

# Garlock GmbH

## General Terms and Conditions of Sale and Delivery (Rev.No.01.01.2026)

### I. Scope of application

1. These General Terms and Conditions (hereinafter referred to as "GTC") as amended from time to time (available at [https://d2x17sxn1qpiw.cloudfront.net/userfiles/docs/legal/eu-rope\\_english\\_ordertc\\_v5.pdf](https://d2x17sxn1qpiw.cloudfront.net/userfiles/docs/legal/eu-rope_english_ordertc_v5.pdf)) shall apply to all business relationships between us, Garlock GmbH (hereinafter referred to as "Garlock"), and any natural person or legal entity or partnership with legal capacity that is acting in the exercise of its commercial or independent professional activity when concluding the contract (entrepreneur) or legal entities under public law or a special fund under public law (hereinafter referred to as "Customer/Customers"<sup>1</sup>), to whom we submit offers and provide deliveries or services.

With the placing of an order, at the latest with the acceptance of our deliveries or services, these General Terms and Conditions shall be deemed to have been fully accepted by our Customers.

2. These GTC shall apply to all our offers, deliveries and services to the exclusion of the Customer's general terms and conditions, unless expressly agreed otherwise at least in text form. Deliveries as well as services are also collectively referred to in this document as "delivery item". Already now we therefore object to the inclusion of general terms and conditions of our Customer.

Even in the event of participation in electronic platforms of the Customer and the actuation of selection fields to be activated by the system, no legally binding acceptance of terms of use or other general terms and conditions of the Customer takes place.

3. Deviating, conflicting or supplementary general terms and conditions shall not become part of the contract even if they are known (also by acceptance of the order), even if the delivery or service is provided to the Customer without reservation, unless their validity is expressly agreed in writing.

4. Should any provision of these GTC be or become invalid or void in whole or in part, this shall not affect the validity of the remaining provisions or of the contract. The wholly or partially invalid or void provision shall be replaced by a provision that comes as close as possible to the content and economic intent of the invalid or void provision.

### II. Offers and orders/conclusion of contract

1. Our offers are subject to change; this also applies to the documents belonging to the offer such as illustrations, drawings, weights and dimensions are only approximate unless they are expressly designated as binding.

All orders, agreements and commitments shall only become binding for us through our (order) confirmation in writing or text form, via EDI, at the latest through the performance of the ordered delivery or service (hereinafter referred to as "conclusion of contract/contract").

Garlock reserves property rights and copyrights to samples, cost estimates, drawings and similar information of a tangible and intangible form - also in electronic form; this also applies if cost shares for such items are reimbursed by the Customer.

2. We do not assume any procurement risk. In the event that we fail to receive correct or timely deliveries through no fault of our own, we shall be entitled to withdraw from the contract after a reasonable period of time. We will inform the Customer immediately about the non-timely availability of the delivery item and in case of our withdrawal we will immediately refund any consideration received.

3. In the case of framework agreements or contracts requiring material coverage, we may demand binding classifications (e.g., for individual call-offs exact delivery quantities, delivery dates, dimensions and quality characteristics) which are still missing from three (3) months after order confirmation. If the Customer does not comply with this request within two (2) weeks, we shall be entitled to withdraw from the contract after the fruitless expiry of a reasonable grace period, or alternatively to carry out the delivery or service at the Customer's expense and risk at our own dutiful discretion, provided that we have informed the Customer of this in the grace period. Our right to claim damages, if any, shall remain unaffected.

4. If the Customer wants us to carry out certain tests which go beyond the usual state of the art or which are required for certain purposes of use, the type and scope of the tests must be expressly agreed at the latest when the contract is concluded. Otherwise, they shall be ordered separately and the costs of the testing shall be borne by the Customer.

5. The Customer is solely responsible for the correctness and completeness of the order; this applies in particular to information on specifications, classifications, and applicable standards as well as information relating to requirements for the product to be supplied or performed by us in certain geographical areas of approval.

6. Information on the delivery item in brochures, leaflets, catalogs, product information, electronic media, in particular on the condition, durability and possible uses of our products, and other advertising measures are based on our general experience and knowledge and are merely indicative or markings and do not contain any guarantees unless they are expressly designated as such in writing. Both, these specifications and expressly agreed performance characteristics or intended uses, do not exempt the Customer from testing the suitability for the intended use of the delivery item and from taking appropriate care during storage.

7. Quotations and order confirmation as well as the performance of the contract are subject to the proviso that any export or shipment licenses that may be required are granted by the competent authorities and that there are no other legal obstacles due to export control regulations to be observed by us as exporter or shipper or by one of our suppliers. Insofar as we are unable to fulfill the contract with the Customer or are only able to do so with delay due to export restrictions to be observed, we shall not be liable for any damage that may result therefrom. In this respect, at least the European, German and US (re-)export regulations are decisive for our deliveries and services.

8. An application for the opening of insolvency proceedings or comparable proceedings or an official decision to open or reject such proceedings, including under foreign law, payment difficulties or the discovery of a significant deterioration in the financial circumstances of the Customer shall entitle us to immediately cease deliveries or services and to refuse the performance of current contracts unless the Customer provides the consideration or, at our request, provides adequate security.

9. The minimum order value is 100.00 EUR in total and 25.00 EUR per item.

10. The Customer shall submit its demand planning in the form of a rolling demand forecast (Forecast) for a period of twelve months respectively. Unless otherwise agreed in writing, the Forecast shall be updated on a monthly basis and shall contain (i) the expected annual demand quantity, (ii) the expected demand quantity for the next six months and (iii) the binding demand quantity for the following month (Frozen Zone). In any case, the Customer shall be obligated to take and pay for the demand quantity notified in accordance with (iii) for the Frozen Zone. The indication of the expected demand for the following six months in accordance with (ii) shall be considered as a binding release for the respective material disposition, and if these quantities exceed the actual demand, the Customer shall reimburse the costs for the procured raw materials and semi-finished products. We shall maintain production capacities only in accordance with the notified demand forecast.

### III. Delivery scope

We are entitled to partial deliveries or partial services to an extent that is reasonable for the Customer. We expressly reserve the right to make excess or short deliveries of up to 20% in terms of weight and number of items due to production or planning reasons. In the case of partial deliveries or partial services, each partial delivery or partial service rendered may be invoiced separately.

### IV. Price and payment, packing

1. Prices are ex works (EXW INCOTERMS 2020), i.e., the location of our shipping plant, including loading at the plant. All ancillary costs, such as packaging, freight, insurance, customs duties, levies and fees of all kinds are not included in our prices and shall be additionally borne by the Customer. Value added tax at the statutory rate respectively applicable shall be added to the prices and shall be shown separately on the invoice.

The price agreed respectively shall be binding. If no prices have been agreed, our prices valid on the day of delivery or provision shall apply.

Unforeseen changes in costs for which we are not responsible, such as raw material, wage and energy costs, shall entitle us to a claim against the Customer for consent to a corresponding price adjustment to be jointly determined with the Customer promptly after such notification of such price adjustment; this shall also apply if such circumstances occur within the period of validity of price agreements with this respective Customer. We shall consequently be entitled to exercise a right of retention in respect of our deliveries or services.

Unless a price agreement is in place, we reserve the right to change our price list from time to time. The Customer will be notified of periodic price adjustments reasonably in advance. The new prices shall apply to all contract conclusions after the date of such notification.

2. Packaging is carried out in accordance with our packaging standard. The principle of minimizing packaging material and using only environmentally compatible materials applies in this respect. The use of reusable packaging is subject to separate, express written agreement; this also applies to Customer-specific packaging requirements.

If the Customer requests return of packaging, additional costs for transport and disposal shall generally be borne by the Customer. The further handling details shall be mutually agreed upon on a case-by-case basis.

The calculation for packaging and shipping is based on the weights and quantities determined during shipping.

Dimensions and weights may deviate from our offers within the customary limits.

3. Our invoices are due immediately and payable without deduction. We do not pay interest on advance payments and payments on account.

The Customer is obligated to have a change of payment account confirmed by a telephone call to a contact person at Garlock known to the Customer (under a telephone number already known to the Customer). Garlock is not liable for incorrect transfers by the Customer or in the event of manipulation of bank data by third parties.

4. The Customer is responsible for the immediate invoice verification, in particular with regard to VAT and INCOTERMS. No claims against us can be derived from the failure to immediately notify incorrect information.

5. In the case of orders which are to be executed later than four (4) months after conclusion of the contract without any delay for which we are not responsible, we shall be entitled, in the event of unforeseen significant increases in the manufacturing costs underlying the calculation at the time of the order (e.g. raw material/material, energy and personnel costs, transport costs as well as public charges) for which we are not responsible, to adjust the prices for deliveries or services not yet performed accordingly in a reasonable ratio without the need for the Customer's consent thereto. If we make use of this right of adjustment, the Customer shall be notified thereof prior to performance of the order. In the event that we exercise our right to adjust prices, the Customer shall have the right to withdraw from the order to the extent affected thereby. Should the Customer wish to exercise this right of withdrawal, the withdrawal must be notified to us in writing within five (5) days of receipt of our price adjustment notification. However, the Customer remains obligated to reimburse the costs for the procured raw materials and semi-finished products in the event that material releases have already been issued, unless these can be used otherwise for Garlock.

6. The date of receipt of payment shall be the date on which the amount is received by us or credited to our bank account. In the event of default of payment by the Customer, we shall be entitled to charge interest at a rate of nine (9) percentage points above the respective base interest rate of the Deutsche Bundesbank, plus a flat rate of EUR 40 for default, for the duration of the default. The right to assert further claims for compensation shall not be limited thereby.

7. We reserve the right to charge the costs for samples and test parts and the tools required for their production. In case of doubt, payment shall be due after acceptance of the initial samples, test parts or tools. We shall invoice the procurement or manufacturing costs of the tools required for series production, unless otherwise agreed. All tools manufactured or procured by us shall in any case remain our property, even if their procurement or manufacturing costs are borne in whole or in part by the Customer.

8. In the event of default in payment or justified doubts about the Customer's solvency or creditworthiness, we shall be entitled - without prejudice to our other rights - to demand advance payment for deliveries or services not yet performed and to make all claims arising from the business relationship with the Customer due immediately. Delivery shall be suspended as long as the Customer is in default with a due payment and we have declared to him the exercise of our right of retention in this respect.

9. Upon request, the Customer shall provide us with tax (voucher) evidence (including confirmation of receipt) which we deem necessary in accordance with the applicable statutory provisions to prove VAT exemption for cross-border deliveries. In the event of non-compliance, the Customer shall owe the amount of VAT and interest assessed against us after delivery of a corrected invoice with VAT; we reserve the right to claim further damages. The Customer shall inform us immediately about the invalidity and the change of his VAT identification number.

10. In the event of settlement by the credit note procedure under sales tax law, the Customer shall observe the invoicing regulations under sales tax law. We are not liable for damages resulting from the application of the credit note procedure, e.g., repayment of input tax and payment of interest by the Customer to his tax office.

11. For orders that are not placed via the Garlock GmbH webshop, but for example by telephone, email, or fax, a processing fee ("Manual Order Entry Fee") of 15 EUR per order will be charged. This fee will be invoiced in addition to the value of the goods and is due with the respective order. Orders placed via the webshop are exempt from this fee.

### V. Set-off and retention

1. The Customer shall have a right of set-off or retention if and to the extent that its counterclaims have been legally established or acknowledged by us. This restriction shall not apply

<sup>1</sup> For reasons of simplification, when subjects are used in this document, only the masculine form "he/him/his" is referred to; female and third gender persons are always also included and not excluded.

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in the case of claims by the Customer for costs of rectification of defects or completion costs as a result of the performance of work by us.

2. The Customer may only exercise a right of retention if and to the extent that its counterclaim is based on the same contractual relationship. In the event of the existence of defects, the Customer shall only be entitled to the right of retention in reasonable proportion to the defects and the anticipated costs of subsequent performance.

### VI. Delivery times and delivery delay

1. Our delivery lead times stated in the order confirmation or when initiating the contract are only estimated delivery dates which do not bind us unless we expressly confirm a delivery date in the order confirmation in writing or text form as "binding" or "fixed".

A delivery date confirmed by us shall also be subject to correct, complete and timely self-delivery in accordance with Section II.2. of these GTC.

2. The delivery period shall be deemed to have been complied with if, by the time of its expiry, the delivery has left our plant or we have notified the Customer that the goods are ready for dispatch or collection, even if the applicable INCOTERMS provide otherwise.

Complying with the delivery period shall be conditional upon the fulfillment of the Customer's contractual obligations as well as other statutory obligations incumbent upon the Customer for the performance of the contract.

If the Customer does not fulfill his contractually assumed obligations or obligations incumbent upon him by law - including cooperation or ancillary obligations - in a timely manner, we shall be entitled to reasonably postpone our delivery periods and dates in accordance with the needs of our production run, without prejudice to our rights arising from the Customer's default, and to demand compensation for the damage incurred by us, including any additional expenses.

3. The delivery period shall be extended appropriately in the event of circumstances for which we are not responsible, such as strikes, lockouts, war, cyber attacks, effects of elementary forces of nature, epidemics, currency or trade restrictions, embargoes/sanctions, export bans, import bans, official decrees or statutory changes for which we are not responsible, as well as other unavoidable extraordinary events outside our control ("force majeure"), shall release us from the obligation to deliver for the duration of the circumstance and to the extent of its effect and shall not give rise to any claim for damages against us.

This also applies if these circumstances occur at our suppliers or if the Customer has delayed the collection or shipment of the delivery.

We shall not be responsible for the aforementioned circumstances even if they arise during an already existing delay of our delivery. We will inform the Customer as soon as possible of the beginning and expected end of such obstacles.

4. The direct and indirect effects of the spread of the SARS-COV-2 coronavirus (or 2019-nCoV virus, hereinafter referred to as "Covid-19") shall also still constitute a force majeure circumstance to the extent that, as a result thereof, deliveries or services are delayed, restricted or prevented, in particular due to (i) action by a government or public authority, including the imposition of quarantine orders, (ii) unavailability of labor due to illness, quarantine, travel or exit restrictions, or (iii) limitation of production capacities, for example due to necessary hygienic measures or shift separation, unless at the time of the conclusion of the contract the respective measures of a government or authority have already been decided and publicly announced or the unavailability of labor or the limitation of production capacities have already been decided and publicly announced. The restriction of production capacities had already occurred.

5. Likewise, an energy shortage and its direct and indirect effects shall constitute a force majeure circumstance insofar as it delays, restricts or prevents the deliveries or services. This shall also apply if the occurrence of the energy shortage was not yet foreseeable with certainty at the time of the conclusion of the contract, but nevertheless already appeared possible and its actual occurrence was, however, not reasonably avoidable by us. The direct and indirect effects of an energy shortage situation that constitute a force majeure circumstance include in particular (i) the complete or partial unavailability of energy sources such as gas or electricity as an auxiliary or operating material in production and (ii) the complete or partial unavailability of energy sources for heating production or administrative buildings to a level required by labor law.

6. In the event that we are responsible for the failure to perform a delivery or service on time, the Customer may set us a reasonable grace period. If the delivery is not made within this grace period, the Customer may withdraw from the contract; services already provided will be refunded. In the event of default, the Customer shall, at our request, notify us within a reasonable period of time whether it is withdrawing from the contract or insisting on performance.

7. Section X. (Liability) of these GTC shall apply to claims for damages by the Customer due to a delay in performance for which we are responsible.

### VII. Passing of risk and default of acceptance, shipment

1. The risk (price risk, i.e., risk of accidental loss or accidental deterioration) shall pass to the Customer at the latest upon collection/acceptance of the deliveries or services provided or, in the case of shipment owed by us, upon dispatch/transfer to the carrier, irrespective of who bears the shipping costs. This shall also apply if partial deliveries are made or we have assumed other services such as loading or installation.

As soon as and insofar as the Customer is in default of acceptance, the risk shall pass to the Customer at the time the Customer is in default of acceptance.

2. To the extent that a formal acceptance has to take place, this shall be decisive for the transfer of risk. It must be carried out immediately after the agreed acceptance date, alternatively after our notification of readiness for acceptance.

3. If the Customer is in default of acceptance, we are entitled to demand compensation for additional expenses. Further claims, in particular claims for damages, insofar as he is also in debtor's delay, remain unaffected.

4. If the Customer is in default of acceptance, Garlock is entitled to demand a contractual penalty of 0.2% of the order amount affected by this from the first day for each additional day of default, but not more than 5% of this order amount in total. The Customer waives the plea of continuing connection.

Garlock is entitled to claim the contractual penalty in addition to its other claims and to claim the contractual penalty with the final invoice at the latest, even if Garlock has not expressly reserved the right to claim the contractual penalty upon the Customer's late acceptance of the delivery.

We shall store the delivery item at the expense and risk of the Customer. The Customer shall be reminded of the collection or receipt within a period of ten (10) days. After fruitless expiration of this period, Garlock shall be entitled, in addition to its other claims, to demand liquidated damages for storage expenses in the amount of 5% of the order total affected thereby per month of default.

The Customer shall have the right to prove that no damage or significantly lower damage has been incurred or that he is not responsible for the delay. Further damages are not excluded, whereby a lump sum for damages already paid may be offset by our Customer in the event of compensation for further damages asserted by us.

5. Garlock is entitled, in addition to the rights according to preceding clauses 3. and 4. above, to withdraw from the contract after the fruitless expiration of a reasonable grace period,

alternatively to perform the delivery or service at the Customer's expense and risk in its own and proper discretion, or to dispose of the goods, insofar as Garlock has informed the Customer of the same in the grace period respectively. Our right to claim damages also remains unaffected in these cases.

6. Dispatch route and means of transport are left to our choice.

Upon request and at the expense of the Customer, the shipment will be insured by us against theft, breakage, transport, fire and water damage as well as other insurable risks and requires a corresponding agreement at least in text form with us.

### VIII. Retention of title

1. We reserve title to the delivery item until full payment of all claims against the Customer to which we are entitled from the business relationship, including those from the current account as well as interest, costs and any claims for damages ("reserved goods"). In the event of default in payment, we shall be entitled, without setting any further deadline, to demand the return of the reserved goods at the Customer's expense, whereby the Customer's justified interests shall be taken into account appropriately. The collection shall only constitute a complete or partial withdrawal from the contract if we expressly declare this. Insofar as we do not expressly declare withdrawal, the Customer may only demand delivery after full payment of the purchase price and all costs.

The Customer is entitled to sell and process the reserved goods in the ordinary course of business in accordance with these following provisions. He is prohibited from disposing of the goods in any other way.

2. The Customer's claims from the resale of the reserved goods are already assigned to us now in the amount of the value of the delivery item as security. In addition to us, the Customer is authorized to collect the claims himself as long as he meets his payment obligations, is not in default of payment and, in particular, as long as no insolvency proceedings have been opened against his assets or their opening has been rejected for lack of assets or payments have not been suspended. In the aforementioned cases, we may demand that the Customer informs us of the assigned claims and their debtors, provides all information required for collection, hands over the relevant documents and informs the debtors (third parties) of the assignment.

3. The Customer is obliged to treat the reserved goods with care. In particular, he is obligated to sufficiently insure them at his own expense against fire, water and theft damage as well as other natural hazards at replacement value.

Pledging or transfer by way of security of the reserved goods is only permissible after full payment of all our claims. We must be notified immediately of any pledge of the reserved goods. We undertake to release the securities to which we are entitled at the Customer's request insofar as the realizable value of our securities exceeds the claims to be secured by more than 10%. The selection of the securities to be released shall be incumbent upon us.

4. The processing or transformation of the reserved goods by the Customer shall always be carried out for us. If the goods are processed with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the value of the reserved goods (final invoice amount, including VAT) to the other processed items at the time of processing. For the rest, the same shall apply to the items created by processing as to the reserved goods.

5. If the reserved goods subject to retention of title are inseparably mixed with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the value of the goods subject to retention of title (final invoice amount, including VAT) to the other mixed items at the time of mixing. If the mixing takes place in such a way that the Customer's new item is to be regarded as the main item, it shall be deemed agreed that the Customer transfers co-ownership to us on a pro rata basis. The Customer shall hold the sole or co-ownership thus created in safe custody for us. The Customer shall also assign to us the claim to secure our claims against him which arise against a third party through the combination of the delivered goods with a property.

6. Insofar as the Customer has provided us with material, the Customer grants us a lien on the material or claims in lieu thereof as security for all present and future claims arising from the business relationship with the Customer. If the Customer is in default of payment or credit default, we shall be entitled to dispose of the pledged material as we see fit at the average German market price on the day of the default of payment or credit default.

### IX. Claims for defects

Our liability for defects is subject to the following provisions:

#### A. Quality defect

1. Our liability for quality defects presupposes that the Customer has at least carried out an appropriate incoming goods inspection to a reasonable extent, i.e., has immediately inspected the delivery for obvious defects such as transport damage and has carried out a comparison with the delivery bill with regard to identity and quantity and has immediately given written notice of such obvious defects. Otherwise, the delivery shall be deemed to have been approved. In the event of a defect notified at a later date, the Customer shall bear the burden of proof that it was a hidden defect which could only be discovered in the further course of ordinary business. Hidden defects must also be notified in writing immediately after discovery; otherwise the goods shall be deemed to have been approved also in view of these defects. Timely dispatch shall be sufficient to meet the deadline. The Customer shall bear the full burden of proof for all prerequisites for claims, in particular for the defect itself, the time of discovery of the defect and for the timeliness of the notice of defect.

2. The liability for quality defects in accordance with the statutory provisions on warranty shall be limited, in deviation from any public statements or other conditions usually to be assumed, exclusively and finally - even in the case of repeated deliveries - to the agreed specifications such as drawings and/or specifications, alternatively, in the absence of such an agreement, to the respective order-specific presupposed use known to us as well as the EN/DIN standards relevant for the delivery item. Other or additional performance characteristics as well as objective or subjective requirements are not owed.

A warranty for a specific purpose or a specific suitability, period of use or durability after the passing of risk that goes beyond the warranty for this agreement on quality shall only be assumed insofar as this has been expressly agreed in writing; otherwise, the risk of suitability and use shall be exclusively incumbent on the Customer.

Public statements, recommendations or advertising by us or third parties shall not constitute any contractual information on the quality of the delivery item.

3. Insofar as the delivery item has a defect, the Customer can demand the elimination of the defect (rectification) or the delivery of a defect-free item (replacement delivery) as subsequent performance, whereby the choice between these two options is ours. If defective delivery items are replaced by us, we shall acquire ownership of the replaced parts. If we are not prepared or not in a position to rectify the defect/replace the delivery, in particular if this is delayed beyond the reasonable periods for reasons for which we are responsible, or if the rectification/replacement fails in any other way, the Customer shall be entitled, if further attempts at rectification/replacement are unreasonable for him, at his discretion to withdraw from the contract or to reduce the purchase price or to claim damages instead of performance. At our request, the Customer shall be obliged to declare to us within a reasonable period of time whether he intends to claim a reduction of the purchase price or to withdraw from the contract

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due to the failed subsequent performance. Subsequent performance shall be deemed to have failed after the second unsuccessful attempt.

4. Claims for defects shall not exist for wear and tear or damage occurring after the passing of risk as a result of incorrect or negligent handling, excessive stress, unsuitable operating materials or as a result of special external influences which are not assumed under the contract. If the Customer or third parties carry out improper modifications or repair work, there shall also be no claims for defects for these and the resulting consequences.

5. If reference samples are produced and sent to the Customer for testing, we shall only be liable for ensuring that the delivery is carried out in accordance with the reference sample, taking into account any corrections. Decisive for the design, dimensions, weight and suitability is solely the type sample sent to the Customer for inspection and testing or our execution drawing.

6. Claims of the Customer for expenses incurred for the purpose of supplementary performance, in particular transport, travel, labor and material costs, shall be excluded to the extent that the expenses were incurred because the delivered goods were subsequently brought to a location other than the place of delivery, unless such transfer is in accordance with the intended use of the goods.

7. If the Customer receives defective assembly instructions, Garlock is obligated to deliver assembly instructions that are free of defects if the defect in the assembly instructions prevents proper assembly.

### B. Legal defects

1. If the use of the delivery item leads to the infringement of industrial property rights or copyrights in our country, Garlock will, at its own expense, generally procure the right for the Customer to continue using the delivery item or modify the delivery item in a manner that is reasonable for the Customer so that the infringement of property rights no longer exists.

If this is not possible under economically reasonable conditions or within a reasonable period of time, the Customer is entitled to withdraw from the contract. Under the aforementioned conditions, Garlock is also entitled to withdraw from the contract.

In addition, we shall be liable for infringements of industrial property rights and copyrights in accordance with the following provisions in Section 10, insofar as such industrial property rights are infringed upon during contractual use as well as without unauthorized modification of our delivery item, which are valid in our country and published at the time of our delivery.

2. Preceding clause 1. shall not apply insofar as we have manufactured the delivery item according to drawings, models or other descriptions or information provided by the Customer and did not know or did not have to know in connection with the delivery item developed by us that industrial property rights or copyrights of third parties would be infringed thereby. In this case, our Customer shall be liable for any infringements of industrial property rights or copyrights that have already occurred or will occur. He shall be obliged to inform us without delay of any possible or alleged infringements of industrial property rights or copyrights of which he becomes aware and to indemnify us against claims by third parties and all costs and expenses incurred, including costs of prosecution or defense against claims. If third parties prohibit us from manufacturing and delivering such items in particular by invoking property rights, we shall be entitled - without being obliged to examine the legal situation - to cease any further activity in this respect and to claim damages.

### X. Liability, exclusion of liability and limitation

1. Our liability for damages is generally limited to intent and gross negligence; this also applies to the actions of our vicarious agents and legal representatives.

2. The limitation of liability to intent and gross negligence shall not apply in the event of damage arising from the breach of so-called material contractual obligations (obligations the fulfillment of which is a prerequisite for the proper performance of the contract and the observance of which the contractual partner may regularly rely on, such as the delivery of defect-free products) and for injury to life, limb and/or health. In the event of a breach of material contractual obligations, our liability shall be limited to the foreseeable damage typical for the type of goods (average damage typical for the industry). The above provision shall also apply to breaches of duty by our vicarious agents and legal representatives.

3. In the case of claims due to defects of the delivery item including all claims for damages in connection with a defect - irrespective of the legal grounds - the limitation period shall be one (1) year from the date of delivery of the delivery item. This shall not apply to delivery items which have been used for a building in accordance with their customary use and have caused its defectiveness; in this case, the limitation period shall not commence until five (5) years after their delivery.

4. The claims for reduction and the exercise of a right of withdrawal shall be excluded insofar as the claim to the performance or the subsequent performance is time-barred.

5. Liability in accordance with mandatorily applicable product liability provisions shall remain unaffected by the above provisions; the same shall apply to mandatory statutory recourse claims within the scope of the statutory warranty in the supply chain.

6. The Customer's rights of recourse against us shall always exist only in accordance with the statutory provisions, i.e., they shall not exist insofar as the Customer has entered into agreements with its Customer that go beyond the statutory mandatory claims for defects and liability standards. Unless otherwise agreed in writing, Sections IX. and X. shall apply mutatis mutandis to the scope and limitation of a potential recourse claim of the Customer against us.

7. In all other respects our liability is excluded.

8. When determining the amounts of claims against each other for damages, any causation and/or (contributory) fault contributions of the other party as well as a particularly unfavorable installation situation of our delivery item shall be adequately taken into account.

### XI. Confidentiality

1. The Customer is obliged to treat as confidential all information that is not in the public domain, in particular specifications, drawings, templates, models, tools, documents, software, as well as other data carriers that it receives via us or from our affiliated companies, not to use it for any purpose other than that associated with the disclosure and not to pass it on to third parties or reproduce it.

2. Confidential Information pursuant to the foregoing clause 1. shall also include such information as Customer obtains as a result of observing, examining, deconstructing or testing a sample, model or prototype provided by us or our affiliates in connection with the contract purpose. If these are not yet available on the open market, the Customer will not examine them by reverse engineering or similar activities.

3. The Customer is obligated to impose this obligation on third parties involved by him, regardless of the legal relationship he has with them, as being their own in writing and to prove this to us upon request.

4. The obligation to maintain confidentiality shall apply beyond the termination of the business relationship. However, the obligation to maintain confidentiality shall not apply to the extent that Customer can prove that such confidential information (i) was already known or evident to Customer at the time it was obtained or later became evident through no fault of Customer or (ii) was demonstrably developed completely independently by Customer or (iii) was obtained by a third party without any breach of confidentiality obligations.

### XII. Obligations from export control requirements

1. The Customer is obligated to comply with the respectively valid foreign trade regulations including the applicable German, European and US export control regulations. The Customer must independently inquire about the relevant regulations and is responsible for compliance. In the event of a resale/transfer of the delivery items, the Customer must inform its buyer of the export control regulations and pass on the resulting obligations. The Customer shall provide information and documents required for the export, transfer or import; this shall also apply in the event of a possible transfer of the delivery item in connection with an export, transfer or import. We may demand so-called end-use documents from the Customer in order to be able to prove the end-use and the intended purpose.

2. The Customer shall be fully liable to us for any damages incurred by us as a result of the Customer's culpable failure to comply with its obligations under preceding clause 1. and shall indemnify us against all claims and costs incurred by us as a result of a corresponding violation of the law by the Customer, its affiliates or employees, representatives or vicarious agents - including reasonable attorneys' and consultants' fees or administrative charges or fines.

### XIII. Compliance

1. The Customer is obligated not to commit any actions or refrain from any actions that may lead to criminal liability due to fraud or breach of trust, insolvency offenses, offenses against competition, granting of advantages, acceptance of advantages, bribery, corruptibility or comparable offenses. In the event of a violation of the above, we shall be entitled to terminate all existing legal transactions with the Customer without notice and to break off all negotiations. Notwithstanding the foregoing, the Customer shall be obliged to comply with all laws and regulations that are mandatorily binding on him and the business relationship with us.

2. The Customer shall maintain neither direct nor indirect connections to terrorists, terrorist associations or other criminal or anti-constitutional organizations. In particular, the Customer shall ensure the implementation of applicable embargoes, the European anti-terrorism and anti-crime regulations applicable in the context of the business relationship as well as the corresponding U.S. or other applicable regulations within the scope of its business operations, in particular by means of appropriate software systems, by taking appropriate organizational measures. Once goods have left our shipping plant, the Customer has the sole responsibility for compliance with the above-mentioned regulations.

3. We are entitled to process all data provided to us by the Customer in accordance with the respectively applicable data protection provisions, including personal data.

4. We will respond within the scope of supplier audits customary in the industry as well as to questions from our Customers regarding business partner compliance to a reasonable extent and taking into account our confidentiality interests for the protection of trade and business secrets.

### XIV. Applicable law, place of jurisdiction/place of performance, assignment, languages

1. The Customer shall only be entitled to assign its claims under the contract with our prior written consent.

2. The place of performance for the services or deliveries of Garlock is the respective supplying plant, for the payments of the Customer it is the registered place of business of Garlock.

The exclusive place of jurisdiction for all disputes arising from or in connection with our business relationship is the registered place of business of our location from which the delivery or service is performed. This place of jurisdiction also applies to disputes regarding the origin and effectiveness of these GTC or a contractual relationship. However, we are also entitled to assert our claims at the general place of jurisdiction of the Customer.

3. If the Customer has its registered office outside the Federal Republic of Germany, we shall also be entitled to have all disputes arising from or in connection with the business relationship with the Customer, including disputes concerning the validity of contracts, finally decided under the Rules of Arbitration of the German Institution of Arbitration e.V. (DIS), excluding the ordinary course of law. At the Customer's request, we shall exercise this right of choice prior to the commencement of the proceedings. The arbitration court shall have its seat in Düsseldorf, Germany. The arbitration proceedings shall be held in German unless the Customer requests English as the language of the proceedings.

4. Unless mandatory applicable local laws conflict therewith, the laws of the Federal Republic of Germany shall apply exclusively, to the exclusion of its private international law and the UN Convention on Contracts for the International Sale of Goods (CISG), as well as other bilateral and multilateral agreements serving the unification of international sales.

5. These GTC are available in a German language version as well as in another national language. In the event of any discrepancies between the German version and the respective other national language version, the German-language version alone shall prevail.