General Terms and Conditions of Business

1 Scope of Application

CorTec GmbH (hereinafter referred to as "CorTec") develops, designs and distributes inter alia medical devices, research devices and components for medical devices (hereinafter referred to as “the products” or a “product”). The legal structure of the contractual relationship with the purchaser requires a number of regulations, which are not met by standard Terms and Conditions of purchase due to the particularities of the products offered by CorTec.

Therefore, solely the following General Terms and Conditions apply to all current and future offers submitted by CorTec and contracts concluded with CorTec as the seller. No terms and conditions of the purchaser can be acknowledged. These General Terms and Conditions of Business apply only in relation to entrepreneurs *("Unternehmer")* within the meaning of Paragraph 14 German Civil Code *(BGB)*, public-sector legal entities and special bodies or funds under public law.

2 CorTec's Obligations

2.1 CorTec shall endeavour that at the time of delivery the product complies with the agreed specifications. CorTec does not warrant a successful outcome. All descriptions, drawings, photographs, illustrations, performance data, technical data, dimensions, weights etc. in the information material issued by CorTec whether of an advertising or technical nature are only approximate unless CorTec has expressly designated them as being binding or the fitness for the contractually intended purpose requires exact conformity. They are not guaranteed quality features. Rather, they describe or designate the goods delivered.

2.2 The scope of delivery includes manuals and/or operating instructions. The purchaser shall ensure that all users familiarise themselves with said manuals and/or operating instructions and comply with the instructions therein.

3 Acting Responsibly

3.1 The purchaser shall familiarise himself with all of the documents and information provided by CorTec as part of his product care (training), shall adhere to safe practices during operation, use, adjustment, storage, transportation and waste disposal including, depending on the product's application, any necessary special practices, and shall correspondingly instruct his employees, contractors, agents, customers, patients and relatives looking after said patients in this regard.

3.2 Notwithstanding the obligations provided above, the purchaser shall indemnify and hold CorTec harmless from and against any and all claims by third parties and shall pay compensation for all damage and the associated legal fees that may arise as a consequence of a failure by the purchaser to fulfil one of the

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obligations mentioned in point 3.1, unless the purchaser proves that he is not responsible for the breach of the obligation specified in point 3.1.

4 Patents / Trade Marks

CorTec only ensures that the production of the product does not infringe any intellectual property right granted in Germany. The purchaser shall bear full responsibility for the use of any design, trade name or trade mark that appears on the product at the purchaser's request (but only with CorTec's express consent).

5 Claims for Defects / Liability

5.1 The purchaser is obliged to inspect the goods for defects without undue delay following delivery. If a defect thereby becomes apparent or becomes apparent at a later point in time, the purchaser shall notify CorTec thereof in writing without undue delay, giving a precise description of the defect. If the purchaser fails to notify CorTec, the goods shall be deemed to have been approved as regards discernible defects unless CorTec knowingly failed to disclose a defect.

5.2 In the event of any justified notice of defects CorTec shall, at its option, deliver a replacement or repair the goods delivered, whereby CorTec is entitled to repair twice. Damage as a consequence of improper treatment is no defect. CorTec's right to refuse the chosen method of subsequent performance under the statutory provision s remains unaffected. If the subsequent performance has failed or a reasonable deadline set by the purchaser for the subsequent performance has expired to no avail or is not necessary under the statutory provisions, the purchaser can rescind the purchase contract or reduce the purchase price. There shall, however, be no right of rescission if the defect is negligible. The purchaser shall be entitled to claims for damages only in accordance with Clause 5.6 of these General Terms and Conditions of Business.

5.3 If the end customer is a consumer and he asserts claims due to defects, clauses 5.2 and 5.4 shall not apply to any of the purchaser's claims to supplementary performance, reimbursement of expenses under Paragraph 478(2) German Civil Code *(BGB)*, rescission or price reduction, which fall under the provisions for recourse against the supplier pursuant to Paragraph 478 German Civil Code *(BGB)*.

5.4 The warranty is excluded in the following cases:

(i) in the case of improper use, lack of care, incorrect storage or due to defects caused by an accident,

(ii) in the case of open casings, attempted repairs, repairs, maintenance or if the product has been rearranged and not by CorTec or by third parties expressly authorised by CorTec,

(iii) if third-party products, which have not been approved by CorTec, are fitted,

(iv) in case of using replacement parts or consumables that have not been produced or approved by CorTec,

(v) if the device is used by untrained users,

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(vi) if the service intervals stipulated in the manual or in the operating instructions are not complied with.

However, this shall not apply, if the said circumstance is not causal for the damage and does not make rectification of the defect impossible or unreasonably more difficult. This must, as the case may be, be proven by the purchaser. If the liability for the defect is not excluded, the purchaser must, however, bear the additional cost of rectifying the defect incurred due to said circumstance.

5.5 All warranty claims are time-barred after 12 months calculated as of delivery. Only the statutory limitation periods shall apply to claims for damages by the purchaser under Clause 5.6 (also in conjunction with 5.2). Paragraph 438(3) German Civil Code (BGB), Paragraph 634a(3) German Civil Code (BGB) and the provisions concerning recourse against suppliers (Paragraph 479 German Civil Code (BGB)) shall remain unaffected.

5.6 In the event of any intentional or grossly negligent breach of duty, the breach of any material contractual obligations and in the event of the absence of a guaranteed characteristic CorTec shall be liable without limitation for all damage attributable thereto unless otherwise provided by statute. As the case may be, this shall also apply to any risk of procurement assumed by CorTec.

Material contractual obligations are obligations, the performance of which characterizes the contract and which is necessary for its proper implementation. However, in the absence of intentional conduct on the part of CorTec, CorTec shall be liable only for reasonably foreseeable damage that typically occurs. Any liability for damages – regardless of the legal ground – which goes further than the liability provided for in these General Terms and Conditions of Business is excluded. Any unlimited liability under the provisions of the German Product Liability Act (Produkthaftungsgesetz) and other mandatory German statutory provisions as well as in the case of any intentional or negligent injury to life, body or health shall remain unaffected.

The above liability provisions shall apply on the merits and in terms of quantum to the benefit of CorTec's statutory representatives, employees and other vicarious and/or other servants.

5.7 If the purchaser is entitled to demand damages in lieu of performance or to rescind the contract, the purchaser shall, upon demand by CorTec, be under an obligation to declare within a reasonable period (max. 21 days) whether and in what manner the purchaser will exercise said rights. If the purchaser fails to give a timely declaration or if he insists on performance, he shall not be entitled to exercise said rights until a further reasonable additional period of no more than 14 days has expired to no avail.

5.8 CorTec produces medical devices. If CorTec has affixed a CE mark to such products, the following applies: By reason of said CE marking the devices may be placed on the market in the European Union (EU) and in the European Economic Area (EEA), as the case may be in compliance with additional specific national requirements. CorTec does not give any guarantee that such products may be placed on the market and/or used outside of the EU or the EEA and does not accept any liability for damage resulting from any

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breach of legal provisions of any country of destination other than Germany. If the purchaser sells or uses the products outside of Germany, the purchaser shall be responsible that any specific national requirements are complied with.

In case CorTec only supplies the purchaser with investigational devices, the purchaser is responsible that any specific national requirements are complied with. The foregoing limitation of CorTec's liability shall apply accordingly.

The purchaser is responsible for ensuring traceability of the products ordered from CorTec and resold by the purchaser. He guarantees that the product's marking shall remain such that in the event that any fault is established it is ensured that the damaged parts, products and batches can be traced. Also, the reseller commits to forwarding the respective accompanying documentation to all purchasers of CorTec products.

5.9 For electrode grids containing at least 50 contacts, CorTec warrants that the incidence of any non-functional contacts does not exceed 2 %.

6 Purchase Price / Payment Conditions

6.1 Prices are stated in Euros and apply to delivery ex-works (EXW, Incoterms 2010) exclusive of statutory value added tax (Umsatzsteuer). Unless otherwise agreed in writing, the invoices shall be payable without deduction within 30 days following receipt of the goods. After said period payment shall be deemed to be late without the need for any payment reminder. In case of default of payment, CorTec is entitled to claim default interest from the purchaser at a rate of 9 % above the respective base interest rate of the European Central Bank according to Paragraph 288 German Civil Code (BGB). Unless agreed otherwise with the purchaser, all design projects require (i) 100% upfront payment if the total cost of the project is less than 5,000 €, (ii) 30% upfront payment if the total cost of the project is more than 25,000 € and (iii) 50% upfront payment if the total cost of the project is more than 5,000 € and less than 25,000 € immediately following the placing of the order. The rest of the design fee will be invoiced monthly according to work progress.

6.2 Only counterclaims which have become final and absolute, are undisputed or have been acknowledged may be offset or used to claim a right retention against any claims of CorTec.

6.3 The risk of accidental loss and of accidental deterioration of the goods shall pass to the purchaser upon handover. If the goods are dispatched, the risk shall already pass to the purchaser upon delivery of the goods to the forwarding agent, the carrier or other persons or institutions intended to carry out the dispatch.

The dispatch shall be effected, at the purchaser's cost, by freight, haulage, post etc., and, at CorTec's option, either ex Freiburg im Breisgau or ex warehouse of any branch offices. If the purchaser stipulates

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a particular means of dispatch, the purchaser shall be invoiced the resulting costs, even if CorTec were to usually deliver "carriage paid to the receiving point".

If the value of any shipment exceeds **5,000 €**, CorTec will select an ensured shipment with an insurance selected by CorTec at its reasonable discretion, the costs of which have to be borne by the purchaser.

7 Rights to the Results and Industrial Property Rights, Non-Exclusive Design

7.1 Industrial property rights ("IP Rights") owned by CorTec or by purchaser (each a "Party") at the point in time of the conclusion of the respective agreement between the Parties or subsequently acquired by a Party for purposes not related to such agreement remain the property of the respective Party. However, unless otherwise agreed in writing, the purchaser agrees that CorTec designs or develops a nonexclusive design solution of the electrodes configuration, cable and cable configuration and the silicone carrier. I.e., CorTec may also use this particular design solution and other information provided by the purchaser or invented by CorTec for this design to other customers and similar products.

7.2 Inventions produced by the employees of a Party during the term of the respective agreement between the Parties in the field that is the subject matter of such agreement will be utilized by such Party without any limitation; such Party will apply for IP Rights for such inventions in its sole discretion, on its own behalf and on its own account. IP Rights are the sole property of the applying Party.

7.3 If employees of both Parties jointly make inventions in the field that is the subject matter of the respective agreement between the Parties and during the term of such agreement, the Parties will apply for such industrial property rights jointly and under both Parties' names. The Parties shall negotiate a mutual agreement in good faith regarding the proportional share in the invention in writing. In the event of a dispute, an expert appointed by the president of the Chamber of Industry and Commerce Southern Upper Rhine (Industrie und Handelskammer (IHK) Südlicher Oberrhein) will come to a decision regarding the proportional share in the invention. The Parties hereby grant each other a non-exclusive and non-transferable utilization right free of charge and unlimited in time for any joint inventions, if any.

7.4 For the avoidance of doubt, CorTec is only responsible to deliver the product to the purchaser. Except for the purchaser's ownership of such products (after transfer of title in terms of Sec. 10 below), CorTec does not grant any utilization right to their inventions and IP Rights to the purchaser, neither during the term of their cooperation nor beyond.

7.5 Notwithstanding the foregoing, the purchaser shall retain ownership of any purchaser-owned trademarks applied to the products or documentation at the direction of the purchaser.

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8 Delivery Dates

Delivery of the products shall, as a matter of principle, be effected in accordance with the prior agreement with the purchaser. Any delivery dates and delivery periods proposed by CorTec are always only an approximate stipulation unless a fixed time limit or a fixed date has expressly been promised or agreed.

9 Force Majeure

CorTec shall not be liable for the impossibility of the delivery or for delays in delivery to the extent that said impossibility was caused by force majeure or other events that were not foreseeable at the time the contract was concluded (e.g. stoppages of all kinds, difficulties in procuring materials or power, transport delays, strikes, lawful lock-outs, a shortage of workers, power or raw materials, difficulties in procuring necessary administrative licences, administrative measures or the non-supply, untimely supply or incorrect supply by suppliers) for which CorTec is not answerable. If such events make delivery of the goods considerably more difficult or impossible for CorTec and the impediment is not only of a temporary duration, CorTec shall be entitled to rescind the contract. In the event of impediments that are of temporary duration the deadlines for delivery shall be extended or the delivery dates shall be postponed by the period of the impediment plus a reasonable start-up period. If the purchaser cannot reasonably be expected to accept the performance because of the delay, the purchaser can rescind the contract by means of a prompt written declaration to CorTec.

10 Data Storage

The purchaser is notified that all of the data arising out of the business relationship and concerning the purchaser, including personal data within the meaning of the General Data Protection Regulation (GDPR) of the European Union and the German Federal Data Protection Act (Bundesdatenschutzgesetz), will be stored within CorTec's electronic data processing systems.

11 Reservation of Title

11.1 The product supplied shall remain the property of CorTec until all of CorTec's claims against the purchaser have been paid in full. In the case of a running account this reservation of title acts as security for the respective balance due to us.

11.2 The products supplied by CorTec may not be exploited or transferred as security until all of the payment claims arising of the business relationship have been satisfied. If the purchaser acquires the product for the purposes of resale, the purchaser shall be revocably entitled to resell the product in the ordinary course of business provided the claim that accrues therefrom is assignable. In the case of any sale in the context of current account relationships the seller's extended reservation of title shall extend to the amount due on the current account or, after balancing the accounts, to the account balance due. The

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right of sale shall lapse, if payments are suspended and upon a petition for or the opening of, insolvency proceedings.

In case of resale the purchaser hereby already assigns to CorTec the claims arising therefrom in the amount of CorTec's delivery price (including value added tax, if applicable) but remains revocably authorised to collect receivables. CorTec can revoke the authority to collect receivables, if the purchaser is at least two weeks late with payment, the purchaser has suspended payment or an petition has been made to open insolvency proceedings over his assets. The purchaser shall provide all of the details necessary for the collection of debts.

11.3 Unless otherwise declared in writing, the taking back of the reserved property shall not be deemed to be rescission of the contract.

11.4 If the security to which CorTec is entitled by reason of the reservation title exceeds the delivery price by more than 20 %, the security shall be deemed to have been released to that extent.

12 Governing Law / Place of Jurisdiction

This Agreement and its interpretation shall be governed by German law; the application of the provisions of private international law and of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded. The place of jurisdiction for all disputes that arise out of or in connection with this Agreement shall be Freiburg im Breisgau, Germany. CorTec shall also be entitled to sue the purchaser at the court which has jurisdiction for his place of business.

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