and RAFI Eltec is mandatory. RAFI Eltec and the Customer shall therefore negotiate provisions that become part of the respective individual contract and in particular comprise inspection obligations, documentation requirements, the Customer's audit rights and the integration of RAFI Eltec into the Customer's quality management system ("QMS").
- (2) Without a concluded QAA, RAFI Eltec is not obliged to commence series production for regulated products pursuant to paragraph (1). If the QAA fails to materialize for reasons attributable to the Customer, RAFI Eltec has the right to withdraw from the individual contract and to invoice the costs incurred up to that point. Advisory or preparatory activities of RAFI Eltec prior to the conclusion of the QAA do not give rise to any binding effect with regard to series production.

16. Prices and Payment Terms

- (1) RAFI Eltec's prices are FCA Überlingen (Germany) in accordance with ICC INCOTERMS 2020, plus the applicable statutory value added tax and the costs of packaging and logistics, unless expressly otherwise agreed in writing. RAFI Eltec's quoted prices apply, in the absence of other agreements, to the offered order quantity or, at the Customer's request, to a framework quantity with a specific term within which call-offs may be made. Unless otherwise agreed, prices apply for a maximum of one year from the date of the offer. If the producer price index (*Erzeugerpreisindex*) of the German Federal Statistical Office (*Statistisches Bundesamt der Bundesrepublik Deutschland*) for commercial products changes by more than three percent (3%) compared to the index published on the date of the offer, the prices shall be adjusted accordingly at the request of either contracting party. The parties shall clarify the details in such cases in fair and cooperative negotiations.
- (2) The following payment schedule applies to development costs (non-recurring engineering costs): forty percent (40%) become due upon commissioning and invoicing. A further thirty percent (30%) become due upon intermediate sample approval and invoicing. The final thirty percent (30%) become due upon series release and invoicing.
- (3) All other payments are due within thirty (30) days net from the date of invoicing, plus statutory value added tax.
- (4) After expiry of the due date, default interest (*Verzugszinsen*) will be charged at a rate of nine (9) percentage points above the respective base interest rate (*Basiszinssatz*) of the European Central Bank per annum. RAFI Eltec reserves the right to assert claims for additional losses resulting from the delay (*weitergehender Verzugsschaden*).

17. Retention of Title (*Eigentumsvorbehalt*)

- (1) Until full receipt of all payments due under the contract, RAFI Eltec retains title to the delivered goods ("Reserved Goods" / *Vorbehaltsware*). In the event of a breach of contract by the Customer, including payment default, RAFI Eltec is entitled, after setting a reasonable grace period, to reclaim the Reserved Goods. In such case the Customer is obliged to return them. RAFI Eltec's reclaiming of the Reserved Goods always constitutes a withdrawal from the contract. RAFI Eltec reserves in this case the right to assert claims for damages and expenditure.
- (2) The Customer shall treat the Reserved Goods with care for the duration of the retention of title (*Eigentumsvorbehalt*), store them appropriately, insure them at its own expense against all customary risks (in particular theft, fire and water damage) and, where necessary, maintain them.
- (3) For as long as and to the extent that the agreed remuneration has not been paid in full, the Customer shall notify RAFI Eltec without undue delay and in writing if the goods are encumbered with third-party rights or are otherwise subject to third-party interference. The Customer shall be liable to RAFI Eltec for any resulting shortfall to the extent that the third party is unable to reimburse any judicial and extra-judicial costs.
- (4) The Customer is revocably entitled to resell the Reserved Goods in the ordinary course of business. In such case, however, the Customer hereby already assigns all claims arising from such resale to RAFI Eltec, regardless of whether such resale takes place before or after any processing of the goods delivered under retention of title, in the amount of the final invoice total agreed with RAFI Eltec, including value added tax. RAFI Eltec hereby accepts the assignments. Notwithstanding RAFI Eltec's right to collect the claims itself, the Customer shall remain authorized to collect the claims after the assignment. In this connection RAFI Eltec undertakes not to collect the claims for as long as and to the extent that the Customer meets its payment

obligations to RAFI Eltec, no application for the opening of insolvency or similar proceedings has been filed and no suspension of payments has occurred.

- (5) Processing or transformation of the Reserved Goods by the Customer is always performed on behalf of RAFI Eltec. If the Reserved Goods are processed together with other objects not belonging to RAFI Eltec, RAFI Eltec acquires co-ownership (*Miteigentum*) of the new object in proportion to the value of the Reserved Goods relative to the other processed objects at the time of processing. The same shall otherwise apply to the object created by processing as to the Reserved Goods.
- (6) If the Reserved Goods are inseparably combined or mixed with other products not owned by RAFI Eltec, RAFI Eltec acquires co-ownership of the new object in proportion to the value of the Reserved Goods relative to the other combined or mixed objects at the time of combination or mixing. If the combination or mixing is carried out in such a manner that the Customer's object is to be regarded as the principal item, it shall be deemed agreed that the Customer transfers proportionate co-ownership to RAFI Eltec. The Customer shall hold the sole or co-ownership in safe custody for RAFI Eltec.
- (7) To the extent that the above security interests exceed the secured claims by 10% or more, RAFI Eltec shall release the respective security interests at its discretion.

18. Rights of Set-Off and Retention

The Customer is only entitled to set off claims to the extent that the counterclaims asserted are undisputed, ripe for decision or have been established by final and binding judgment (*rechtskräftig festgestellt*). The Customer's right of retention (*Zurückbehaltungsrecht*) within the statutory scope remains unaffected to the extent it is based on the same legal relationship.

19. Intellectual Property

- (1) For a part of RAFI Eltec's development and adaptation services, RAFI Eltec uses proprietary know-how developed at its own expense relating to software and hardware in which RAFI Eltec holds existing industrial property rights (e.g. patents or copyrights) ("Background Know-How" or "Prior IP"). This Background Know-How also encompasses all know-how of RAFI Eltec's affiliated companies. The Background Know-How and all intellectual property rights subsisting therein remain the sole intellectual property of RAFI Eltec, regardless of the national or international filing or registration of industrial property rights. Within the framework of development mandates, the Customer generally receives only a non-exclusive license (*einfache Lizenz*) to RAFI Eltec's Background Know-How, which enables the Customer to resell the products manufactured by RAFI Eltec. This enables RAFI Eltec to offer the Customer comparatively cost-effective development and adaptation services for individual products. Details or deviations may be expressly agreed in writing on a case-by-case basis.
- (2) Customer-specific development and adaptation services frequently also generate new know-how and corresponding industrial property rights ("Foreground Know-How" or "New IP"). To the extent that this Foreground Know-How can be transferred separately from the Background Know-How and was financed exclusively by the Customer, the rights of use for exclusive use shall pass to the Customer. In the case of proportionate development costs, the Customer receives broad rights of use in the New IP; however, RAFI Eltec shall equally be entitled to make free use of the New IP within the framework of the joint projects, also with regard to all companies affiliated with RAFI Eltec.
- (3) During the cooperation in the respective project, the parties are obliged to maintain strict confidentiality regarding information about Background Know-How and Foreground Know-How as well as other know-how not publicly accessible, for a period of five (5) years after the

commencement of the respective project. RAFI Eltec therefore generally concludes confidentiality agreements with the Customer before the commencement of a project, which also include contractual penalties. Nevertheless, in today's environment, an exchange with affiliated companies must be facilitated for both RAFI Eltec and the Customer within the necessary framework, which is why affiliated companies within the meaning of § 18 of the German Stock Corporation Act (*Aktiengesetz – AktG*) shall not be deemed third parties in this context. These must be bound to confidentiality before any information is disclosed to them.

20. Third-Party Intellectual Property Rights

- (1) RAFI Eltec manufactures products in accordance with client-specified specifications, unless development and adaptation services have been expressly mandated.
- (2) The design and functionality of the products do not originate from RAFI Eltec, and RAFI Eltec only examines in accordance with the Customer's instructions whether the products can be manufactured.
- (3) By accepting RAFI Eltec's offer, the Customer declares that it has verified in advance that there is no dependency of the products on utility models, design rights, patents or other intellectual property rights belonging to third parties. This encompasses all intellectual property rights filed or accessible at a German or European authority at the time of acceptance of the offer in Germany or any other EU Member State, as well as all countries to which the Customer plans to deliver the products manufactured by RAFI Eltec or in which these will be used in the future.
- (4) If such intellectual property rights nevertheless exist, the Customer is obliged to indemnify RAFI Eltec against all resulting direct and indirect costs, fees, damages and other economic disadvantages.

21. IT Security and Compliance

- (1) The parties shall ensure compliance with the statutory provisions on IT security by means of appropriate measures within their organizations. This includes in particular the requirements of Directive NIS2 (EU 2022/2555) and the German NIS2 Implementation Act (*NIS-2-Umsetzungsgesetz – NIS2UmsuCG*) enacted for its transposition, to the extent that the respective party falls within its personal and material scope. Electronic manufacturing companies may be classified as "important entities" (*wichtige Einrichtungen*) or "essential entities" (*wesentliche Einrichtungen*) within the meaning of the NIS2UmsuCG and must in such case fulfill enhanced security obligations. For the currently applicable IT baseline security (*IT-Grundschutz*), the competent authorities in the country of the respective establishment offer publicly accessible recommendations. Deviations from these are permissible only in justified exceptional cases.
- (2) Each party has a right to extraordinary termination without notice with respect to all potentially affected agreements if there are objective indications that the other party has not implemented adequate IT baseline security within the meaning of paragraph (1) above.
- (3) Both the Customer and RAFI Eltec are obliged to comply with the statutory provisions applicable to each of them respectively. Where a code of conduct or other public commitment has been publicly announced, both parties mutually undertake to comply with the obligations contained therein at the respective time of an act or omission. Both parties, i.e. the Customer and RAFI Eltec, mutually undertake to provide without undue delay the information and evidence required to fulfill the statutory due diligence obligations upon request. They are entitled to suspend or terminate the cooperation if one of the parties demonstrably violates material compliance obligations despite the setting of a reasonable grace period and thereby exposes the other party to an increased legal risk.

22. Miscellaneous Provisions

- (1) All individual contracts between RAFI Eltec and the Customer and all disputes related thereto shall be governed exclusively by the law of the Federal Republic of Germany.
- (2) Both RAFI Eltec and the Customer are obliged to keep the damage as low as possible in the event of a loss (duty to mitigate / *Schadensminderungspflicht*).
- (3) Place of performance and supplementary performance (*Erfüllungs- und Nacherfüllungsort*) as well as the exclusive place of jurisdiction (*ausschließlicher Gerichtsstand*) for all disputes arising from or in connection with individual contracts or these GTCs is the registered office of RAFI Eltec. If the registered office of the Customer is outside Germany, an arbitral tribunal (*Schiedsgericht*) constituted in accordance with the rules of the International Chamber of Commerce in Paris applicable at the time of filing shall be deemed agreed in lieu of the court of jurisdiction. The seat of the arbitration proceedings is Munich. The language of the proceedings is as a rule German. However, if communication was conducted predominantly in English and the documents relevant to the decision are for the most part in English, the language of the proceedings shall be English.
- (4) Prior to invoking a court or arbitral tribunal, RAFI Eltec and the Customer shall initiate a mediation procedure in order to reach an amicable settlement of any disputes arising from or in connection with an individual contract or these GTCs. Both with regard to interim relief measures and following the conclusion of the mediation procedure, recourse to an ordinary court or arbitral tribunal remains unaffected. The German Mediation Act (*Mediationsgesetz – MedG*) shall otherwise apply.
- (5) Should any provision of these GTCs be wholly or partially incomplete, void or ineffective, the remaining provisions and conditions shall remain unaffected thereby. In lieu of an incomplete, void or ineffective provision, RAFI Eltec and the Customer shall negotiate an effective provision that is comparable in economic purpose to the incomplete, void or ineffective provision.
- (6) The same shall apply *mutatis mutandis* in the case of contractual gaps.

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