

# General Terms and Conditions of Contract

## I. Regulations applicable to all orders and activities

### 1. **Geltungsbereich/Anzuwendendes Recht**

- 1.1 The following Terms and Conditions of Contract apply to all agreements concluded between NAUST HUNECKE und Partner Wirtschaftsprüfer vereidigter Buchprüfer Steuerberater Rechtsanwalt CPA mBb (hereinafter referred to as "NAUST HUNECKE") and its clients, regardless of their form, in particular to those providing for an auditing and consulting activity by NAUST HUNECKE, and unless otherwise expressly agreed in writing or mandatory by law.
- 1.2 If, in individual cases, contractual relationships are established also between NAUST HUNECKE and persons other than the client, the provisions of the **limitation of liability in items 12, 14 and 16** below shall also apply to such third parties.
- 1.3 The general terms and conditions of clients will not apply in their entirety, irrespective of whether the client objects to the validity of the competing regulations in these General Terms and Conditions of Contract.
- 1.4 The contract, its performance and all claims related to the contract shall be governed exclusively by German law.
- 1.5 The court competent at the registered office of the respective establishment of NAUST HUNECKE, with which the contract was established, shall have jurisdiction for any disputes arising from the contract relationship.

### 2. **Scope and contents of the contract**

- 2.1 The object of the contract is the agreed service, not a specific commercial success.
- 2.2 The contract and its respective activities are carried out in accordance with the principles of the proper exercise of the profession and in compliance with the relevant professional requirements for auditors, tax consultants and lawyers.
- 2.3 In case of doubt, the contract will be divided into the statutory audit, legal advice and other services to which it relates, which include, in particular, tax advice, voluntary statutory audit and other services (e.g. business and IT advice, expert work). The consideration of overseas law requires an express written agreement.
- 2.4 If the legal situation changes after the submission of the final professional statement, e.g. by amendments of legal regulations or the case law, NAUST HUNECKE is not obliged to inform the client of changes or resulting consequences.
- 2.5 In the event of any deficiencies, the client is entitled to the statutory claims with the proviso that the claims, which are not based on a deliberate act, will become time-barred after one year from the start of the statutory limitation period.
- 2.6 Obvious inaccuracies, e.g. clerical errors, calculation errors or formal deficiencies contained in a professional statement of NAUST HUNECKE, may also be corrected by NAUST HUNECKE to third parties. Any errors which are suitable for placing doubt on the results contained in the professional statements made by NAUST HUNECKE entitle NAUST HUNECKE to withdraw such statements, also toward third parties.
- 2.7 In addition, the activity-related regulations in accordance with items II., III. and IV below apply to the scope and content of the contract and its partial performance, depending on the type of activity.

### 3. **Remuneration**

- 3.1 The amount of the remuneration depends on the individually agreed amount plus expenses and statutory VAT and will be due for payment 14 days after receipt of the invoice.
- 3.2 Multiple clients will be jointly and severally liable.
- 3.3 The expenses include, in particular, catering expenses in a tax-recognised amount as well as travel costs and accommodation expenses.
- 3.4 If a flat-rate fee has been agreed upon instead of a remuneration according to the time spent, and if such is based explicitly on an estimate of the work effort, NAUST HUNECKE will inform the client if such fee will be significantly exceeded or undercut due to unforeseeable circumstances attributable to the client. NAUST HUNECKE and the client will then jointly adjust the flat-rate fee according to the additional or reduced expenses.
- 3.5 NAUST HUNECKE may request appropriate advance payments for the remuneration and the reimbursement of expenses, and make the rendering of their service dependent of the full satisfaction of their claims. NAUST HUNECKE is also entitled to charge for partial services, including in case of audit engagements.
- 3.6 The client is not allowed to set off their claims against NAUST HUNECKE with the latter's claims for remuneration and reimbursement of expenses, unless the client's claims are undisputed or legally established.

### 4. **Obligations of the client**

- 4.1 The client shall ensure that all actions are omitted which could endanger the independence of the employees of NAUST HUNECKE. This applies in particular to offers of employment or offers to accept contracts on their own account.
- 4.2 The client shall ensure that they transfer all the documents required for the performance of the contract to NAUST HUNECKE in a timely manner and without a special request and that NAUST HUNECKE will be made aware of all processes and circumstances which could be important for the execution of the contract. This also applies to documents, processes and circumstances which only become known during the activity.
- 4.3 Upon request by NAUST HUNECKE, the client shall confirm the completeness of the presented documents as well as of the information and explanations given in a written declaration formulated by NAUST HUNECKE.
- 4.4 If the client defaults on accepting the service offered by NAUST HUNECKE or if the client fails to cooperate in accordance with item 4 or

otherwise, NAUST HUNECKE shall be entitled to terminate the contract without notice after expiry of a reasonable period, provided that no statutory provisions preclude the termination. The claim to remuneration arising up to the termination as well as the claims for compensation of the additional expenses incurred due to the delay or the non-cooperation on the part of the client and for compensation of the damage caused will remain unaffected, even if NAUST HUNECKE does not make use of the right of termination.

- 4.5 The client shall ensure that the work results and documents produced in the scope of the contract by NAUST HUNECKE, in particular audit reports, expert opinions, organisation plans, drafts, drawings, statements and calculations, including mass and cost invoices, are used only for their own purposes.

### 5. **Disclosure of professional statements and contract results**

- 5.1 The disclosure of professional statements issued by NAUST HUNECKE to a third party requires the written consent of NAUST HUNECKE regardless of the content and form of the statement, unless the agreement to disclosure to a specific third party already results from the content of the contract.
- 5.2 The client is obliged to agree in writing with the third party, in favour of NAUST HUNECKE, on one of the limitations of liability in accordance with items 12, 14 and 16 for NAUST HUNECKE and to stipulate therein that the maximum liability amount is a total maximum sum for all claims covered by the limitation of liability.
- 5.3 NAUST HUNECKE shall in any event only be liable to a third party up to the limits of liability set out in items 12, 14 and 16 and only on the condition that the requirements set out in item 5.1 are fulfilled.
- 5.4 The use of professional statements made by NAUST HUNECKE for advertising purposes is prohibited. In the event of a violation, NAUST HUNECKE shall be entitled to terminate without notice all contracts of the client that have not yet been executed, irrespective of the assertion of other claims.

### 6. **Written form principle**

- 6.1 Results and information must be presented by NAUST HUNECKE in writing or in text form. NAUST HUNECKE shall only be liable for oral information and advice to the extent that such was confirmed in writing, so that only the written presentation shall be decisive.
- 6.2 In the case of audit engagements, the report shall be made in writing, unless otherwise agreed.
- 6.3 Oral statements and information given by employees of NAUST HUNECKE outside of the contract awarded shall always be non-binding.
- 6.4 Any deviating or modified agreement of the written form requirements contained in these Terms and Conditions of Contract shall be made in writing to be effective.

### 7. **Retention and surrender of documents**

- 7.1 NAUST HUNECKE will retain for a period of ten years any documents handed over to them and prepared by them in connection with the performance of a contract as well as any correspondence exchanged regarding the contract.
- 7.2 After satisfying its claims arising from the contract, NAUST HUNECKE shall, at the request of the client, hand over all documents it has received from or for the contract in the course of its activity. However, that shall not apply to correspondence between NAUST HUNECKE and its client and to the documents already in its possession in the original or copy. NAUST HUNECKE may make and retain copies or photocopies of documents which it returns to the client.

### 8. **Confidentiality obligation**

- 8.1 NAUST HUNECKE is obligated to maintain secrecy in accordance with the law regarding all facts that become known to it in connection with its work for the client, regardless of whether such relate to the client themselves or their business relations, unless the client releases NAUST HUNECKE from this confidentiality obligation.
- 8.2 NAUST HUNECKE may not hand over to any third parties any reports, expert opinions or other written statements on the results of its activities, unless the client has given their consent.
- 8.3 NAUST HUNECKE itself or through third parties is entitled to store, use and process the personal data entrusted to them in the context of the contract, insofar as such is necessary for the execution of the contract.
- 8.4 NAUST HUNECKE is internationally and nationally affiliated to the MOORE network, a network of independent and legally independent auditing companies, and may draw on the expertise and capacities of the MOORE network, if necessary. NAUST HUNECKE and the auditing companies in the MOORE network will therefore carry out an audit to determine whether existing client relationships could prevent the new acceptance of clients ("conflict of interest"). For this purpose, the name of the client and the data required for identification (company name, industry) and the type of contract will be stored in databases of the MOORE network. If NAUST HUNECKE cooperates with members of the MOORE network for the execution of the contract, in agreement with the client, NAUST HUNECKE is entitled to pass on additional information that is necessary for processing the contract. This shall also apply, mutatis mutandis, to any cooperation between NAUST HUNECKE and third parties as agreed with the client.
- 8.5 In the context of statutory or voluntary quality controls / peer reviews (review of the quality assurance system by external auditors), NAUST HUNECKE is entitled, for legal reasons, to provide information to persons bound to secrecy and to submit records and documents that are to be produced for legal reasons for the proper documentation of the execution

# General Terms and Conditions of Contract

of the contract. This may also apply to information, records and documentation relating to this contract.

- 8.6 The client releases NAUST HUNECKE from the obligation of confidentiality with regard to items 8.4 and 8.5.

## 9. Transfer in electronic form

- 9.1. NAUST HUNECKE shall receive and transmit information and documents by e-mail if necessary, provided that the client has opened access by providing their e-mail address and has not objected to an electronic transmission in individual cases.
- 9.2. In order to prevent any unauthorised gaining of knowledge, alteration or destruction of the data transmitted or received by third parties, NAUST HUNECKE offers state-of-the-art encryption software.
- 9.3. Should third parties gain unauthorised access to, destroy or change the transmitted or received data, NAUST HUNECKE shall not be liable for any damages incurred by the client or third parties as a result of the transmission in electronic form.

## II. Statutory audit

### 10. Scope and contents of the contract

- 10.1. Except where expressly provided for, the contract shall not extend to the verification of compliance with tax law or special rules, such as e.g. rules on price, restrictions of competition and management law; the same applies to the determination of eligibility for subsidies, allowances or other advantages. The execution of a contract shall only include audit activities that are specifically aimed at the detection of falsified books and other irregularities, if an indication to such arises during the performance of audits or if this is expressly agreed in writing.
- 10.2. NAUST HUNECKE will perform the audit according to Sections 316 et seq. German Commercial Code (*Handelsgesetzbuch*, HGB). The principles of proper audits of financial statements as promulgated by the Institute of Public Auditors in Germany, Incorporated Association (IDW) shall be decisive for the performance of the contract.
- 10.3. NAUST HUNECKE will plan and perform the audit in such a way that such inaccuracies or violations of statutory provisions or the statutes or the articles of association are detected with reasonable assurance, which have a material impact on the presentation of a true and fair view of the assets and liabilities, financial position and profit or loss, as conveyed by the accounting in compliance with the German principles of proper accounting. Insofar as it serves to ensure the regularity of the accounting, NAUST HUNECKE will examine and evaluate the accounting procedures for the preparation of the inventories and for the derivation of the accounting as well as the internal controls as applied by the client.
- 10.4. In addition, if the client is a stock corporation that has issued officially listed shares, the audit of NAUST HUNECKE will, in accordance with Sec. 317(4) German Commercial Code (HGB), extend to the early risk detection system available in the company in order to assess whether the executive board has fulfilled its obligations under Sec. 91(2) German Stock Corporation Act (AktG).
- 10.5. The client grants NAUST HUNECKE unlimited access to all documents and information required for the audit in accordance with Sec. 320 HGB within the meaning of item 4.2. The audit procedures are carried out based on random samples as is customary in the profession. There is thus an unavoidable risk that even material misstatements or other inaccuracies (e.g. embezzlement) will remain undetected.
- 10.6. The audit does not limit the liability of the legal representatives of the company to be audited for the financial statements, including the accounting and management report. NAUST HUNECKE will report on the type and scope as well as on the result of the audit in the scope customary for their profession and in accordance with the statutory provisions (Sec. 321 HGB). The form of the report will be based on the German principles of proper reporting as defined by the IDW.
- 10.7. Any subsequent amendment or reduction of the financial statements or management report audited by NAUST HUNECKE and to which an audit report was awarded, requires the written consent of NAUST HUNECKE, even if such will not be published. If NAUST HUNECKE has not awarded an audit report, a reference to the audit carried out by NAUST HUNECKE in the management report or at any other place intended for the public shall only be permitted with the written consent of NAUST HUNECKE and with the wording approved by it.
- 10.8. If NAUST HUNECKE withdraws the audit report, the audit report may not continued to be used. Regardless of whether the client has already used the audit report, they are, at the request of NAUST HUNECKE, obliged to announce the revocation in the manner requested by the latter and to return any and all copies of the report.
- 10.9. Der The client will receive five copies of the report. The client may demand further copies against reimbursement of expenses.

### 11. Disclosure

- 11.1. The client is obliged to disclose the financial statements and, if necessary, the management report as well as any other documents in electronic form.
- 11.2. Insofar as the client and NAUST HUNECKE have expressly agreed in the contract letter or subsequently, NAUST HUNECKE will shorten the financial statements and, if necessary, the management report in accordance with the instructions given by the client in terms of content and by observing the legal minimum requirements and make them available to the client together with the audit report in a file form suitable for disclosure purposes.
- 11.3. If the client shortens the financial statements and, if necessary, the management report, themselves, NAUST HUNECKE will only verify and

certify that the client has made the shortening in a justified and permissible manner if that was explicitly agreed in the contract letter.

### 12. Limitation of liability

- 12.1. The limitation of liability set forth in Sec. 323 (2) HGB applies to legally prescribed audits.
- 12.2. The limitation of liability under item 12.1 also applies if liability to a person other than the client should be established.

## III. Legal consultancy services

### 13. Scope and contents of the contract

- 13.1. The content and scope of the contract will be defined between NAUST HUNECKE and the client in the form of a contract letter as well as a written compensation agreement.
- 13.2. The subject matter of the contract letter can also be the temporary or indefinite general consultancy work (permanent consultancy), which is specified in individual cases by the client by a request or notification. In such cases, the rules agreed in the contract letter and the written remuneration agreement contained in the contract letter shall apply.
- 13.3. NAUST HUNECKE is entitled to consider the facts stated by the client as being correct and complete, both as regards the advice in individual questions and in the case of permanent consultancy, but must inform the client of any inaccuracies found.
- 13.4. Consultancy contracts do not include any activities necessary to comply with time limits, unless NAUST HUNECKE has expressly taken over the contract for this purpose. In this case, the client shall provide all documents essential for complying with the deadlines in sufficient time for NAUST HUNECKE to have an adequate processing time available.

### 14. Limitation of liability

- 14.1. If there is no written regulation in an individual case, the liability of NAUST HUNECKE for claims for damages of any kind, with the exception of damages resulting from injury to life, body and health, is limited to €2.5 million in the case of an individual case of damage caused by simple negligence according to Sec. 52(1) no. 2 BRAO; this also applies if a liability towards a person other than the client should be justified.
- 14.2. An individual case of damage also exists with regard to uniform damage stemming from multiple violations of obligation. The individual case of damage includes any and all consequences of a breach of duty, irrespective of whether damage has occurred in one or more consecutive years. In this respect, multiple acts or omissions based on the same or similar source of error shall be deemed to be one single breach of duty if the matters concerned are legally or economically linked. In this case, only claims up to a sum of €2.5 million may be asserted against NAUST HUNECKE.

## IV. Tax consultancy / voluntary audit / other services

### 15. Scope and contents of the contract

- 15.1. The content and scope of the contract shall be defined between NAUST HUNECKE and the Client in the form of a contract letter and a written compensation agreement.
- 15.2. The subject matter of the contract letter can also be the temporary or indefinite general consultancy work (permanent consultancy), which is specified in individual cases by the client by a request or notification. In such cases, the rules and regulations agreed in the contract letter, including any written compensation agreement, shall apply.
- 15.3. Items 10 and 11 apply, mutatis mutandis, to any voluntary audit of financial statements.
- 15.4. The client is informed that a remuneration higher or lower than the statutory compensation can be agreed upon in text form, Sec. 4(4) StBVV.
- 15.5. To the extent that the preparation of the annual VAT return has also been agreed, the latter will not include the verification of special accounting conditions, if any, and the question whether all the VAT advantages to which the client might be eligible have been implemented. No warranty is assumed for the complete recording of the documents for the assertion of the input tax deduction.
- 15.6. NAUST HUNECKE is entitled to consider the facts stated by the client, in particular figures, as being correct and complete, both as regards the advice in individual questions and in the case of permanent consultancy, but must inform the client of any inaccuracies found.
- 15.7. Consultancy contracts do not include any activities necessary to comply with time limits, unless NAUST HUNECKE has expressly taken over the contract for this purpose. In this case, the client shall provide all documents essential for complying with the deadlines, in particular tax assessments, in sufficient time for NAUST HUNECKE to have an adequate processing time available.

### 16. Limitation of liability

- 16.1. If there is no written regulation in an individual case, the liability of NAUST HUNECKE for claims for damages of any kind, with the exception of damages resulting from injury to life, body and health, is limited to €2.5 million in the case of an individual case of damage caused by simple negligence according to Sec. 54a(1) no. 2 WOP and Sec. 67a(1) no. 2 StBerG; this also applies if a liability towards a person other than the client should be justified.
- 16.2. Item 14.2 shall apply