

## **General Terms and Conditions for the Electrification of Vehicles**

*Convenience Translation – German version is legally binding*

*– pepper motion GmbH-GTC –*

### **I. Scope**

1. These General Terms and Conditions (“GTC”) apply to contracts between pepper motion GmbH (“we”) and our customers (“customers”) concerning the electrification of customer vehicles by us (“service”).
2. Our GTC apply only if the customer is an entrepreneur pursuant to section 14 of the German Civil Code (*Bürgerliches Gesetzbuch*, BGB), a legal entity under public law or a special fund under public law. In the case of contracts concluded under a public procurement procedure, these GTC will not apply insofar as their application leads to the exclusion of the bidder.
3. Our GTC apply exclusively. Deviating, conflicting or additional terms and conditions of the customer will only become part of a contract if and to the extent that we have expressly agreed to their validity. This consent requirement will apply in any event, even if, for example, we perform a service for a customer without reservation in the knowledge of a customer’s GTC.
4. Individually negotiated agreements take precedence over these terms and conditions if and to the extent that they contradict or supplement these terms and conditions. Subject to proof to the contrary, the content of such agreements will be governed by a written contract or our written confirmation.
5. References to the applicability of the provisions of statute will only be of significance with regard to clarification. Even without such clarification, the provisions of statute will therefore apply unless they are directly amended or expressly excluded by these GTC.

### **II. Conclusion of contract / subject matter of contract**

1. Our offers are subject to change.

2. A customer order will be deemed a binding offer of contract. Unless otherwise stated in an order, we are entitled to accept a contractual offer within 2 (two) weeks of its receipt by us. Our acceptance of an offer may be stated either in writing or in text form (e.g. by order confirmation) or by performance of the service, or – in the case of invoicing in advance – by receipt of the invoice.
3. Our acceptance is subject to the inspection of the condition of the customer's vehicle intended for the service and an installability test, which will be carried out in consultation with the customer.
4. The client order and – in any case – the client's acceptance of the service will be deemed to be constitute client agreement with our GTC.
5. Our services will be provided in accordance with the contractual agreements. Customer documents which are not referred to in clause XVIII.3. will only become part of the contract if they are expressly referred to in the customer's offer (order) and the customer has handed over these documents to us upon conclusion of the contract. Subsequent amendments or additions to the order will only become part of the contract if the customer expressly refers to his request for an amendment or addition and we expressly agree to this in writing. The customer will bear the additional costs arising from a change or addition request (price changes).
6. The scope of performance of software used but not developed by us and other components used but not manufactured by us is limited at most to the product description and documentation provided by the manufacturer. The respective manufacturer is responsible for any warranty and guarantee.

### **III. Performance / Delay**

1. Unless otherwise agreed, we will collect the vehicle to be converted from the customer on the handover date specified in the order confirmation. After the vehicle has been converted, we will inform the customer of this and will jointly agree on an acceptance date. The place of acceptance will be specified in the respective contract and will generally be at the location of our registered office, unless otherwise agreed.
2. Binding delivery dates will be expressly marked as such on the order confirmation. If an order confirmation does not contain any indication of a binding delivery date, the delivery date stated therein will only be deemed to be an indication of the delivery of the service.

3. We are entitled to use subcontractors to fulfil our contractually agreed services. In the case of public procurement procedures, the subcontractors will be named in an appropriate form.
4. Compliance with the delivery date requires the timely and proper fulfilment of the customer's obligations (especially pursuant to clause IV.). If our performance of the service is delayed due to causes for which the customer is responsible, we may charge the customer for the additional expenditure. If the customer does not perform his obligations or does not perform them on time and/or does not pay an agreed advance payment within the agreed period or does not pay it in full, any deadlines applicable to us will be extended by the duration of the delay on the part of the customer. In all other respects, we will only be in default, insofar as we are responsible for a delay at all, if the customer has set us a reasonable deadline for performance in writing after our performance of the service was due.
5. If the failure to meet a delivery date is due to force majeure and other disruptions for which we are not responsible, e.g. war, pandemic, terrorist attacks, import and export restrictions, including those affecting subcontractors of ours, the agreed delivery dates will be extended by the duration of the hindrance. This also applies to industrial action affecting us and our subcontractors. If the impediment to performance of a service lasts longer than four months, each of the contracting parties will be entitled to terminate the contractual relationship extraordinarily.
6. We are entitled to render reasonable partial performance or performance before the expiry of the performance period or before the binding delivery date.
7. Unless otherwise agreed, delivery will be EXW (Incoterms 2020 of the ICC) (Denken-dorf). At the customer's request and expense, the goods will be shipped to another destination, in which case we will be entitled to determine the type of shipment ourselves. At the customer's request - and at the customer's expense - the goods will be insured against the risks to be specified by the customer in a transport insurance policy.
8. The risk associated with sending the goods to another destination in accordance with the above clause III.7. will be borne by the customer.

#### **IV. Cooperation and information obligations of the customer**

1. The customer is obliged to provide us with reasonable support in the provision of our services. The customer undertakes in particular:

- a. to provide the materials, parts to be processed, know-how and other necessary information (“components and information”) to be provided by him as well as the vehicle to be converted on the agreed date in full, on time and in the agreed condition or, insofar as no condition has been agreed, in a defect-free condition (in particular no error display in the error memory);
  - b. to provide the technical documents required for our rendering of the service – subject to any subsequent amendment agreements – upon conclusion of the contract;
  - c. to independently check its documents including technical specifications and other requirements for our services for completeness and correctness as well as the suitability of the components and information provided or the vehicle intended for the service for the specified service. We are not obliged to carry out a separate inspection in this respect; if it is not possible for the customer to carry out the inspection on his own responsibility without cooperation with us, the customer will carry out the inspection in consultation with us; the provision of clause II.2. will not be affected by this.
  - d. for the trouble-free, uninterrupted, free and timely provision of software, hardware, databases, expert personnel or other operating resources, including any remote access and access to the customer’s facilities, insofar as we require this for the performance of the contractual service. The same applies to all other necessary information;
  - e. to ensure the security of the data and the data transmission in accordance with the state of the art, insofar as we require and/or have obtained access to the customer’s facilities for the provision of the service;
  - f. to direct any enquiries and communications exclusively to the order-specific interface (bridgehead) defined in the non-binding offer;
  - g. to instruct all vicarious agents and assistants used by him to cooperate in the tasks to be performed by us accordingly and to the extent permitted by labour law, as well as to control and supervise them, irrespective of whether they are employees bound by instructions, external personnel or other contractors of the customer.
2. If the customer does not fulfil the aforementioned obligations to cooperate, does not do so properly or does not do so in good time and if we are therefore unable to perform our service, to perform it in good time or to perform it in full, we will be re-

leased from our obligation to perform for as long as the impediment to performance exists. This will also apply if we are prevented from performing the service for purely legal reasons that fall within the customer's sphere of responsibility.

3. If we incur costs as a result of the customer's non-compliance or untimely performance of the duties to cooperate, especially any additional processing costs, costs for waiting times, travel costs or costs for futile expenses, these will be reimbursed to us by the customer. In all other respects, our statutory rights will remain unaffected.

## **V. Acceptance / Transfer of risk**

1. In the case of all services subject to acceptance, we may demand a written declaration of acceptance from the customer in accordance with this clause V. In the event of non-acceptance, we may exercise our statutory rights, whereby the following provisions will apply in addition.
2. Insofar as an acceptance has to take place due to the nature of the performance, the customer will inspect the performance immediately after completion of our work and either declare acceptance in writing or notify us of the defects found with a precise description and indication of the error symptoms. In any case and irrespective of the above sentences, the customer is obliged to accept the object of purchase within seven days of receipt of the notification of provision.
3. If the customer does not accept our services which have been completed essentially free of defects despite a corresponding request, acceptance will be implied by the (re-)commissioning of the product as intended or by any other conduct of the customer from which the acceptance of the service as essentially in accordance with the contract can be inferred. If the acceptance was neither expressly nor impliedly declared and if the customer also does not notify any defects detected in accordance with clause V.2., acceptance will be deemed to have taken place at the latest 14 days after the declaration of our request for acceptance.
4. If the customer is in default of acceptance, we are entitled to demand compensation for the resulting damage including additional expenses (e.g. storage costs).
5. We may demand partial acceptance for each self-contained part of our performance of the order ("partial performance"). The customer is obliged to accept a partial performance.
6. We will remove the damage caused in accordance with clause V.2. within a period appropriate to the severity of the defect and the impairment of the customer's busi-

ness operations. After notification of the rectification of defects, the customer will inspect the performance without delay. In all other respects clause V.2. and clause V.3. will apply accordingly. In the event that our inspection shows that the refusal of acceptance by the customer was unjustified, we will be entitled to reimbursement of the costs of the inspection.

7. In all other respects, the provisions of statute of the law on contracts for work and services will apply to the acceptance. If we claim damages, these will amount to 10% of the contractually agreed counter-performance of the customer. The compensation will be set higher or lower if we prove a higher damage or if the customer, for his part, proves that a lower degree of damage or no damage at all has been incurred.
8. The price and performance risk will pass to the customer either upon acceptance or upon handover of the converted vehicle to the freight forwarder or a vicarious agent of the customer, whichever is the earlier. However, the provisions of the ICC Incoterms 2020 will take precedence.

## **VI. Prices / Terms of payment**

1. Unless otherwise agreed, the agreed prices do not include value added tax. Statutory turnover tax or comparable taxes will be charged in addition to the prices shown as net prices unless the customer owes the turnover tax (or comparable taxes) by law and unless the reverse charge procedure or a comparable procedure is applied. The customer will assist us to the best of its ability in obtaining a tax exemption or in obtaining the application of a zero tax rate for the supplies concerned. After we have requested the customer in writing to do so, the customer will provide us with all documents requested in this connection within 14 days of our request. In the event that the customer fails to comply with the obligations under this paragraph and to the extent that we are thereby obliged to pay VAT (or comparable taxes), the customer will reimburse us for such VAT (or comparable taxes). In the event that the remuneration is subject to a statutory withholding tax, the customer may only withhold the withholding tax in the amount permitted under national law in its country of residence and pay it to the competent tax office on our behalf. In the case of a double taxation treaty, the client may only withhold the maximum amount of withholding tax specified by the double taxation treaty from the payments to us, if and to the extent that the conditions for a withholding tax reduction (possibly to zero) are met. We are responsible for meeting the formal requirements for a withholding tax reduction. We are obliged to obtain and prepare all necessary residence certificates and applications. The client is obliged to support us to the best of his ability in obtaining the withholding tax reduction. He is obliged to provide us with official

proof of the tax paid on our invoice without delay and without being requested to do so.

2. Unless otherwise agreed, the customer will bear the packaging and transport costs ex warehouse as well as the costs of any transport insurance requested by the customer. Any customs duties, fees, taxes and other public charges will also be borne by the customer. Costs for materials and consumption or expenditure of other resources and aids (e.g. for order-related travel, acquisition of additional licences, additional catering expenses, space costs in the case of project outsourcing, special measurement technology, etc.) may be invoiced against proof even if this has not been expressly agreed.
3. Agreed prices are calculated according to the material and material prices, standard wages as well as statutory and standard social benefits applicable on the day of conclusion of the contract. If these pricing factors increase by the time the contract is fulfilled, we will be entitled to make a reasonable price adjustment. In any case, we will be entitled to increase prices if the customer requests our performance only more than four months after conclusion of the contract or is unable to accept it for reasons for which he is responsible.
4. Unless otherwise agreed, a down payment of 30% of the total gross invoice amount will be paid when the order is placed. The down payment will be due for payment without deduction within 15 calendar days from the date of the invoice. We may make the commencement of work dependent on receipt of the down payment. After partial acceptance of partial services in accordance with clause V.5. we may demand a down payment. Unless otherwise agreed, the remaining sum will be due for payment immediately and without deduction after completion of the work and after corresponding invoicing by us.
5. A payment will be deemed to have been made when we can dispose of the amount at the place of our registered office. Cash payments which do not reach an amount of EUR 10,000.00 will be accepted by us. In the event that we accept non-cash means of payment, only the unconditional crediting of the account or the possibility of disposing of the amount owed will be deemed to be fulfilment. Payments must be made from a bank account belonging to the customer. Payments by a third party require our prior written consent.
6. The customer will only be entitled to set-off if his counterclaim is undisputed or has been legally established. This does not apply to counterclaims of the customer arising from the same contractual relationship.

7. The provisions of statute of sections 273 and 320 of the BGB will apply to the exercise of the customer's rights of retention and rights to refuse performance, provided that the customer's counterclaim on which the right of retention or right to refuse performance is based is undisputed, legally binding or ready for decision and the right of retention or right to refuse performance is based on claims arising from the contract.
8. If the customer is in default with a payment from a contract existing with us for more than 15 calendar days, if he has suspended his payment or if it becomes apparent after conclusion of the contract that our claim is at risk due to the customer's lack of ability to pay, our claims from all contracts will become due for payment immediately. Deferment and other deferment of payment – including such by acceptance of bills of acceptance – will then end with immediate effect. If our performance of the contract is still outstanding, we may demand advance payment or the provision of security. In all other respects, our statutory rights will remain unaffected.
9. Our obligation to perform is suspended as long as the customer is in arrears with the fulfilment of an obligation. This clause will not apply if the customer is only insignificantly in arrears with the fulfilment of an obligation, unless otherwise provided for in these GTC.

## **VII. Property and industrial property rights**

1. When executing an order, we use our own auxiliary resources of a tangible nature (e.g. documentation, protocols, plans, etc.) and of a non-tangible nature (source code of auxiliary programs, interim results, data from the telematics system, etc.). Irrespective of whether these are specified or specifiable in advance and irrespective of whether they are handed over to the customer during the execution of the order or as a result of the order (hereinafter collectively referred to as “auxiliary resources”), the following set out in clause VII. will apply with regard to the transfer of ownership, copyrights and rights of use as:
  2. A transfer of rights, in particular rights of use and exploitation, to the auxiliary rights described in clause VII.1. will only take place on the basis of an express written agreement with the customer. A transfer of rights by operation of law is unaffected by this.
  3. Provided that, in accordance with clause VII.2., we reserve title until full payment of all claims, including future claims, arising from the entire business relationship, including all ancillary claims, and until all bills of exchange and cheques have been

honoured. In the case of a current account, the reservation of title will serve as security for the balance of the account.

4. In the event of a transfer pursuant to clause VII.2. we will nevertheless be entitled to unrestricted reproduction as well as unrestricted use for internal and external purposes of any kind (in particular commercial and advertising), to the extent necessary the customer will grant us a simple, irrevocable, temporally and geographically unrestricted right of use and exploitation in this respect. The use will in particular also include the granting of third party rights.
5. In principle, we are also the exclusive owner of all property rights, rights of use as well as all other rights to all results (including all inventions, know-how, reports of tests, studies, developments, proposals, ideas, designs, suggestions, samples, models, templates, etc.) which we achieve in connection with and within a contractual relationship existing with us (also with regard to repair scopes for customer vehicles), unless otherwise expressly agreed in writing or prescribed by law. The rights to the source code and the documentation are not transferable under any circumstances.
6. Only in the case of individual software does the following apply:
  - a. We have the copyright rights of use to individual software created for the customer. The customer will receive the exclusive and irrevocable right of use to this contractually agreed project-specific individual software, provided this has been agreed in writing. If nothing has been agreed separately, a simple right of use will be transferred to the customer. Provided we expressly agree in writing, the customer is entitled to dispose of this individual software in a legally free manner, e.g. to transfer it or to grant licences for its use. However, duplication is not permitted. Insofar as our cooperation is required for the transfer of the rights of use by the customer to third parties, we will provide this to a reasonable extent.
  - b. If we use software components (frameworks, APIs, etc.) or know-how already created by us within the scope of the individual software created, the customer will receive – insofar as necessary – a simple, non-exclusive right of use thereto, unlimited in time and space.
  - c. If third party software, external libraries, open source components or similar must be used within the scope of the individual software to be created, the customer undertakes to observe and comply with the relevant terms of use/licence conditions for use and to pay any necessary use and/or licence fees. We are only required to deliver software without open source components if this has been

expressly agreed.

- d. In the case of customised software, the customer will be entitled to claim any inventions, patents or comparable rights that have arisen as a result of our performance on the basis of the customised software created in accordance with the order. Insofar as the results/actions leading to inventions, patents or comparable rights are attributable to activities of subcontractors or other contractual partners of ours, the customer must contact them directly. If necessary, we can assist in contacting them, but only if and to the extent permitted by data protection law and within the framework of any non-disclosure agreements.
  - e. The customer is prohibited from reverse engineering outside the mandatory legal framework.
7. We reserve all property rights and copyrights to documents which the customer has received from us. The customer requires our express written consent before passing them on to third parties.

#### **VIII. Basis of liability for defects**

1. The basis of our liability for defects is primarily the agreement reached on the quality of the goods. The content of the customer's order will only be deemed to be an agreement on the quality of the goods insofar as it corresponds to the content of the order confirmation. Our performance will be deemed to be free of defects if it remains below the level of the agreed quality but corresponds to the current and maximum possible state of the art at the time of performance.
2. Insofar as the quality has not been agreed, it is to be assessed according to the statutory regulation whether a defect exists or not. We accept no liability for public statements made by another manufacturer or other third parties (e.g. advertising statements) to which the customer has not drawn our attention as being decisive for his purchase.
3. We do not provide a general guarantee for the condition or usability of the product, nor that the product will retain its condition for a certain period of time.
4. As a matter of principle, only hidden defects that could not already be discovered at the time of delivery/acceptance are subject to warranty. These must be reported immediately after discovery.

5. If the registration of the vehicle for road traffic is refused by the competent registration authority due to a defect that is not directly related to the electrification of the vehicle, we will notify the customer of the decision and, if available, the complaint to the registration authority. The customer may have the defect remedied at his own expense. If the customer does not have the defect remedied and the vehicle is subsequently not registered for road use, we will nevertheless retain our claim to the agreed remuneration. The same applies to the exhaust gas and main inspection by the TÜV and to the refusal of registration by the registration authority for any other reason.

## **IX. Liability / Warranty**

1. Unless otherwise agreed in individual cases and unless otherwise provided for in these GTC including the following provisions, we will be liable for a breach of contractual and non-contractual obligations in accordance with the provisions of statute.
2. We will be liable for damages in principle – irrespective of the legal grounds and insofar as no further-reaching liability is specifically stipulated below – within the framework of fault-based liability in the event of intent and gross negligence. In the event of simple negligence, we will only be liable, subject to statutory limitations of liability (e.g. care in own affairs; insignificant breach of duty), for
  - a. for damages resulting from injury to life, body or health,
  - b. for damages arising from the breach of an essential contractual obligation (obligation, the fulfilment of which makes the proper execution of the contract possible in the first place and on the observance of which the contractual partner regularly relies and may rely); in this case, however, our liability is limited to compensation for the foreseeable, typically occurring damage.
3. A possible claim by the customer for compensation for damage caused by delay will be limited – subject to the foregoing clause IX.2. – in the event of slight negligence to a maximum of 5% of the contractually agreed counter-performance of the customer. If the customer wishes to withdraw from the contract and/or claim damages instead of performance, he must first have unsuccessfully set us a reasonable deadline for performance of the contract.
4. In the event of a claim for damages in lieu of performance by the customer, the claim will be limited in the case of slight negligence – subject to the foregoing clause IX.2. – the claim will be limited to a maximum of 25% of the contractually

agreed counter-performance. If the customer is a legal entity under public law, a special fund under public law or an entrepreneur who is acting in the exercise of his commercial or independent professional activity at the time of conclusion of the contract, claims for damages in the event of slight negligence are excluded.

5. If performance becomes impossible for us by chance while we are in default, we will be liable within the scope of the above limitations of liability. We will be liable – subject to the foregoing clause IX.2. – if the damage would also have occurred in the event of timely performance.
6. The limitations of liability arising from this clause IX. will also apply to third parties and to breaches of duty by persons (also in their favour) for whose fault we are responsible in accordance with provisions of statute. They will not apply if a defect was fraudulently concealed or a guarantee for the quality of the goods was assumed and for claims under the German Product Liability Act (*Produkthaftungsgesetz*). Limitations of liability which are regulated in this clause IX. will in any case not apply to damage caused by a grossly negligent or intentional breach of duty or in the event of injury to life, limb or health.
7. Our liability for material defects is one year after service acceptance. Claims for material defects which have arisen during our liability period specified in the above sentence will become time-barred two years after acceptance of the performance. Claims for defects within the scope of performance of works within the meaning of section 634a clause 1 no. 2 of the BGB as well as claims for damages of the customer pursuant to clause IX.2. sentence 1 and clause IX.2.a. as well as under the Product Liability Act will become time-barred exclusively in accordance with the statutory limitation periods. Other claims for damages on the part of the customer which are not covered by this clause IX.7. will become time-barred within the regular limitation period (liability for delay in delivery is governed by clauses III. and IX.). If the customer is a legal entity under public law, a special fund under public law or an entrepreneur who is acting in the exercise of his commercial or independent professional activity at the time of conclusion of the contract, any claims for material defects will be excluded. Further claims will remain unaffected insofar as our liability is mandatory by law or insofar as otherwise agreed. The following sentences will also apply accordingly to other claims for damages: Insofar as we are liable on the basis of provisions of statute for damage caused by slight negligence, our liability will be limited as follows:
  - a. We will only be liable in the event of a breach of material contractual obligations;

- b. Our liability is limited to the typical damage foreseeable at the time a contract is concluded;
- c. If the damage is covered by an insurance policy taken out by the customer for the relevant claim (with the exception of sum insurance policies), we will only be liable in this respect for any disadvantages the customer may suffer as a result;
- d. the personal liability of our legal representatives, our employees and our vicarious agents for damage caused by them through slight negligence is excluded. This will not affect our liability – irrespective of any fault on our part – in the event of fraudulent concealment of a defect, from the assumption of a procurement risk or a guarantee and in accordance with the Product Liability Act.

The following rules will apply in the event of rectification of a defect:

- a. The customer must assert claims for a material defect with us or with other companies recognised by us for servicing the object of purchase (receipt of verbal notifications will be confirmed by us in writing);
  - b. If parts are installed in order to remedy the defect, the customer will be entitled to claim for these material defects until the expiry of the period of time specified in the first sentence of this clause IX.7. – the replaced parts will become our property.
8. No material defects exist, for example, in the case of damage due to:
- a. the effect of mechanical force from the outside;
  - b. failure to observe the operating instructions;
  - c. the omission of prescribed maintenance work or the improper performance of maintenance work;
  - d. of improperly modified parts;
  - e. the installation of foreign parts;
  - f. of normal wear and tear;
  - g. faulty driving behaviour;

- h. the consequences of accidents;
  - i. clogged or dirty filter;
  - j. in the event of a component-related reduction in battery capacity over time in the case of high-voltage batteries, provided that this value does not fall below 70% of the installed capacity before the expiry of the material defect liability period, or
  - k. if a defect in a high-voltage battery has arisen because it has not been properly charged.
9. The customer will make backups of data of any kind to which he has access regularly and frequently in accordance with their importance. Liability for loss of data caused by our slight negligence will be limited to the typical recovery effort required if such data backups were available. In all other respects, the limitation of liability from the preceding paragraphs of this clause IX. will apply.
10. Subject to the above provisions of this clause IX. claims arising from the infringement of industrial property rights will only exist against us if at least one industrial property right from the family of industrial property rights has been published either by the European Patent Office or in the Federal Republic of Germany, France, Great Britain, Austria or in the USA. In addition, the property right must not be or have not been owned by the customer or a company affiliated with the customer (pursuant to section 15 of the German Stock Corporation Act (*Aktiengesetz, AktG*)) and the customer must not be responsible for the infringement of property rights. Furthermore, claims are excluded if the service is carried out in accordance with the specification or the instructions of the customer or the (alleged) infringement of the property right is a consequence of the use in conjunction with another product or service not originating from us or the service delivered is used in a manner which was not foreseeable for us. The customer must inform us immediately of the assertion of claims by third parties. He must send us a copy of any related correspondence with the claimant and (if applicable) courts immediately after receipt and provide us with information for the defence against the respective claim. He must send us a copy of any related correspondence with the claimant and (if applicable) courts immediately after receipt and provide us with information for the defence against the respective claim. At our request, the customer must leave it to us to control the conduct of the lawsuit by the customer and grant us the final right of decision on the conclusion of court and out-of-court settlements. In addition, the customer must support us to a reasonable extent in the defence against claims of third parties. If

the customer fails to perform such acts of cooperation, any claim arising from this clause IX.9. will lapse. The provisions in this clause IX.9. are conclusive insofar as further or other claims of the customer than those regulated in this clause IX.9. are excluded due to an infringement of property rights against us.

## **X. Cancellation**

1. Notwithstanding other contractual and provisions of statute, both parties to the contract may terminate the contract for good cause. Good cause will be deemed to exist for us in particular if the performance of the contract poses a risk to the life and/or limb of our employees, if the customer breaches its obligations to cooperate as set out in clause IV., does not fulfil his obligations to cooperate after expiry of a reasonable deadline, the customer violates the confidentiality obligations regulated in clause XI.
2. Statutory rights and claims to terminate the contractual relationship are not restricted by this provision.

## **XI. Confidentiality obligations and data protection**

1. The customer is obliged to keep secret all information which becomes accessible to him within the scope of this business relationship and which is designated as confidential or which is recognisable as business or trade secrets according to the other circumstances and to neither record nor pass on or exploit it. This obligation will continue for a period of 5 (five) years after termination of the contract.
2. Such confidential information will be exempt from this obligation,
  - a. which were demonstrably already known to the recipient at the time the contract was concluded or subsequently become known from a third party, without this violating a confidentiality agreement, statutory regulations or official orders;
  - b. which are public knowledge at the time of the conclusion of the contract or are made public thereafter, insofar as this is not based on a breach of this contract;
  - c. which must be disclosed due to legal obligations or by order of a court or authority. To the extent permissible and possible, the customer obliged to disclose will inform us in advance and give us the opportunity to take action against the disclosure.

3. The customer will ensure by means of suitable contractual agreements with the employees and agents working for him that they also refrain from any exploitation, disclosure or unauthorised recording of such business and trade secrets and also oblige them to maintain secrecy to the extent permissible under labour law for the time after they leave the customer's company.
4. A breach of the confidentiality obligations contained in this clause XI. entitles us to terminate the contract without notice. An appropriate contractual penalty will be due for each case of culpable infringement, the amount of which will be at our discretion and the appropriateness of which will be subject to judicial review at any time.
5. The processing of the business relationship is supported by a data processing system. The data of the customer required within the framework of the contract processing, in particular name, address, account details, are stored and processed for our own purposes. **The customer agrees to this by placing the order.**
6. **The customer undertakes to provide us with all declarations required under data protection law and to conclude any necessary agreements, such as an agreement on commissioned data processing (ADV).**

## **XII. Retention of title / entrepreneur's lien / repurchase option**

1. Insofar as components which are not provided by the customer are incorporated or installed in the performance of our services, we reserve title to these products until full payment of all claims, including future claims, arising from the entire business relationship, including all ancillary claims, and until bills of exchange and cheques have been honoured. In the case of a current account, the reserved property will be deemed security for the balance claim.
2. The products subject to retention of title may neither be pledged to third parties nor assigned as security before full payment of the secured claims. Access by third parties to our products subject to retention of title or to a claim assigned to us, in particular seizures, as well as the filing of an application for the opening of insolvency proceedings will be notified to us by the customer immediately by registered letter. Costs of necessary interventions will be borne by the customer, insofar as we do not succeed in collecting the costs from the customer's creditor.
3. In the event of conduct by the customer in breach of contract, in particular default of payment, we will be entitled to withdraw from the contract in accordance with the provisions of statute and/or to demand surrender of the products which are our

property. The assertion of the retention of title as well as the seizure by us will not be deemed to be a withdrawal from the contract; rather, we will be entitled only to demand the return of the product and reserve the right to withdraw from the contract. If the customer does not pay the due remuneration, we may only assert these rights if we have previously set the customer a reasonable deadline for payment without success or if setting such a deadline is dispensable according to the provisions of statute.

4. We are entitled, without prejudice to the customer's payment obligations, to realise the repossessed products (including any accessories) by private sale. In doing so, we also have the right, at our discretion, to have the ordinary value of the product determined by a publicly appointed and sworn expert. All costs of taking back and realising the product will be borne by the customer. Without proof, the costs of recovery will be set at 5% of the ordinary sales value. The customer and we are free to prove higher or lower costs. The objection that the product must serve the maintenance of the customer's trade is excluded.
5. The customer is entitled until revoked in accordance with clause XII.5.c. to resell and/or process the products subject to retention of title in the ordinary course of business. In this case, the following provisions will apply in addition:
  - a. The retention of title extends to the products created by processing, combining or mixing our products at their full value, whereby we are deemed to be the manufacturer. If our products are processed, combined or mixed with other products, we will acquire co-ownership of the resulting new items in the ratio of the invoice value of our products to the other products at the time of processing, combining or mixing. In all other respects, the same will apply to the resulting product as to the goods delivered under retention of title.
  - b. The customer hereby assigns to us by way of security the claims against third parties arising from the resale of the goods or the product in total or in the amount of our possible co-ownership share in accordance with the above paragraph. We accept the assignment. The claims specified in clause XII.2. will also apply in respect of the assigned claims.
  - c. The customer remains authorised to collect the respective claim in addition to us. We undertake not to collect the respective claim as long as the customer meets his payment obligations towards us, there is no deficiency in his ability to pay and we do not terminate the retention of title by exercising a right pursuant to clause XII.3. If this is the case, however, we may demand that the customer informs us of the assigned claims and their debtors, provides all information

necessary for collection, hands over the relevant documents and informs the debtors (third parties) of the assignment. Furthermore, in this case we are entitled to revoke the customer's authority to further sell and process the goods subject to retention of title.

6. If the customer hands over objects to us for processing, we will be entitled to a statutory entrepreneur's lien on these. The customer will also grant us a contractual lien to secure all claims arising from the business relationship.
7. If the realisable value of the securities exceeds our claims by more than 10%, we will release security of our choice at the customer's request.
8. All components permanently removed for the purpose of electrification, which were already the property of the customer before removal, will remain the property of the customer after removal. After corresponding agreement, these can also be handed over to us by the customer for appropriate disposal and/or further utilisation.
9. Insofar as the customer is a legal entity under public law, a special fund under public law or an entrepreneur who is acting in the exercise of his commercial or independent professional activity at the time of conclusion of the contract, the retention of title will also apply to our claims against the customer arising from the ongoing business relationship until the claims to which we are entitled in connection with the contract in question have been settled.
10. At our request, the customer will adequately insure the products against theft, fire, burglary, liability and damage for the duration of the retention of title. We must be entitled to the rights arising from the insurance contract until the customer has paid the contractually agreed consideration in full and in this amount. At our request, the customer must provide sufficient evidence of the insurance (in particular insurance policy and premium receipts). In addition, the customer must maintain the products in proper condition for the duration of the retention of title and carry out all necessary repairs immediately by professional performance.
11. We have the right to waive the retention of title rights regulated in this clause XII. by means of a written declaration to the customer. The customer declares its consent to the waiver by accepting our next performance commissioned by it and following the waiver. Alternatively, the customer may also submit a corresponding written declaration of acceptance to us.

### **XIII. Consent to data processing and disclosure**

1. The subject matter of the service includes electrification, using a digitally networked conversion kit that transmits data from the vehicle to a “backend” at our premises. The transmitted data may include personal data in connection with the vehicle identification number.
2. The data is used by us for the provision of services, which may also be provided by companies affiliated with us (pursuant to section 15 AktG). In addition, the data is also used for the following purposes (the generation of evaluation results only takes place in anonymised form):
  - a. Continuous development of the service offering;
  - b. Fault prevention and diagnosis;
  - c. Determination and plausibility check of key figures for wear and consumption reduction;
  - d. Fulfilment of warranty obligations and product liability regulations;
  - e. Improvements in the quality of product and services.
3. The customer agrees to the transmission of the vehicle data recorded in the course of operation and possibly personal data to us within the scope of the above-mentioned purposes. All evaluations which are carried out by us serve the above-mentioned purposes. Personal data of customers may be disclosed at the request of courts or investigating authorities. The customer may revoke the consent to the aforementioned transfer of data at any time in writing with effect for the future. In such a case, any services ordered by the customer that require data transmission can no longer be provided.
4. Due to local regulations of the respective country of operation or an implementing regulation of the EU Commission, a disclosure of the energy consumption in connection with the vehicle identification number to the respective national authority or to the EU Commission may be requested and may result. The customer or the vehicle owner may refuse such disclosure.
5. If the customer sells the vehicle to a third party, he must inform the third party of the provisions of this clause XIII.

#### **XIV. Export control**

1. An export or re-export of the subject matter of the contract may be subject, in whole or in part, to regulations on sanctions, export or re-export or restrictive measures with regard to certain countries, regions and persons. We will be released with immediate effect from any obligation to export (or re-export) the subject matter of the contract insofar as we do not obtain the necessary permits for this or do not obtain them in good time. In this case, we will be entitled to withdraw from a contract already concluded. In such case, the customer will have no claims for damages or reimbursement of expenses.
2. We may also refuse to fulfil the contract at any time for reasons of export control or sanctions law and withdraw from the contract. In such case, the customer will have no claims for damages or reimbursement of expenses.
3. The customer must at all times comply with all applicable export, re-export and import regulations and laws. Exceptions require our prior written confirmation after appropriate verification.

#### **XV. Notice pursuant to section 36 of the Consumer Dispute Settlement Act (*Verbraucherstreitbeilegungsgesetz, VSBG*)**

We will not participate in dispute resolution proceedings before a consumer arbitration board within the meaning of the VSBG. We are also not obliged to do so.

#### **XVI. Data protection**

We collect and process personal data from the customer in connection with the respective business transactions. Information on data protection in accordance with Article 13 of the EU General Data Protection Regulation (*obligation to provide information when collecting personal data from the data subject*) is available at the following link: <https://www.peppermotion.com/datenschutzerklaerung/>.

#### **XVII. Data transfer for the purpose of refinancing**

We hereby inform the customer that his data collected within the framework of the conclusion of the contract will be passed on to financial service providers within the framework of the fulfilment of the contract for the purpose of refinancing.

#### **XVIII. Place of Jurisdiction / Applicable Law / Final Provisions**

1. Verbal agreements, supplements and amendments to the contract – including this provision itself – require our written confirmation.

2. Rights and obligations of the customer under the contract may only be assigned or otherwise transferred with our prior written consent.
3. Upon conclusion of the contract, the following documents are part of the contract:
  - Non-binding offer (including overview of services) from us
  - Customer order
  - Order confirmation from us
  - Our general terms and conditions:  
<https://www.peppermotion.com/agb/>
  - Our Business Partner Code of Conduct:  
<https://www.peppermotion.com/agb/>

In the event of contradictions between the contract components, our order confirmation will have priority, followed by our General Terms and Conditions and (again) followed by our Business Partner Code of Conduct. The following parts of the contract will have equal priority.

4. The exclusive place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship is Ingolstadt. However, we are also entitled in all cases to bring an action at the place of performance of our service in accordance with these GTC or a prior individual agreement or at the general place of jurisdiction of the customer. Overriding provisions of statute, in particular on exclusive jurisdiction, will remain unaffected.
5. These GTC and the contractual relations between us and the customer will be governed by the law of the Federal Republic of Germany, excluding international uniform law, in particular the UN Convention on Contracts for the International Sale of Goods. In the event of different contractual documents, the German version will prevail.
6. Should one of these provisions be or become invalid, this will not affect the validity of the remaining provisions. In the event of the invalidity of one or more provisions, the parties are obliged to agree on a provision that is as economically and legally equivalent as possible to the respective invalid provision.

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