General Terms and Conditions of Sale and Delivery (GTSD)

1. General Provisions

a) These General Terms and Conditions of Sale and Delivery (GTSD) apply to contracts entered into by either paromed GmbH & Co. KG or paromed OrthoCam GmbH, depending on which of these companies is the contracting party.
b) Our services and deliveries shall be provided exclusively on the basis of these GTSD. This shall also apply to all future transactions with the customer. The customer's terms and conditions shall not apply, even if we do not expressly object to their applicability. Any deviating or conflicting terms and conditions shall apply only if we have expressly accepted them in writing.
c) The customer represents and warrants that it is an entrepreneur within the meaning of Section 14 of the German Civil Code (BGB).
d) The customer shall be deemed to have accepted these GTSD no later than upon acceptance of the goods.

2. Offers and Orders

a) Our offers are subject to change and non-binding. Individual agreements made with the customer in a specific case shall in all cases take precedence over these GTSD. The content of such agreements shall be determined by a written contract and/or our written confirmation.
b) If, after the conclusion of the contract, it becomes apparent (e.g. due to insolvency or an application for the opening of insolvency proceedings) that our claim to the purchase price is jeopardized by the customer's lack of ability to perform its obligations, we shall be entitled, in accordance with the applicable statutory provisions, to refuse performance and, where applicable, to withdraw from the contract after setting an appropriate deadline for performance (Section 321 BGB). In the case of contracts for the manufacture of non-fungible goods (custom-made products), we may declare our withdrawal from the contract immediately. The statutory provisions governing circumstances in which setting a deadline is not required shall remain unaffected.

3. Prices

a) Unless otherwise agreed in an individual case, the current prices at the time the contract is concluded shall apply. These prices are ex works and exclusive of the statutory value-added tax (VAT) applicable at the time.
b) If, between the conclusion of the contract and delivery, any of the following cost factors changes by more than 5%, namely acquisition costs (within the meaning of Section 255(1) of the German Commercial Code (HGB)), production costs (within the meaning of Section 255(2) HGB), packaging material or freight costs, we shall be entitled to adjust the agreed price in proportion to the impact of the relevant cost factors. Possible reductions in other cost factors shall be taken into account in favor of the customer when making such adjustment. In the event of price increases exceeding 25%, the customer shall be entitled to withdraw from the contract. The price adjustment shall be communicated to the customer in writing, stating also the reasons for the adjustment.

4. Shipping and Transfer of Risk; Acceptance

a) Unless otherwise agreed, delivery shall be ex works (EXW [D-83115 Neubeuern, Hubertushof – Heft 8], Incoterms 2020). We shall only be obliged to arrange a sale by dispatch within the meaning of Section 447 of the German Civil Code (BGB) or to deliver the goods to the customer if this has been expressly agreed. The customer shall bear the costs of the agreed delivery or sale by dispatch. The risk of accidental loss of or accidental damage to the goods shall pass to the customer upon handover at the latest. In the case of a sale by dispatch, the risk of accidental loss of or accidental damage to the goods, as well as the risk of delay, shall pass upon handover of the goods to the forwarding agent, carrier or other person or institution designated to carry out the shipment.
b) Where acceptance has been agreed or is required by law, such acceptance shall be decisive for the transfer of risk. In all other respects, the statutory provisions governing contracts for work and services shall apply accordingly to any agreed acceptance. In the case of work and services within the meaning of Section 631 BGB, the work or services shall be deemed accepted at the latest if, within 14 days of completion, the customer has not refused acceptance in at least text form within the meaning of Section 126b BGB, specifying at least one defect.
c) The customer's default of acceptance shall be deemed equivalent to handover or acceptance.
d) In the case of delivery and/or sale by dispatch, the goods shall only be insured against breakage, transport damage, fire and water damage by agreement and at the customer's expense.

5. Payment

a) Unless otherwise agreed, our invoices shall be due and payable in full, without deduction, within 8 days of the invoice date. However, even within an ongoing business relationship, we shall be entitled at any time to make delivery in whole or in part only against advance payment. We shall give notice of such a reservation no later than in the order confirmation.
b) Special payment terms shall apply to capital goods, as specified in the order confirmation.
c) If the payment deadline is exceeded, we shall be entitled, without a separate reminder, to charge interests at a rate of 9 percentage points above the applicable base interest rate pursuant to Section 288(2) BGB.
d) The customer may only set off claims that have been finally adjudicated or are undisputed.
e) If the customer defaults on a payment, all claims we have against the customer shall become immediately due and payable. In such cases, we shall also be entitled to withdraw from individual or all transactions that have not yet been fully performed.
f) Any deviating payment terms shall only apply if confirmed by us in writing.
g) The customer shall bear all fees, costs and expenses associated with payment.

6. Retention of Title

a) We retain title to all goods delivered until all claims against the customer arising from the business relationship have been settled, including future claims and claims arising under contracts concluded simultaneously with or subsequent to the relevant delivery. This shall also apply if individual or all claims have been included in a current invoice and the balance has been determined and acknowledged (current account).
b) The customer shall be entitled to process and resell the goods owned by us in the ordinary course of its properly conducted business operations. The customer shall not be entitled to dispose of the goods in any other manner, including by way of pledge or transfer of title by way of security. The customer shall notify us immediately of any enforcement measures or other interference affecting the goods delivered under retention of title and the customer's possession thereof, and shall provide us with all necessary assistance in exercising our rights.
c) If we assert our rights, the customer shall grant us access to the goods subject to retention of title, segregate such goods for us and, upon our request, surrender them to us. The customer shall store our goods free of charge.

7. Deadlines

a) Deadlines shall only constitute binding contractual deadlines if they have been expressly agreed as such in at least text form.
b) A deadline shall be deemed to have been met if the goods have left the factory or warehouse or, in the case of shipment, notification has been given that the goods are ready for dispatch.
c) For as long as the Customer is in arrears with any payment obligation, our delivery obligation shall be suspended.
d) A deadline shall only commence once agreement has been reached on all terms of the order and any contractual arrangements have been clarified. Claims arising from failure to meet a deadline shall only exist if a grace period of at least eight days has been set in writing and that grace period has also expired without compliance.
e) If we are not supplied, are supplied late or are supplied incorrectly by our supplier or subcontractor through no fault of our own, despite having duly and sufficiently secured our own supplies prior to conclusion of the contract, we shall notify the customer thereof in text form without undue delay after becoming aware of the circumstances. In such a case, we may, at our discretion, postpone delivery for the duration of the impediment and/or withdraw from the contract in whole or in part, provided that we have informed the customer of the impediment and have not assumed a procurement risk within the meaning of Section 276 BGB or provided a delivery guarantee.

8. Warranty

a) The warranty period shall be one year from delivery or, where acceptance is required, from acceptance. This period shall not apply to the customer's claims for damages arising from injury to life, body or health, or from an intentional or grossly negligent breach of duty by us or our vicarious agents. Such claims shall be subject to the applicable statutory limitation periods.
b) The delivered goods must be carefully inspected immediately upon delivery to the customer or to a third party designated by the customer. With regard to obvious defects or other defects that would have been identifiable upon an immediate and careful inspection, the goods shall be deemed

approved by the Customer unless we receive written notice of the defects within 14 working days of delivery. With regard to other defects, the goods shall be deemed approved by the customer unless we receive notice of the defects within 14 working days of the date on which the defect became apparent. If the defect was already apparent at an earlier date during normal use, that earlier date shall be decisive for the commencement of the period for notification of defects. At our request, any goods subject to complaint shall be returned to us carriage paid. If the complaint is justified, we shall reimburse the costs of the least expensive shipping method. This shall not apply to any additional costs arising because the goods are located somewhere other than the place of their intended use.

c) In the event of material defects in the delivered goods, we shall, at our discretion, which shall be exercised within a reasonable period, initially be obliged and entitled to remedy the defect or provide replacement goods. If such remedy or replacement fails, meaning that it is impossible, unreasonable, refused or subject to unreasonable delay, the customer may withdraw from the contract or adequately reduce the remuneration.

d) If a defect is due to our fault, the customer may claim damages subject to the conditions set out in Section 9.

e) The warranty shall cease to apply if the customer modifies the contractual subject matter without our consent or has it modified by third parties, and such modification renders the remedy of the defect impossible or unreasonably difficult. In any event, the customer shall bear any additional costs of remedying the defect arising from such modification.

f) In any case the special statutory provisions governing the final delivery of unprocessed goods to a consumer shall remain unaffected, even if the consumer has further processed the goods (recourse against suppliers pursuant to Section 478 BGB). Claims for recourse against suppliers shall be excluded if the defective goods have been further processed by the customer or another company, for example by being incorporated into another product.

9. Liability

a) Unless otherwise provided in these General Terms and Conditions, including the provisions set out below, our liability for breaches of contractual and non-contractual obligations shall be governed by the applicable statutory provisions.

b) We shall be liable for damages, irrespective of the legal basis, under the principles of fault-based liability in cases of intent and gross negligence. In cases of ordinary negligence, subject to statutory limitations of liability (e.g. the care one exercises in managing one's own affairs or an insignificant breach of duty), we shall only be liable: for damages arising from injury to life, body or health;

for damages arising from a breach of a material contractual obligation (an obligation whose fulfilment is essential to the proper performance of the contract and on whose fulfilment the other party regularly relies and may rely). In such cases, however, our liability shall be limited to compensation for foreseeable damage of the kind typically occurring. In any event, our liability shall not exceed one million Euro.

c) The limitations of liability set out in Section 9(b) shall also apply towards third persons as well as in case of a breach of duty by persons (also in their favor) for whose fault we are responsible under statutory provisions. They shall not apply where a defect has been fraudulently concealed, where a guarantee as to the quality or condition of the goods has been given, or to claims by the customer under the German Product Liability Act.

d) In the event of a breach of duty that does not consist of a defect, the customer may only withdraw from or terminate the contract if we are responsible for the breach of duty. Any unrestricted right of termination by the customer (in particular pursuant to Sections 650 and 648 BGB), is excluded. In all other respects, the statutory requirements and legal consequences shall apply.

e) The parties shall be obliged to mitigate damages (Section 254(2) BGB). If a damage resulting from a breach of contract by the other party is foreseeable, the respective other party shall inform its contractual partner, also of the potential damage, its anticipated extent and foreseeable measures to mitigate such damage. Measures to prevent or remedy damage shall be notified to the other party in advance, unless they must be implemented immediately. If measures to mitigate the damage are identifiable or practicable for the respective other party, it shall notify the reporting party accordingly.

f) The customer's contractual and non-contractual claims for damages shall be subject to a limitation period of one year, unless application of the regular statutory limitation period pursuant to Sections 195 and 199 BGB would result in a shorter limitation period in the individual case. Claims for damages arising from intent, gross negligence, injury to life, body or health, as well as claims subject to liability under the German Product Liability Act, shall be subject exclusively to the statutory limitation periods. Further statutory provisions governing limitation periods shall also remain unaffected (in particular Section 438(1) No. 1 and Section 438(3), as well as Sections 444 and 445b BGB).

10. Software

a) Where programs (software) are included in the scope of delivery or are sold and/or leased separately, upon full payment of the remuneration, the customer shall receive a non-exclusive, perpetual right to use the software (in case of a purchase agreement) and/or a right to use the software limited to the term of the lease (in case of a lease agreement), in each case within the scope granted under the contract. Until the remuneration has been paid in full, all data storage media supplied and the user documentation provided shall remain subject to retention of title in the case of a purchase agreement. The software must only be used to the extent permitted by the licenses acquired by the customer. Permitted use includes installation of the software, loading it into the main (working) memory and its intended use by the customer. The number of licenses and the nature and scope of permitted use shall otherwise be determined by the contract. Under no circumstances shall the customer be entitled to lease or otherwise sublicense the software acquired under the contract, to reproduce the licensed content to the public or make it available to the public, by wire or wireless means, or make it available to third parties, whether for consideration or free of charge, for example by way of Application Service Providing or as "Software as a Service". Section 10(d) shall remain unaffected.

b) The customer shall be entitled to create a backup copy if this is necessary to safeguard future use of the software. The customer shall visibly mark the backup copy with the words "Backup Copy" and affix a copyright notice identifying the manufacturer.

c) The customer shall only be entitled to decompile and reproduce the software to the extent permitted by law. However, this shall apply only on the condition that we have not made available the information necessary for such purposes to the customer upon request within a reasonable period.

d) The customer shall be entitled to permanently transfer the copy of the software acquired under a purchase agreement to a third party, provided that the license certificate and documentation are handed over at the same time. In such a case, the customer shall cease all use of the program, remove all installed copies of the program from its computers and delete or surrender to us all copies stored on other data storage media, unless the customer is legally required to retain them for a longer period. Upon our request, the customer shall confirm in writing that all the aforementioned measures have been fully completed or, where applicable, explain the reasons for any longer retention period. Furthermore, the customer shall expressly agree with the third party that the scope of the rights granted under this Section 10 will be observed. A splitting of acquired license volume packages is not permitted.

e) If the customer uses the software covered by the contract beyond the scope of the acquired rights of use, whether qualitatively (in terms of the type of permitted use) or quantitatively (in terms of the number of licenses acquired), the customer shall promptly acquire the additional rights of use necessary to bring such use into compliance with the permitted scope. If the Customer fails to do so, we shall assert the rights to which we are entitled.

f) Under no circumstances shall the customer be entitled to receive the source code.

g) Copyright notices, serial numbers and any other features used to identify the program must not be removed from or altered in the software covered by the contract.

h) The conclusion of a software maintenance agreement is mandatory in connection with the acquisition of the "PARO 360" software package.

11. Force Majeure

Neither party shall be liable for failure to perform or delayed performance of its contractual obligations to the extent that such failure or delay is attributable to an extraordinary, unforeseeable and unavoidable event beyond its control (force majeure). Force majeure shall include, in particular, acts of an enemy of the state, pandemics, epidemics, fires, floods, mobilization, wars, civil unrest, sabotage, accidents, insurrections, terrorism, blockades, embargoes, storms, explosions, strikes, lockouts, significant operational disruptions (e.g. disruptions to the power supply, the internet or third-party services, particularly those provided by cloud service providers, as well as hacking attacks), delayed or defective deliveries by subcontractors, acts or omissions of government authorities, failure or delay of third parties or government authorities from whom approvals, authorizations, licenses, concessions or permits must be obtained. Each party shall make reasonable efforts to minimize the duration and consequences of any interruption or delay in performance caused by an event of force majeure. In such cases, the obligations shall be suspended until the force majeure event and its consequences have ceased. If the force majeure event continues for more than 90 days without any interruption, either party shall be entitled to terminate the contract with a notice period ending at the end of the month. In the event of force majeure, we shall not be obliged to require technicians to work at times or in locations where their safety or health could be endangered.

12. Data Backup / Data Loss

The customer shall be obliged to back up its data before our service technicians commence work on the customer's computer system. If no such backup can be performed, we shall offer to carry out the backup at the Customer's express request. We shall not be liable for any data loss resulting from a breach of the obligation set out in this paragraph. Any costs incurred in recovering data shall be borne by the Customer.

13. Miscellaneous

a) The customer may not assign claims arising from our business relationship to third parties without our written consent, unless such claims are monetary claims and the transaction giving rise to the relevant claim constitutes a commercial transaction for both parties.
b) The place of performance shall be D-83115 Neubeuern. If the customer is a merchant within the meaning of German commercial law, the exclusive place of jurisdiction for all claims shall be Rosenheim, Germany.
c) The laws of the Federal Republic of Germany shall apply. The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply.
d) If any provision of the contract with the customer, including these General Terms and Conditions, is or becomes invalid in whole or in part, the validity of the remaining provisions shall not be affected. The parties undertake to replace the invalid provision by a valid provision that comes as close as possible to the economic purpose of the invalid provision.

Dated in Neubeuern this 23 June 2026