1. Scope of application of these Terms and Conditions

1.1. These General Terms and Conditions ("TCs") apply to all deliveries and other services (including consultancy services) provided by ELATEC GmbH (hereinafter "ELATEC"). Insofar as the following refers to deliveries, delivery deadlines, delivery times, etc., this shall apply accordingly to services, performance deadlines, performance times, etc.

1.2. These ELATEC TCs apply exclusively. Any deviating or conflicting terms and conditions, in particular the customer's terms and conditions of purchase, business and payment, shall not be applicable, even if ELATEC has not expressly objected to them. Conflicting or deviating terms and conditions of the customer shall not apply even if ELATEC carries out deliveries or other services without any reservation.

1.3. These TCs shall also apply to all future transactions with the customer. However, ELATEC reserves the right to amend these conditions at any time with effect for the future. The amendments shall not be deemed to be agreed until ELATEC notifies the customer of the amendments to the TCs in writing and the customer approves the amended General TCs. The amended TCs shall also be deemed to have been approved if the customer does not object to them within four (4) weeks after receipt of the amended TCs and to the extent ELATEC has separately informed the customer of the consequences of its conduct prior to the commencement of the period.

1.4. These TCs shall only apply to entrepreneurs within the meaning of Section 14 of the German Civil Code (BGB), insofar as they enter into the contract in the exercise of their commercial or self-employed professional activity, as well as to legal entities under public law and special funds under public law within the meaning of Section 310 (1) BGB.

1.5. Any rights to which ELATEC is entitled under statutory provisions or under other agreements beyond these TCs shall remain unaffected.

2. Conclusion of contract

2.1. Offers from ELATEC are always subject to change. A contract shall only be deemed to be concluded when ELATEC confirms the order in writing.

2.2. A customer's order shall expire if it is not confirmed in writing by ELATEC within fourteen days of receipt.

2.3. ELATEC shall execute all contractual agreements at least in writing. Oral agreements serve only to prepare a contractual agreement in writing and are not to be understood as a declaration of consent by ELATEC, as long as it is not thereby declared that ELATEC wishes to enter into a verbal agreement.

2.4. Information provided by ELATEC in public statements, brochures and advertising represent approximate values, unless usability for the contractually intended purpose requires exact conformity. The latter shall not constitute guaranteed characteristics, but descriptions or identifications of the delivery or service. Deviations under commercial customary rules and deviations that occur due to regulatory regulations or represent technical improvements, as well as the replacement of components with equivalent parts, shall be permissible to the extent they do not impair the usability for the contractually intended purpose.

3. Provision of documents, property rights, confidentiality

3.1. ELATEC reserves the property rights and copyrights to illustrations, calculations, drawings and other documents. This also applies to such documents that are designated as "confidential".

3.2. The customer is responsible for the accuracy of the documents to be provided by it, such as in particular drawings, samples and lock plan specifications. Should the customer fail to provide documents on time or in full, ELATEC reserves all rights provided for by law, including payment of the remuneration or reasonable compensation.

3.3. In the event the industrial property rights of third parties are infringed when the goods are manufactured according to drawings, samples or other information provided by the customer, the customer shall indemnify and hold harmless ELATEC against all claims.

3.4. Each contracting party shall treat as confidential all confidential information as well as business secrets of the other party, which become known to it in the course of the business relationship and shall use them only for the purposes of the respective contract. The recipient shall not disclose such trade secrets and confidential information to any third party and shall allow access to such trade secrets and confidential information to its employees only to the extent necessary for the purposes of the relevant contract. The receiving contracting party also undertakes not to reverse engineer information of the disclosing contracting party that is subject to confidentiality (no reverse engineering).

3.5. Trade secrets are information which, neither as a whole nor in the precise arrangement and composition of its components, is generally known or readily accessible to persons in the circles normally dealing with this type of information and is therefore of economic value and which is the subject of measures of secrecy appropriate in the circumstances by its rightful owner and for which there is a legitimate interest in maintaining confidentiality, in particular technical information (e.g. methods, processes, formulae, techniques and inventions) and commercial information (e.g. price and financial data and sources of supply), as well as all information which is designated as confidential or secret or which is recognisable as a trade secret according to other circumstances.

3.6. The obligation under Clause 3.4 shall not apply to such trade secrets which (a) are in the public domain at the time of disclosure, already known to the public or generally accessible, or become so at a later date without breach of a confidentiality obligation or of Section 4 (3) German Act on Trade Secrets (GeschGehG), (b) were already in the possession of the receiving party at the time of disclosure, or (c) were lawfully developed by the receiving party itself before or independently of the confidential information, or were obtained by an authorised third party, without breach of a confidentiality obligation. Furthermore, disclosure is also admitted to the extent that the receiving party is required to disclose the information by law or by the binding decision of a court or administrative authority. In such a case, the receiving party is obliged, to the extent admitted by law, to inform the disclosing party without delay of the duty to disclose and to give the other party the opportunity to take action against the duty to disclose.

3.7. The parties shall ensure, through appropriate contractual agreements with their employees, agents and other vicarious agents, that these are also subject to confidentiality obligations and that the protected information is used for the purpose of the business relationship only.

3.8. The confidentiality obligation pursuant to this Clause 3 shall continue to exist for a period of three (3) years after the end of the respective contract. Each party shall, upon request and at the option of the other party, surrender or delete or destroy files and documents containing confidential information of the other Party.

4. Delivery/Delivery Deadlines/Delivery Dates

4.1. The scope and execution of the delivery shall be governed by ELATEC's order confirmation. All agreements for the purpose of performing the contract concluded, as well as any amendments and additions, shall be confirmed in writing by ELATEC in order to become effective.

4.2. Partial deliveries are permissible if (a) the partial delivery is usable for the customer within the scope of the contractual purpose, (b) the delivery of the remaining ordered goods is ensured and (c) the customer does not incur any significant additional expense or costs as a result (or ELATEC agrees to bear these costs). Partial deliveries shall be invoiced separately and shall be due for payment irrespective of the outstanding delivery.

4.3. Delivery deadlines or delivery dates are non-binding and only become binding if they are expressly agreed as such and at least in writing. Unless otherwise agreed in the order confirmation, delivery shall be ex-works at ELATEC Puchheim facility (INCOTERMS 2020). Delivery deadlines and delivery dates refer to delivery to the place of delivery, i.e., in the case of delivery ex-works, to the time when the goods are made available for acceptance by the carrier, freight forwarder or other third party entrusted with the transport at ELATEC's registered office. In the event of subsequently agreed changes to the order, the delivery deadline or delivery date shall be extended or postponed accordingly.

4.4. ELATEC shall not be liable for failure to deliver or for delays in delivery insofar as these are caused by force majeure or other events unforeseeable at the time of the conclusion of the contract (e.g. operational disruption of any kind, pandemics, difficulties in the procurement of materials or energy, transport delays, strikes, lawful lock-outs, shortages of labour, energy or raw materials, difficulties in obtaining necessary official permits or official measures) which are not due to ELATEC's fault. Such an event shall also be the failure to deliver, incorrect delivery or late delivery by one of ELATEC's upstream suppliers (reservation of timely and correct supply of incoming goods) if ELATEC is not responsible for this in each case and has concluded a congruent covering transaction at the time of the conclusion of the contract. The reservation (of timely and correct supply of incoming goods) shall not apply if it is clear from the contractual agreement that ELATEC has assumed a procurement risk. ELATEC shall inform the customer of such events without delay and at the same time notify the customer of the expected new delivery deadline. If such events make it considerably more difficult or impossible for ELATEC to deliver or perform and the hindrance is not only of a temporary nature, ELATEC shall be entitled to withdraw from the contract. In the event of temporary hindrances, the delivery or service deadlines shall be extended or postponed by the period of the hindrance plus a reasonable start-up period. If the customer cannot reasonably be expected to accept the delivery or service as a result of the delay, it shall be entitled to withdraw from the contract by giving ELATEC prompt notice.

4.5. Two weeks after a delivery date or delivery deadline has elapsed, the customer may request ELATEC in writing to deliver within a reasonable period of grace. Should the delivery not be performed within this grace period, the customer shall be entitled to withdraw from the contract.

4.6. If a delay in delivery lasts longer than 3 months or if performance of the contract becomes impossible for reasons not attributable to ELATEC, the parties shall be obliged to renegotiate the terms of the contract in good faith and taking into account the changed circumstances. If the parties are unable to agree on a new contract satisfactory to both parties within a reasonable period of time, ELATEC shall be entitled to withdraw from the contract without further notice.

4.7. In the event of a delay in delivery, ELATEC shall be liable in accordance with the statutory provisions insofar as the underlying purchase agreement is a sale to be performed at a fixed point in time within the meaning of Section 286 (2) No. 4 BGB or Section 376 of the German Commercial Code (HGB). ELATEC shall also be liable in accordance with the statutory provisions if, as a result of a delay in delivery for which ELATEC is responsible, the customer claims that its interest in the continued performance of the contract has ceased to exist. Furthermore, ELATEC's liability shall be determined in accordance with Clause 8 of these TCs.

4.8. Should the customer be in default of acceptance or breaches other obligations to cooperate, ELATEC shall be entitled to demand compensation for the loss incurred by ELATEC, including any additional expenses. We reserve the right to assert further claims. Insofar as the prerequisites of sentence 1 exist, the risk of accidental loss or accidental deterioration of the object of sale shall also pass to the customer at the point in time at which the customer falls into debtor (*mora solvendi*) or acceptance default.

5. Transfer of risk/place of performance

The place of performance for all deliveries and services by ELATEC shall be ELATEC's registered office. Unless otherwise provided in the order confirmation, delivery “ex works” (EXW according to Incoterms 2020) is agreed.

6. Packaging and transport

6.1. If the customer requests shipment of the goods, the shipment shall be made for and at the expense of the customer. The goods shall be dispatched by a carrier of ELATEC's choice.

6.2. Unless otherwise agreed, packaging within the meaning of Section 15 of the Packaging Act shall be collected by ELATEC at the customer's registered office upon request. The costs incurred for collection and disposal shall be borne by the customer. If the packaging supplied by ELATEC is not returned in accordance with this clause, the customer shall be responsible at its own expense for the proper and correct disposal of the packaging, including collection from the end customer and/or from third parties who are not end customers or from end customers of such third parties.

7. Notification of defects and warranty

7.1. The assertion of the customer's claims in respect of defects shall require that the latter has duly complied with its obligations to inspect and give notice of defects pursuant to Section 377 of the German Commercial Code (HGB).

7.2. Should there be a defect, ELATEC may choose to remedy the defect or to make a replacement upon return of the goods with defects. In the event of a replacement delivery, ELATEC shall - in relation to the place of performance of the replacement - be obliged to bear all expenses necessary for the purpose of the replacement, in particular transport, travel, labour and material costs; in addition, ELATEC shall reimburse necessary expenses for the removal of the defective goods and the installation or fitting of the repaired or delivered non-defective goods in accordance with the statutory provisions.

7.3. The performance of the repair or replacement delivery shall not constitute an acknowledgement of the existence of the defect. Insofar as the limitation period begins anew as a result of the subsequent performance, this shall only apply to the defective product and not to the entire remaining system.

7.4. If the defect cannot be remedied or if further attempts to remedy the defect are unreasonable for the customer or if the replacement fails, the customer shall be entitled, at its own discretion, to withdraw from the contract or to demand a reasonable reduction of the purchase price (price reduction). Claims for damages and reimbursement of expenses shall remain unaffected in accordance with Clause 8.

7.5. No claim shall exist in regard to defects due to natural wear and tear, as well as in the case of damage resulting from incorrect or negligent handling or assembly by the customer, excessive stress, unsuitable operating materials, electronic or electrical influences or similar circumstances.

7.6. All claims based on a defect shall become statute-barred after one year from delivery.

7.7. In the event of handling or treatment of the ELATEC products by third parties not provided for by ELATEC, the latter accepts no liability for the quality of the ELATEC product or for any effects on the functionality and condition of the ELATEC product.

8. Limitation of liability

8.1. ELATEC shall be liable in accordance with the statutory provisions insofar as the customer asserts claims for damages or reimbursement of expenses based on intent or gross negligence or non-compliance with guarantees given in writing (including the assumption of a procurement risk), as well as in cases of culpable injury to life, limb or health.

8.2. In the event of simple negligence, ELATEC shall otherwise only be liable for breach of essential contractual obligations. Essential contractual obligations are those which arise from the nature of the contract and which are of particular importance for the achievement of the purpose of the contract. In the event of a breach of essential contractual obligations due to simple negligence, our liability shall be limited to the foreseeable, typically occurring damage - yet, up to a maximum of EUR 500,000 per case of damage; in this case, claims for damages and reimbursement of expenses shall become statute-barred after twelve months.

8.3. Insofar as a delivery or service has an influence on a data processing of the customer, the customer shall ensure an appropriate, regular data backup. In the event of data loss, ELATEC shall therefore be liable at most for the damage that would have occurred even if the customer had made reasonable, regular data backups.

8.4. Any further liability for damages or reimbursement of expenses other than those provided for in these TCs shall be excluded, regardless of the legal nature of the asserted claim. The mandatory provisions of the Product Liability Act shall remain unaffected.

8.5. Insofar as ELATEC's liability is excluded under these TCs, this shall also apply to the liability of ELATEC's bodies and vicarious agents, in particular ELATEC's employees.

9. Product liability, recall, warning

9.1. The customer may not modify the delivery items, in particular it shall not modify or remove existing warnings about dangers in case of improper use of the items. In the event of a breach of this obligation, the customer shall indemnify and hold ELATEC harmless against product liability claims by third parties, unless the customer is not responsible for the defect giving rise to the liability.

9.2. If ELATEC is to issue a product recall or a product warning due to a product defect in the delivery items, the customer shall cooperate to the best of its ability in the measures that ELATEC deems necessary and expedient and shall support ELATEC in this, in particular in determining the necessary (end) customer data. The customer shall bear the costs of the product recall or the product warning, insofar as the customer is responsible for the product defect and the damage incurred according to the principles of product liability law. We reserve the right to assert further claims.

9.3. The customer shall inform us immediately in writing of any risks it becomes aware of when using the delivery items and of any possible product defects.

10. Exclusion of liability in case of improper use; responsibility for product selection and overall designs

10.1. Liability on our part is excluded if our products are handled and used improperly, i.e., not in accordance with our instructions, in particular operating instructions, manuals and product data sheets, and/or any specifications regarding ambient conditions are not complied with.

10.2. ELATEC shall not be responsible for the selection of products for the respective specific requirements and environmental conditions or for the creation and maintenance of any overall systems (e.g., safety system) to the implementation of which ELATEC products may contribute. This selection and overall responsibility shall be the responsibility of the customer or, if applicable, the respective end customer.

11. Prices

11.1. Prices shall only become binding upon written confirmation of the order by ELATEC and shall apply ex works or ex warehouse plus the applicable value added tax on the day of invoicing and other ancillary costs, such as costs for packaging, transport, assembly, etc. Without prejudice to further agreement, handling costs or legalisation costs for export or export costs etc. are also not included in the purchase price. The costs of transit and import shall be borne by the customer.

11.2. Insofar as the agreed prices are based on ELATEC's list prices and delivery is not to take place until more than four months after the conclusion of the agreement, ELATEC's list prices valid at the time of delivery shall apply (in each case less an agreed percentage or fixed discount).

12. Terms of payment, default of payment, deterioration of assets (*Vermögensverschlechterung*)

12.1. Unless otherwise agreed, all invoices are payable within 30 days of the invoice date without any deductions. The customer shall be in default if payments due are not settled no later than 30 days after receipt of an invoice or a similar request for payment. If the customer has not complied with the terms of payment from transactions carried out within the last two years or if there are other concerns about timely payment, ELATEC shall be entitled to supply the customer only on payment in advance basis.

12.2. Bills of exchange and cheques shall not be accepted by ELATEC for payment.

12.3. In the event of default in payment, default interest at the statutory rate as well as any statutory flat-rate default charges (currently € 40 in accordance with Section 288 para. 5 BGB) shall be payable. This shall not affect the assertion of further claims, with regard to damage caused by default.

12.4. The customer shall only be entitled to set-off rights if its counterclaims have been legally established, are undisputed or have been recognised by ELATEC. The customer shall only be entitled to a right of retention insofar as its counterclaim is based on the same contractual relationship and is not

disputed. ELATEC shall be entitled to set-off and retention rights to the extent provided by law.

12.5. All claims of ELATEC shall become due immediately, irrespective of the term of any bills of exchange accepted and credited, if the terms of payment are not complied with or if ELATEC subsequently becomes aware of circumstances which are likely to reduce the creditworthiness of the contractual partner. ELATEC shall then also be entitled to perform any outstanding deliveries or services only against advance payment or the provision of securities. If advance payments or securities have not been provided even after a reasonable period of grace has expired, ELATEC shall be entitled to withdraw from the contract. The assertion of further rights by ELATEC shall remain unaffected.

13. Retention of title

13.1. The delivered goods shall remain the property of ELATEC until full payment of all claims to which ELATEC is entitled under the business relationship with the customer (reserved goods).

13.2. The customer is obliged to treat the delivered goods with care; in particular, it is obliged to insure them adequately at replacement value against fire, water and theft damage at its own expense. If maintenance and inspection work is required, the customer must carry this out in good time at its own expense.

13.3. The customer is entitled to resell the goods in the ordinary course of business. In the event of resale, the customer hereby assigns to ELATEC the claims against its customers arising from the resale in the value of the goods subject to retention of title (invoice amount incl. VAT), including all ancillary rights. The customer shall be authorised to collect these claims even after the assignment. ELATEC's authority to collect the claim itself, granted in accordance with these TCs, shall remain unaffected. However, ELATEC undertakes not to collect the claim as long as the customer fulfils its payment obligations from the proceeds collected, is not in default of payment and, in particular, no application for composition or insolvency proceedings has been filed or payments have been suspended. However, if this is the case, ELATEC may demand that the customer informs it of the assigned claims and their debtors, provides all the information required for collection, hands over the relevant documents and informs the debtors (third parties) of the assignment.

13.4. Any processing or treatment of the goods subject to retention of title shall be carried out by the customer on ELATEC's behalf without ELATEC incurring any obligations resulting therefrom. If processing takes place with other goods that are also subject to retention of title, ELATEC shall acquire co-ownership of the new item in the ratio of the purchase price agreed between ELATEC and the customer (invoice amount incl. VAT) to the corresponding purchase price for the other goods at the time of processing. In all other respects, the same shall apply to the item created by processing as to the goods subject to retention of title.

13.5. If the goods subject to retention of title are inseparably mixed with other items, ELATEC shall acquire co-ownership of the new item in the ratio of the value of the goods subject to retention of title (invoice amount incl. VAT) to the other mixed items at the time of combination. If the combination takes place in such a way that the customer's item is to be regarded as the main item, it shall be deemed to be agreed that the customer shall transfer co-ownership to ELATEC on a pro rata basis. The customer shall hold the property thus created in safe custody for ELATEC.

13.6. The customer shall assign to ELATEC the claims to secure ELATEC's claims against the customer arising from the combination of the goods subject to retention of title with immovable property.

13.7. The customer is obliged to notify ELATEC in writing without delay of any seizure of the goods delivered under retention of title and of the rights assigned to ELATEC. Insofar as the third party is not able to reimburse ELATEC for the court fees and any other expenses of an action in accordance with Section 771 German Code of Civil Procedure (ZPO), the customer shall be liable for the loss incurred by ELATEC.

13.8. Following withdrawal, ELATEC shall be entitled at any time to demand the return of the items owned or co-owned by ELATEC if ELATEC considers that the customer's fulfilment of its claims is at risk or if the customer is in breach of its obligations. ELATEC's repossession of the goods shall not constitute withdrawal from the contract unless ELATEC has expressly declared this in writing. The seizure of the purchased goods by ELATEC shall always constitute a withdrawal from the contract. ELATEC shall be authorised to dispose of the goods after repossession. The proceeds of realisation shall be set off against the customer's liabilities - less reasonable realisation costs. The customer shall be obliged to provide ELATEC or a vicarious agent of ELATEC with access to the premises during normal business hours in order to be able to obtain repossession of the goods subject to retention of title.

13.9. The customer shall be obliged to take the necessary precautionary measures and issue all documents required by law in order for the retention of title to take effect or other security to be provided or maintained in favour of ELATEC.

13.10. If the realisable value of the securities provided to ELATEC exceeds the value of the claims to be secured by more than 10%, at the customer's request, ELATEC shall release securities at ELATEC's discretion to the extent that the realisable value of the securities exceeds the claims to be secured by more than 10%.

14. Lump sum penalty

14.1. In the event of failure to fulfil the agreement by the customer, the latter shall, without prejudice to any further claims on the part of ELATEC, pay a lump sum for damages amounting to 20% of the agreed price. ELATEC reserves the right to prove and claim higher damages. The customer shall be allowed to prove that the damage was lower or did not occur at all.

14.2. For goods manufactured according to the customer's wishes, ELATEC shall in any case be entitled to full compensation.

15. Data protection, consent for reference purposes

15.1. Within the Allegion Group, of which ELATEC is a part, professional contact details are collected, processed and used within the scope of data protection regulations. Typical uses of this personal data include communication (by telephone, in writing and by e-mail) in the context of the respective order processing, information about new updates and about ELATEC and Allegion products as well as voluntary customer satisfaction surveys and the like. Data transfer to countries outside the EU/EEA also only takes place within the framework of data protection regulations. Appropriate measures shall ensure that the data subjects' data protection rights are safeguarded at all times. Further details can be found in our privacy policy at https://www.elatec-rfid.com/int/data-privacy.

15.2. Insofar as ELATEC processes personal data on behalf of the customer within the scope of the provision of services, for which the customer is the controller within the meaning of Art. 4 No. 7 of the EU Data Protection Regulation (GDPR), we shall conclude a separate agreement with the Customer on commissioned processing pursuant to Art. 28 Para. 3 GDPR (Data processing agreement). A sample data processing agreement, which also describes the technical and organisational measures we ensure, will be provided upon request.

15.3. The customer agrees that ELATEC may list the customer as a reference customer and, also for reference purposes only, may also use the customer's company logo for this purpose. The customer may revoke this consent in writing to us at any time with effect for the future. Any media already printed with reference may be used up during a reasonable period of time even after the consent has been revoked.

16. Compliance and ethical principles of conduct

16.1. As part of the Allegion group of companies, ELATEC's top priority is to comply with corporate values, codes of conduct and applicable laws. ELATEC also has this expectation towards our business partners.

16.2. The customer further confirms that it has read and complies with the Allegion Code of Conduct for Business Partners, available at https://www.allegion.com/content/dam/allegion-corp/supplier-portal/gspc-code-of-conduct-for-business-partners-german.pdf.

16.3. ELATEC may conduct reasonable audits during normal business hours to ensure that our business partners conduct business in an ethical and legally compliant manner and in accordance with the Allegion Code of Business Partner Conduct.

17. Applicable law, interpretation and place of jurisdiction, severability

17.1. All legal relations between ELATEC and the customer arising in connection with this contract, whether based on contract, tort or any other legal basis, shall be governed exclusively by the law of the Federal Republic of Germany. However, the application of the UN Convention on Contracts for the International Sale of Goods shall be expressly excluded.

17.2. These TCs and any contracts entered into in accordance herewith shall be interpreted in all respects in accordance with German law. Insofar as other language versions or translations exist, the German version alone shall be authoritative for the interpretation, application and interpretation of these TCs.

17.3. If the customer is domiciled within the European Economic Area (EEA), the exclusive place of jurisdiction for all disputes arising from or in connection with this contract or its validity shall be at ELATEC's registered office, provided that the customer is a merchant, a legal entity under public law or a special fund under public law or has no general place of jurisdiction in the Federal Republic of Germany. However, ELATEC shall be entitled to sue the customer at the customer's place of business.

17.4. If the customer is domiciled outside the European Economic Area (EEA), the parties agree that all disputes arising from or in connection with this contract or its validity shall be settled in accordance with the Arbitration Rules of the German Institution of Arbitration (Deutsche Institution für Schiedsgerichtsbarkeit e.V.) (DIS) under exclusion of the ordinary legal process. The arbitral tribunal shall consist of a sole arbitrator. The place of arbitration shall be Munich/Germany. The language of the proceedings shall be English, but German documents shall also be accepted.

17.5. Should any provisions of these TCs or any provision under any other agreement be or become invalid or unenforceable in whole or in part, or should there be a gap in these General TCs, the validity of the remaining provisions of these TCs or other agreement shall not be affected thereby.