

Zapp Precision Metals India Pvt. Ltd.
GENERAL TERMS AND CONDITIONS OF SALE

I. General, Applicability, Conclusion of Contracts

1. These General Terms & Conditions of Sale ("GTC") shall apply to all present and future sales by Zapp Precision Metals (India) Private Limited ("Zapp") and govern the business relationship between Zapp and the buyers who are recognised as legal entities/ persons qualified to enter into an agreement under the applicable laws of India ("Buyer") in regard to delivery of goods and/ or services, including contracts for work and services, contracts for the delivery of fungible and non-fungible goods to be manufactured or produced.

2. The goods and/ or services are supplied exclusively by Zapp in accordance with the terms and conditions set forth below in the respective current version (which may be viewed at www.zapp.com). Unless expressly agreed upon in writing by Zapp, any Buyer's terms and conditions shall not apply to the sale of goods and/or services by Zapp, especially which are contrary to or deviate from the terms and conditions of sale under this GTC. Zapp's terms and conditions under this GTC shall supersede terms and conditions in Buyer's order, in case the orders are accepted by Zapp or in case any delivery of goods and/or services is made by Zapp to the Buyer. Should this GTC of sale not contain every regulation, the equivalent statutory provision under applicable laws of India will apply.

3. Any of Zapp's offers to Buyer for goods or services are non-binding in nature. Orders issued by the Buyer are only binding on Zapp if confirmed by Zapp through written communication. Any amendment to accepted Buyer's orders by Zapp shall be mutually agreed in writing, unless provided otherwise under this GTC.

However, orders of the Buyer shall be binding to the Buyer and shall be deemed as accepted by Zapp without prior confirmation, if delivery under such orders is made by Zapp, before an order is cancelled/ revoked by the Buyer through immediate written notification to Zapp. In such cases of deemed acceptance by Zapp of Buyer's order, this GTC shall apply.

4. Oral agreements, promises, assurances, guarantees and statements about the intended use or application made by Zapp's employees, personnel, or representative shall not be binding unless such understanding between both the parties is mutually agreed in writing by respective authorised signatories.

5. Zapp shall have the right to revise the prices of the goods and/ or services in its non-binding offer or price list, and prices of the goods and/ or services to be offered shall only be binding upon the parties under a written revision of order/ contract price, duly accepted by Zapp and Buyer.

6. Any technical information, illustrations, drawings, dimensional or weight data presented on the websites of Zapp or in brochures or such other sources, and any quotations or other printed matter serve only to describe Zapp's products and are deemed to be non-committal average values. Such information which is not captured in a binding order or contract duly accepted by Buyer and Zapp, does not represent any information as to quality or form the basis for any guarantee of quality or durability unless expressly marked as such.

7. Unless agreed otherwise in writing, Buyer agrees to adhere to below confidentiality and intellectual property rights related terms and conditions.

a. Confidentiality: The Buyer shall treat all technical, commercial, and other information disclosed by Zapp in relation to the goods or services ("Confidential Information") as strictly confidential. The Buyer shall not disclose such Confidential Information to any third party or use it for any purpose other than as permitted by Zapp in writing. Exceptions to confidentiality shall include: (a) Information that is in the public domain at the time of disclosure without breach by the Buyer; (b) Disclosure mandated by law or a competent authority, provided the Buyer notifies Zapp in writing within two (2) days of receipt of such order. Any breach of this clause shall entitle the Company to claim damages, along with applicable GST, without prejudice to other legal remedies.

b. Intellectual Property Rights: The Buyer acknowledges that all intellectual property rights, including but not limited to trademarks, copyrights, designs, trade secrets, know-how, and inventions ("Intellectual Property"), in the goods or services and related materials are owned solely by Zapp or its affiliates. The Buyer shall not: (a) Reverse engineer the goods; (b) Develop derivative products or improvements based on the Zapp's Intellectual Property; (c) Apply for registration or claim ownership of any Intellectual Property belonging to Zapp in any jurisdiction.

8. International Commercial Terms ("Incoterms") in their respective current valid version will apply for interpretation of the trading stipulations used in this GTC.

II. Prices, Payments and Settlements

1. Unless otherwise stated in the confirmation of the Buyer's order, Zapp's prices for goods provided to the Buyer are for Incoterm "ex works" delivery. Price for goods and/ or services in any pricelist or confirmed order shall be excluding the Goods and Services Tax ("GST") and Tax Collected at Source ("TCS") (if applicable) which shall be charged at applicable rates. Zapp's prices are also subject to metal related surcharges/ duties/ taxes required by law as per applicable law in effect (if any) or any other agreed upon or customary surcharge.

2. Invoices shall be raised by Zapp at the time of shipment/ delivery of goods, all payment obligations due to Zapp shall become immediately payable upon receipt of the goods by the Buyer, unless a different payment term has been agreed between Zapp and Buyer. Such payment shall be made by the Buyer without any deductions and shall not be contingent upon the delivery of any certificates or documents that may have been ordered by the Buyer concurrently, unless expressly agreed otherwise in writing by the Parties. In case the Buyer is required to deduct any taxes on the amount payable to Zapp, the Buyer shall undertake withholding of taxes in accordance with the Indian Income-tax Act, 1961 and shall furnish appropriate proofs of tax withholding to Zapp at the earliest possible date but before ending of the Indian financial year (31st March).

3. If any invoice issued to the Buyer remains completely or partially unpaid at the end of 10 (ten) days from when it becomes payable, then all amounts due under the unpaid invoice amount shall bear an interest of eighteen percent (18%) per annum as well as any recovery costs (including legal fees) along with applicable GST thereon as per CGST Act as applicable in India. In such a case of delay in payment over and above 10 days from the due date, the Buyer will be liable to pay interest on the unpaid amount from the date on which the payment was due until the date of actual receipt of payment.

4. The Buyer may retain or set off any counterclaims only in so far as such claims are acknowledged by Zapp in writing and are undisputed or have been adjudicated as legally binding by a competent authority or court. Furthermore, such counterclaims must arise from the same contractual relationship/ order and must be of such nature as would entitle the Buyer to refuse performance of its contractual obligations for payment under applicable law. Wherever applicable, GST shall be discharged by the Buyer under reverse charge or as mutually agreed in accordance with GST law.

5. In case of an increase of at least 10% (ten percent) in terms of labor, raw materials, duties (including customs duties and other import charges), energy or transport costs between the conclusion of the contract/ order and the date of delivery, Zapp reserves the right to renegotiate the prices by providing written notification to the Buyer, and both parties shall mutually agree on such change in prices of goods and/ or services. Any revision in price shall be supported with a corresponding tax document as per Section 34 of CGST Act (credit/debit note) to ensure GST compliance.

6. In case, after conclusion of the contract/ order, circumstances arise resulting in a substantial deterioration in the Buyer's finances, whereby Zapp's claim for payment is put at risk, Zapp shall be entitled to demand immediate payment of all outstanding dues from the Buyer, notwithstanding any previously agreed credit terms or the validity period of any negotiable instruments such as bills of exchange. This will also apply if the Buyer falls into arrears of payment which indicate that Zapp's claim is at risk, moreover, in case of substantial downgrading of Buyer's limit with Zapp's trade credit insurance. Subject to acceptance of Zapp, the Buyer may avoid any legal consequences described hereinabove by offering collateral or security equivalent such as a bank guarantee to the value of Zapp's endangered payment claim.

7. Buyer agrees that Zapp shall be entitled to set off any of its claims against any outstanding payables to the Buyer (if any).

III. Content and Scope of Deliveries

1. Deviations in dimensions or quality are permissible within the framework of the applicable Indian industry standard (as published by Bureau of Indian Standards (BIS)) or by special agreement. Deviations in weight shall be permissible within the customary range for the industry.

a. In the case of goods produced to order, under-deliveries of 20% (Twenty Percent) are possible on orders weighing up to 500 kg (Five Hundred Kilograms), under-deliveries of 15% (Fifteen Percent) on orders weighing up to 1000 kg (One Thousand Kilograms/ One Ton), and under-deliveries of 10% (Ten Percent) on orders weighing over 1000 kg (One Thousand Kilograms/ One Ton).

b. Under-deliveries up to 10% (ten percent) are possible on deliveries from stock goods, which are not produced to order. Should the weight fall within the above allowances, such a delivery shall not be held as default or defect under an order/ contract.

c. The Buyer also agrees to accept delivery of goods in cases where the quantity delivered exceeds the ordered quantity (over-delivery) by up to 10% (ten percent). Such over-delivery shall not constitute a breach of order/ contract and shall be invoiced accordingly. Credit notes/Debit notes as may be required as per Indian GST regulations shall be issued accordingly.

In case of deviations of quantity delivered is outside the defined tolerances above, the delivery shall be deemed as accepted, unless the Buyer notifies such deviation in supplied quantity in writing to Zapp within a period of 6 (six) days from date of delivery of the goods.

2. Weights will be established on Zapp's calibrated scales, and a weighing certificate will be provided as proof of the invoiced weight. Weights of standardised steel products can alternatively be determined theoretically without weighing, the dimensions and specifications of the goods may be ascertained using recognised statistical sampling methods, unless otherwise agreed in writing by the Parties. Zapp is also entitled to increase the theoretical weight by 2.5 % to compensate for rolling and thickness tolerances.

IV. Delivery Periods, Consequences of Delay

1. Any confirmation as to delivery timelines provided by Zapp shall only be approximate in its nature and Zapp reserves the right to make requisite adjustments to the same. Delivery timeline for Zapp shall commence from the date Zapp provides acceptance of order or provision of order confirmation. Such timelines shall be subject to the timely and complete clarification of all relevant order details by the Buyer. Should the Buyer fail to fulfill its contractual obligations on time, such as opening a letter of credit, furnishing national or foreign certificates, making a prepayment, etc., Zapp shall be entitled to reasonably extend its delivery periods in accordance with the needs of its production schedule, without affecting Zapp's rights under the contract and statutory provisions.

2. Zapp's deliveries are made "ex works". Zapp shall be held in compliance of the committed delivery date upon notification to Buyer for delivery of the goods from Zapp's designated warehouse. In case Zapp has agreed to ship the goods under any other Incoterm other than ex-works, the date of dispatch of the shipment by Zapp, shall be recognized as the delivery date. In the event that the goods cannot be shipped on time or are not ready for ex-works delivery for reasons beyond Zapp's control such as Force Majeure (refer section IV (5) below), in such a case the delivery schedule shall be deemed to have been revised upon Zapp notifying the Buyer of the revised shipment date.

3. In cases where no specific delivery date has been confirmed in the order or its confirmation but only a tentative date is provided, Zapp shall be entitled to a minimum grace period of seven (7) days for the delivery of goods from such tentative date. The delivery shall not be considered delayed or in breach of contract/ order until the expiry of this additional grace period.

4. Zapp is entitled to make partial shipments for any or all orders of the Buyer, unless agreed otherwise between the parties in writing.

5. Force majeure and other occurrences that are beyond Zapp's control ("Force Majeure Event"), which make delivery of goods or services difficult or impossible, such as interruption of operations at Zapp's site and/or at Zapp's suppliers' sites due to fire, machine breakdowns, raw material or energy shortages, transportation delays, strikes, wars, pandemics, governmental orders or actions. Such an occurrence of a Force Majeure Event shall release Zapp from its obligations under the respective contract/ order till such Force Majeure Event continues along with a reasonable recovery period. Zapp shall notify the Buyer in writing about the occurrence of any Force Majeure Event and its anticipated duration within a period of 7 (seven) days from the occurrence of the Force Majeure Event. In the event that any delay in delivery of goods or services under this clause is over a period of 180 (one hundred eighty) days and provided that the contract/ order has not been partially performed, the Buyer shall have the right to cancel/ terminate the contract/ order with immediate effect by issuing written notice to Zapp, without any right to claim any losses or damages for such delay or non-performance caused.

6. Subject to the terms and conditions provided in Section IV (1),(2), (4) & (5) above, in case of Zapp's delay in delivery of goods and/ or services, without any written notification, is beyond 90 (ninety) days from the committed delivery date by Zapp, the Buyer and Zapp may mutually agree in writing for extension of delivery date, or the Buyer may cancel/terminate the order/contract by written notification to Zapp and shall have the right to claim damages or losses as per Section IV (7). The Buyer's right of cancellation/ termination will, in principle, extend only to the balance of the contract/ order which is undelivered.

7. In the event of delay except due to any Force Majeure Event, Zapp is liable to the Buyer for only direct and actual damages upon provision of reasonable proof of such damage, in accordance with the following provisions: As a precondition to such liability of Zapp, the Buyer has to notify Zapp as to the amount of the anticipated damages within a period of 15 (fifteen) days from the occurrence of the delay. In the event that the anticipated damages resulting from delayed delivery by Zapp exceeds twenty percent (20%) of the value of the delayed goods, the Buyer shall be obligated to procure the required quantity from an alternate source at the earliest possible opportunity. The Buyer shall issue a replacement purchase order to such alternate supplier to meet its immediate requirements. This obligation shall apply particularly when the Buyer has not yet received the delayed goods, and where Zapp has identified or facilitated a viable replacement purchase opportunity. Zapp shall only be liable to reimburse any documented additional/ differential costs for the new purchase order and any direct and actual documented damages incurred during the delay. Provided that under all circumstances, Zapp's liability for payment of damages arising from delayed delivery shall be limited to a maximum of fifty percent (50%) of the value of the quantity of goods affected by such delay. This limitation shall apply irrespective of the nature or extent of the loss, unless otherwise expressly agreed in writing by the Parties. It will be the Buyer's responsibility to discharge applicable GST to the government for such damages. Further, any GST compliance necessary in this regard will be undertaken by the Buyer.

8. Should the Buyer default in timely collection of the delivery and timely acceptance of goods or services or fails to comply with other contractual obligations to cooperate with Zapp for the performance of the order/ contract, Zapp will be entitled to demand compensation for damages, including additional expenses and applicable GST. This shall be without prejudice to Zapp's rights arising from the Buyer's delay in acceptance, which shall remain unaffected.

9. Unless agreed otherwise in writing between the parties, Zapp shall be importer on record and will be liable for customs clearance, payment of applicable customs duties, and IGST on import into India.

V. Passing of Risk

1. In case of Incoterms agreed is not "ex-works" and Zapp has agreed to deliver goods to a particular location, Zapp will choose the transport routes, methods, and haulage contractors or carriers, unless agreed otherwise in writing between the parties.

2. Should the loading or shipment of the goods be delayed due to the Buyer or if the Buyer does not request delivery of the goods within 4 (four) days of notification that the goods are ready for shipment, Zapp at its sole discretion may place the goods in storage, take appropriate measures to preserve the goods, at the Buyer's expense and risk, and invoice any additional costs for storage and preservation. This provision shall operate without prejudice to Zapp's right to pursue any and all legal remedies available under applicable laws of India in the event of the Buyer's default in accepting delivery of goods.

3. In case Zapp has agreed to deliver the goods to a location agreed with the Buyer and not under Incoterm "ex-works" and damage in transit discovered to the goods upon delivery, the Buyer shall notify Zapp immediately upon delivery and will provide Zapp with a damage report within 2 (two) days of delivery of the goods.

4. Unless agreed otherwise in writing, the risk in the goods shall pass to the Buyer at the point of time when the goods are made available "ex works" before transportation from Zapp's designated location/ premises. Title and risk transfer shall be governed independently of tax liability; GST liability shall arise as per CGST Act, as applicable.

5. Unless otherwise agreed in writing, the goods will be supplied without packaging and unprotected against rust.

6. At the Buyer's option and expense, and as mutually agreed in writing, delivery of goods may be covered by transit insurance.

VI. Blanket Orders and Release Dates

1. The Buyer may issue annual blanket orders along with periodic release dates, if such annual blanket orders are accepted by Zapp, then the Buyer shall be obligated to accept the full quantity of goods specified in the order, irrespective of individual release schedules. For blanket orders, a separate tax invoice shall be raised for each release/dispatch, and GST liability shall arise accordingly.

2. In case no particular release date is specified for a blanket order, the entire quantity is to be released within a 12-month period.

3. If the Buyer fails to comply with the collection of delivery of goods as per the agreed release dates, then Zapp shall be entitled to deliver and invoice the entire quantity of goods 4 (four) weeks after issuing a written notice of the consequences of such non-compliance. This shall be without prejudice to Zapp's other legal rights arising from the Buyer's delay

VII. Claims Resulting from Defects

1. The goods supplied by Zapp shall be deemed to conform to the contract/ order if, at the time of passing of risk, they either fully comply with or deviate only insignificantly from the agreed specifications. The conformity and freedom from defects shall be determined primarily by the express contractual terms as agreed under an order/ contract, relating to the quality and quantity of the goods, including any applicable standards, technical data sheets, material specifications, or other agreed technical documentation.

2. Zapp shall not bear any liability for suitability of the goods for any presumed or intended use of the goods supplied under a contract/ order, unless such use has been expressly communicated by the Buyer in writing at or before the time of execution of the contract and has been expressly accepted by Zapp in writing. It shall be the Buyer's sole responsibility to verify the compatibility and fitness of the goods and related services for its intended application. The mere receipt of the Buyer's production specifications (sketches, drawings, CAD files or similar) as well as the reiteration of use or project designations from the Buyer's order in Zapp's order confirmation shall not constitute acceptance of the intended use.

3. Insofar as the goods are in conformity with the agreed specification in accordance with Section VII.1 or are suitable for the use agreed upon in the contract/ order in writing in accordance with Section VII.2, the Buyer shall not have the right to claim that the goods are not suitable for normal use or lack the quality that is customary for goods of similar type. Furthermore, Zapp shall not be liable for any deterioration, destruction or inappropriate treatment of the goods after the passing of risk to the Buyer.

4. Unless mutually agreed otherwise in a separate agreement, Zapp shall offer no warranties based on the specification or intended purpose for the goods.

5. The Buyer must inspect delivered goods and material test certificates immediately upon receipt. Any claim for visibly defective material must be notified in writing to Zapp immediately or by the sixth (6th) day after receipt of the material along with valid test certificate. Any transport damages can only be taken into account if noted on the delivery note at the time of delivery. The Buyer must also notify Zapp in writing regarding any hidden defects immediately upon discovery or by the sixth (6th) day after the discovery. However, in case an agreed acceptance procedure is conducted, and goods are accepted, the Buyer shall be barred from raising any claims for defects that could have been identified during such acceptance. Replacements made free of cost under warranty shall not be treated as a separate supply for GST purpose.

6. In the event of a complaint, the goods must be made available to Zapp for inspection or, if requested, a sample provided to Zapp for inspection at no expense to the Buyer. Should the complaint not have been valid, Zapp reserves the right to charge the Buyer with the cost of freight and inspection and such other incidental expenses incurred by Zapp.

7. The Buyer shall not be entitled to raise any claims for defects from goods sold as a downgraded product (II-A material, for example) wherein the defects were specified at the time of finalization of order/ contract or are typical and reasonably expected in goods of such classification.

8. In cases of defects in quality, Zapp will in its sole discretion, rectify the defective supply by either a replacement delivery or repairs. In case of a rectification by repair, such rectification shall strictly be limited to defects that have been duly notified to Zapp by the Buyer. Should neither course of action be completed within forty-five (45) days, the Buyer shall be entitled to set a reasonable final grace period for rectification. In case this grace period expires without rectification, the Buyer may either reduce the purchase price or cancel the contract. Buyer agrees that no additional or other claims will be admitted beyond the reduction of the purchase price or cancellation of the contract/ order and limitation set in Section VIII shall remain unaffected.

9. In case of a defect of title, Zapp will have the right to rectify the matter by eliminating the defect of title within two (2) weeks after receipt of the goods. Beyond that, the Buyer shall cancel the contract, without any additional claim for any damages.

10. In case the Buyer intends to install the goods into another object or attach the goods to another object, the Buyer shall, prior to such installation or affixation, be obligated to conduct inspection of the goods with respect to properties relevant to the intended application and promptly notify Zapp of any defects in case the goods are not supplied as per specification. Should the Buyer proceed with installation without such inspection, and if defects that would have been apparent upon a random check subsequently arise, warranty claims in respect of such defects shall be admissible only if the defects were fraudulently concealed or if Zapp has expressly warranted the quality of the goods supplied for the intended purpose.

11. In cases involving prefabrication processes and when the goods supplied by Zapp are used to manufacture a new product prior to installation and any defect observed while processing the goods, Zapp shall only be liable for any direct and actual expenses or damages incurred by the Buyer, in particular for re-production or restoration costs, provided such a defect is caused due to the event of a culpable breach of contractual obligations by Zapp. This limitation shall apply even if the goods remain in their original condition following processing by the Buyer.

12. In case the Buyer installs the goods supplied by Zapp, in accordance with the goods' characteristic, type and designated use, into another object or attached the goods to another object, and notices a defect in the goods, then the Buyer shall be entitled to claim the reimbursement of necessary costs for the dismantling of the defective goods and the installation or attachment of the goods which are free from defects ("dismantling and installation costs") only in accordance with the following provisions:

a. Necessary dismantling and installation costs are only those, which directly result from the dismantling or removal of the defective goods which were supplied by Zapp and the installation or attachment of identical goods, which have accrued on the basis of competitive market prices and have been proven by the Buyer by appropriate documents in written form along with appropriate evidence.

b. Additional costs incurred by the Buyer for consequential damages including but not limited to loss of profit, down time costs or additional costs for cover purchases, shall not be deemed as dismantling and installation costs and therefore not recoverable by the Buyer and Zapp shall not be liable for such consequential damages. This exception shall also apply to sorting costs and supplementary expenses arising from the goods being located at a place other than the agreed place of delivery.

c. The Buyer shall not be entitled to request advance payments for dismantling and installations cost or other expenses required for the remedy of the defective delivery.

13. Zapp shall only be liable to reimburse the Buyer for the Buyer's expenditures in connection with the supplementary performance in so far as such expenditures are reasonable and not disproportionate in relation to the purchase price of the goods. Disproportionality shall be deemed to exist where the claimed expenses by the Buyer, including dismantling and installation costs, exceed 150 % of the purchase price of the goods invoiced by us or 200 % of the value of the defective merchandise, whichever is lower. If the last contract in the supply chain is a consumer sale, the reimbursement of expenses shall be limited to the appropriate amount. Costs of the Buyer related to the self-remedy of defects without the legal requirements being fulfilled, are excluded. Also, Zapp shall not be liable for expenses for disassembly of defective goods and assembly of replacement goods where, due to prior transformation by the Buyer before installation, the assembled goods exhibit substantially different characteristics from those originally delivered by Zapp.

14. The period for raising any claims arising from supply of defective goods shall be 12 (twelve) calendar months from the date of delivery, unless the defect was intentionally concealed.

VIII. General Limitations of Liability

Unless provided otherwise expressly in any other provision in this GTC or the accepted order or any other document: (a) Zapp shall not be liable for loss of business, loss of profit, loss of use, loss of contracts, loss of data or for any special, consequential or indirect loss or damage of any nature whatsoever in connection with the order or contract, whether by way of indemnity or by breach of contract, statutory duty, tort, negligence, or otherwise, and whatever the cause thereof and (b) the total overall liability of the Zapp including but not limited to liquidated damages, shall not exceed 100% of the price of the goods so as specified in the invoice or order.

This limitation shall not apply to claims arising from breaches of contract due to the Zapp's willful misconduct or gross negligence, or to claims for damages resulting in death, bodily injury, or harm to health caused by Zapp's fault.

Any indemnity or compensation payable under this clause shall be evaluated for GST treatment in line with statutory provisions then prevailing.

IX. Retention of Title

1. The title of the delivered goods shall remain with Zapp (reserved goods) until all outstanding dues are paid by the Buyer for the goods supplied by Zapp. As soon as the Buyer settles its accounts with Zapp in full, the Buyer shall obtain title to those goods which were delivered to it before such payment was affected. The title for the delivered goods shall be transferred immediately upon delivery in case payment is made in advance or where delivery is affected against payment by the Buyer.

2. In case the title of goods is retained by Zapp, the Buyer shall not be entitled to sell such goods whose title is retained by Zapp, without the express written consent of Zapp or until all dues for the goods are paid to Zapp by the Buyer. If the parties have agreed on a payment term, this shall be deemed to constitute Zapp's consent to the sale by the Buyer until the expiry of this payment term. In case the Buyer's outstanding dues remain unpaid then Zapp shall have the right to recover the goods from the Buyer at the Buyer's sole cost without prejudice to any other remedy available to Zapp under applicable laws of India.

If Zapp grants written permission to the Buyer to resell the goods supplied, the Buyer shall, as a condition of such resale, assign to Zapp all claims arising from such resale, including the full invoice amount and applicable taxes, whether the goods are resold in original or processed form. The Buyer may collect such assigned claims unless Zapp exercises its right to collect directly, which may occur in the event of Buyer's default or initiation of insolvency proceedings. In such cases, the Buyer shall promptly provide Zapp with all necessary information and notify the third-party debtors of the assignment. The term "resale" shall include use of goods in contracts for work and labour.

3. The Buyer must inform Zapp immediately in writing of any liens or levies filed against the Buyer by third parties, so that Zapp can preserve its rights through legal remedies such as injunctive relief as per applicable laws and judicial precedents in India. The Buyer shall be liable to Zapp for the costs and damages incurred for reasonable legal expenses borne by Zapp.

4. The Buyer is not authorized to transfer claims to any other party with regards to goods whose title is retained by Zapp. Zapp's authorization to collect outstanding debts does not include the right to transfer any claims. Transfers of claims are permissible only if the transfer be part of a genuine factoring arrangement, of which Zapp has been notified about and from which the proceeds exceed the value of Zapp's secured claim. Zapp's claim is due immediately upon receipt of the proceeds of the factoring deal.

X. Export controls

1. Export or re-export of goods shall be governed by Indian export control regulations including the Foreign Trade (Development and Regulation) Act, 1992, DGFT notifications, and any applicable BIS, Customs, or licensing requirements. Zapp India and Buyer shall comply with all applicable Indian trade regulations.

2. In addition to the legislation and provisions mentioned above, in case of export by Buyer of the goods supplied by Zapp which have been manufactured in the USA, or containing US-origin components which account for 10 % to 25 % of their content as well as goods made by US controlled companies, the Buyer undertakes to adhere to the applicable US (re) export laws.

3. In particular the Buyer undertakes to ensure that the use to which the goods supplied by Zapp are put either directly or indirectly, is not connected in any way to the development, manufacture, handling, operation, maintenance, storage, positioning, identification or the proliferation of chemical, biological or nuclear weapons and their carrying systems unless he holds the required licenses.

4. The Buyer also undertakes to ensure that the goods supplied by Zapp are not put either directly or indirectly to a military end-use in a country which is subject to an arms embargo pursuant to Art. 4 para. 1 b) of the Regulation (EU) No. 2021/821, in a country entered in the Länderliste K (translation: countries list) or in the People's Republic of China unless he holds the required licenses.

5. Furthermore, the Buyer undertakes to ensure that the goods supplied by Zapp are not put either directly or indirectly to a nuclear use for civil purposes in countries which are referred to in § 9 Para. 1 AWV unless he holds the necessary licenses.

6. The Buyer undertakes not to sell, export, re-export, supply, pass on or otherwise make available the goods supplied by either directly or indirectly to persons, companies, facilities, organizations or in countries if doing so would infringe European, German or (if applicable) the (re) export provisions of US law. In particular, the Buyer shall be obliged to ensure that no persons, entities or bodies are involved in the execution of the contract or are thereby supported, which are listed on the anti-terror and sanctions lists of the European Community and the United Nations applicable at the time. This shall also apply with respect to any persons, entities or bodies that are listed on the anti-terror and sanctions lists of other governments (in particular the US Denied Persons List, US Entity List, US Specially Designated Nationals List, US Debarred List).

7. In the event of a resale/transfer of the goods supplied by Zapp, the Buyer undertakes to make the recipient aware of the provisions of export control law and inform him of the obligations that result therefrom.

8. With respect to Zapp, the Buyer is obliged to issue end-use certificates on request and send us the originals as evidence of the end-use and purpose.

9. The Buyer acknowledges that the legal provisions cited under Section X are subject to constant amendments and adaptations and apply to the contract in their currently applicable edition. The Buyer must inform himself of the relevant provisions and bears the responsibility for complying with them.

10. The Buyer shall indemnify against any damages, claims and losses Zapp suffers which arise from the Buyer's non-compliance with Indian, European, German or US (re) export provisions and releases Zapp to the full extent from any liability by any third party.

11. All contracts/ orders with the Buyer and the performance of these contracts/ orders are subject to the condition that the competent authorities issue the required export/transfer licenses or any licenses and approvals relating to foreign trade law and that there are no legal obstacles for Zapp in its capacity as exporter/transferor or legal requirements which Zapp's suppliers have to comply with.

XI. Legal Venue, Place of Fulfilment, Applicable Law, Miscellaneous

1. The terms and conditions under this GTC shall be interpreted, construed and performed in accordance with and shall in all respects be subject to the laws of Republic of India. Subject to the arbitration agreement set out herein below, the courts in Pune, Maharashtra shall have exclusive jurisdiction in respect of any disputes arising out of or relating to this Agreement.

In the event, of any dispute, controversy, claim or breach arises out of or in connection with GTC including any dispute as to the existence or validity of these Terms and Conditions, both the parties first shall seek to resolve such dispute, by amicable arrangement, compromise and mutual discussion within 30 (thirty) days from the date of starting such discussions ("Discussion Period").

If the parties fail to resolve the same by amicable arrangement and compromise within the Discussion Period, either party may resort to arbitration. After expiration of the Discussion Period, any dispute which may arise out of or in connection with this GTCs, or any breach of the binding provisions hereof, shall, unless amicably settled, be referred to final and binding arbitration, by a sole arbitrator as mutually appointed by the Parties in accordance with Arbitration and Conciliation Act, 1996 and amendments made thereto which are in force from time to time. Seat and venue for the arbitration proceedings shall be Pune, Maharashtra, India and the proceedings shall be conducted in English.

2. If one or more provisions of these conditions are or become invalid or void, the validity of these conditions shall not thereby be affected. The Parties are obliged to replace any invalid or void provision with a valid provision which comes closest to what had been intended with respect to the purpose under the invalid or void provision.