

## Section 1 General information – Scope of application

- (1) Our terms and conditions of purchase apply exclusively; general terms and conditions of the supplier conflicting with or deviating from our terms and conditions of purchase are only recognised insofar as we expressly agreed to them in writing. Our terms and conditions of purchase shall apply even if we accept the supplier's delivery without reservation with knowledge of terms and conditions of the supplier contrary to or deviating from our terms and conditions of purchase. We herewith expressly object to any deviating terms and conditions of our contract partner. This objection shall also apply to any priority declared by the contract partner of their general terms and conditions, particularly terms and conditions of sale or of delivery. This objection shall also apply if the contract partner has given these a particular form.
- (2) All agreements pertaining to the execution of this contract made between us and the supplier must be documented in the contract in writing.
- (3) Our terms and conditions of purchase shall apply only to entrepreneurs pursuant to section 301 paragraph 1 of the German Civil Code (BGB) and legal entities under public law.
- (4) These terms and conditions of purchase shall apply to all business transactions between the supplier and us, even if they are no longer explicitly mentioned in subsequent contracts.
- (5) These terms and conditions of purchase shall apply to all contracts between the supplier and us concerning the purchase of materials, objects, products, individual parts, software and to all related services (goods) as well as to all contracts for services to be rendered by the supplier.

## Section 2 Offers – Offer documents

- (1) An order shall be deemed to be placed only if drawn up by us in writing or, in the case of verbal or telephone orders, confirmed by us in writing. Our orders must be confirmed by the supplier in writing without undue delay. If we do not receive this confirmation of the order within 10 days upon receipt of the order, our order shall be deemed accepted without changes. In this regard, section 362 of the German Commercial Code (HGB) shall be considered expressly agreed between the parties. Otherwise, the supplier must exactly adhere to the inquiry in his quotation and expressly point out any deviations in writing. Quantity and quality deviations from the text and content of our order and subsequent amendments to the contract shall be deemed agreed only if we have expressly confirmed them in writing. Additional deliveries and/or performances that go beyond the contractually agreed scope may be executed by the supplier only after the conclusion of a corresponding prior contract addendum (order by us and corresponding acceptance by the supplier or supplementary offer by the supplier and acceptance by us).
- (2) An Abbildungen, Zeichnungen, Berechnungen, Plänen, Modellen und sonstigen Unterlagen behalten wir uns Eigentums- und Urheberrechte vor; sie dürfen Dritten ohne unsere ausdrückliche schriftliche Zustimmung nicht zugänglich gemacht werden. Sie sind ausschließlich für die Fertigung auf Grund unserer Bestellung zu verwenden; nach Abwicklung der Bestellung sind sie uns unaufgefordert zurückzugeben. Dritten gegenüber sind sie geheim zu halten, insoweit gilt ergänzend die Regelung von § 9 Abs. (6). It shall not be permitted to make copies or duplicates without our written consent.
- (3) Assertion of a right of retention by the supplier with regard to our claim for the return of the documents referred to in paragraph 2 shall be excluded unless the supplier's counter-claim has been stated legally binding, undisputed or recognized by our company.

## Section 3 Prices – Terms of payment

- (1) The price shown in the order shall be binding. Also, in case of instalment delivery contracts and contracts for work and services, this shall be a fixed lump sum including all expenses necessary to provide the services. In the absence of any written agreement to the contrary, the price shall include DAP (delivered at place) delivery, including packaging, customs, insurance and freight. The return of packaging shall require a special agreement.
- (2) Statutory value-added tax shall be shown separately on the invoice.
- (3) Rechnungen können wir nur bearbeiten, wenn diese – entsprechend den Vorgaben in unserer Bestellung – die dort ausgewiesene Bestellnummer angeben und entsprechende Liefernachweise/Abnahmeerklärungen beinhalten. Invoices that do not contain this information shall be returned unprocessed. Für alle wegen Nichteinhaltung dieser Verpflichtung entstehenden Folgen ist der Lieferant verantwortlich, soweit er nicht nachweist, dass er diese nicht zu vertreten hat.
- (4) Unless otherwise agreed in writing, we shall pay the purchase price within 14 days upon delivery or, in case of contracts for work and services, upon completion of the work performance and receipt of the invoice at a 3% discount or net within 30 days upon receipt of invoice.
- (5) Delays caused by incorrect or incomplete invoices shall not adversely affect the discount period. Payments on account or advance payments shall be permitted and due only against provision of an open-ended, directly enforceable contract performance guarantee amounting to the contractually agreed advance pay or instalment plus VAT percentage of the overall net order value.
- (6) We shall have the rights of set-off and of retention to the extent provided by law.

## Section 4 Delivery period

- (1) The delivery period indicated in the order shall be binding. Agreed delivery periods shall commence on the date of the order. The arrival of the delivery at the receiving location specified by us shall be decisive for the purpose of ascertaining compliance with the delivery periods and delivery dates.

- (2) Der Lieferant ist verpflichtet, uns unverzüglich unter Angabe der Gründe und der voraussichtlichen Dauer der Verzögerung schriftlich in Kenntnis zu setzen, wenn Umstände eintreten oder ihm erkennbar werden, aus denen sich ergibt, dass die bedungene Lieferzeit nicht eingehalten werden kann.
- (3) If the supplier culpably exceeds the period or date for the delivery or for producing the work ready for acceptance, he shall undertake to pay to us a contractual penalty in the amount of 0.15 % of the agreed net price or net compensation for the work, however, a maximum of 5 % of the net price/net compensation for the work in total for each calendar day of the exceeded period or delivery date he is responsible for, or of the default. We shall reserve the right to assert claims for a contractual penalty and to offset such claims against claims of the supplier until the final payment. Claims for damages exceeding the claim for a contractual penalty shall remain unaffected. However, the contractual penalty shall be set off against such damage claims.  
If delivery dates or delivery periods are postponed due to justified claims of the supplier for an extension, or these are rescheduled by mutual consent, preceding contractual penalty provision shall remain in effect for the new deadlines with no need for a new special agreement with respect to the contractual penalty provision.
- (4) In the absence of an agreement regarding a delivery time, the supplier shall be in default if failing to adhere to the delivery time that is reasonable and usual in the circumstances.
- (5) The supplier shall be entitled to effect partial deliveries or partial performances only with our prior written consent. We shall be entitled to refuse acceptance of goods delivered prior to the agreed deadline or, if we do accept these, to charge a reasonable storage fee, unless otherwise expressly agreed. Deliveries by the supplier must be made on business days only, meaning Monday to Friday, between 8am and 4pm, and on Fridays only between 8am and 12pm.
- (6) The ownership of the goods or services shall be transferred to us without reservation upon their delivery.
- (7) The supplier must provide the complete technical documentation, in particular, operating and maintenance instructions, training materials, drawings, technical data sheets, product safety sheets, factory inspection certificates, certificates of conformity and all other necessary or standard business documents and, in case of software, corresponding source and object codes by the agreed deadline, however, upon delivery of the goods or work performances at the latest.
- (8) The supplier must ensure that a supply of spare parts is guaranteed for at least 10 years after the delivery, in accordance with the agreed delivery periods. If during that time the production of spare parts is discontinued, we shall be notified accordingly to allow us to stock up with the required spare parts for the future. In addition, in the event that the production of spare parts is discontinued, the supplier shall provide us the corresponding production drawings and BOMs with manufacturer instructions free of additional charges.

## Section 5 Transfer of risks– Documents - Packaging

- (1) Unless otherwise agreed in writing, deliveries shall be made free domicile. The supplier shall be responsible for the proper packaging of the delivery. The transport shall be carried out at the supplier's risk. This shall apply even if we have exceptionally agreed to assume the transport costs; in this case, the supplier must choose the mode of transport specified by us, or otherwise the transport and delivery type most economical for us. The supplier shall undertake to take out a transport insurance, regardless of whether the supplier bears the risks of transport. The supplier must assign the claim against the transport insurer to us to the extent required to meet our claims. The cost of transport insurance shall be borne by the supplier.
- (2) The supplier shall undertake to precisely indicate our order number on all shipping documents and delivery notes; the supplier shall prepare the transport documentation free of charge and in accordance with our specifications regarding language, form and layout to be used (notification of the readiness for shipment, dispatch note, packing list, preferential origin documents, certificates of origin); if the supplier fails to do so, we shall be not be responsible for the resulting processing delays.
- (3) In case of sales contracts the risk shall only be passed to us upon the receipt of the goods, and in case of contracts for work and services only upon the declaration of acceptance.
- (4) Unless otherwise agreed, the documentation shall also include the following documents for deliveries of machinery, partly completed machinery and machinery parts:  
For deliveries of machinery within the meaning of the European Machinery Directive 2006/42/IG (Industrial Union of Metalworkers): operating instructions, declarations of conformity as well as risk assessment according to EN ISO 14121 b; for deliveries of partly completed machinery or machinery parts within the meaning of the European Machinery Directive 2006/42/EC: installation/assembly instructions, declaration of incorporation, operating instructions as well as risk assessment according to EN ISO 14121.  
With regard to the content, the entire documentation must be prepared in accordance with the requirements of the European Machinery Directive 2006/42/EC and the risk assessment according to EN ISO 14121.
- (5) Packaging shall be included in the price. If exceptionally agreed otherwise, the packaging shall be charged at cost price. The supplier must select the packaging specified by us and ensure that the packaging protects the goods against damage. If the supplier receives no specifications for the type of packaging, the supplier must select the packaging accordingly, and ensure that the packaging protects the goods from damage.

## Section 6 Inspection for defects – Liability for defects

- (1) The supplier shall warrant that the items and services to be delivered comply with the samples approved by us, all applicable standards (DIN standards and EU standards), all safety regulations as well as the specifications listed in the order. The supplier shall warrant that the delivered items and services conform with the intended us and state-of-the art technology and comply with generally accepted technical and occupational health and safety regulations of the authorities and trade associations, as well as all relevant legislation in force. If the subject-matter of the supply contract is a machine, device or system, the supplier shall warrant that these comply with requirements of the special

safety regulations for machinery, devices and systems applicable at the time of the contract performance, including occupational health and safety and accident prevention regulations, and that the delivery and service bear a CE marking. Furthermore, the supplier shall warrant flawless construction, use of appropriate and proper materials, quality of the service, proper functioning of the delivered items and services to be affected under the contract, and achievement of the technical performance characteristics, and compliance with the agreed technical quality characteristics.

Any reference to standards in the order shall always imply a quality agreement that the requirements of the standard are met. Specimens, samples as well as other documents and specifications made available by the supplier shall likewise be considered a quality agreement.

- (2) Wir sind verpflichtet, die Ware innerhalb angemessener Frist auf etwaige Qualitäts- und Quantitätsabweichungen zu prüfen; die Rüge ist rechtzeitig, sofern sie innerhalb einer Frist von 2 Wochen, gerechnet ab Wareneingang oder bei versteckten Mängeln ab Entdeckung, beim Lieferanten eingeht. The requirement to inspect the goods and make a complaint in respect of a defect immediately on receipt of the goods pursuant to sections 377 and 378 of the German Commercial Code (HGB) shall be excluded to the extent specified above.
- (3) Die gesetzlichen Mängelansprüche stehen uns ungekürzt zu; in jedem Fall sind wir berechtigt, vom Lieferanten nach unserer Wahl Mangelbeseitigung oder Lieferung einer neuen Sache zu verlangen. The supplier must reimburse us for all expenses associated with the subsequent performance, in particular, transport, travel, labour and material costs. This shall apply even if the expenses increase because a purchased or delivered item was, after being delivered, delivered to our customers as intended.

If a delivered item is installed into one of our products, the supplier must, as part of the remedying of the defects or delivery of a new item, reimburse the expenses of dismantling the defective item and of reinstalling an item free from defects, including all transport, travel and labour costs.

The supplier must also compensate for consequential damage caused by a defect as well as direct and indirect economic loss, in particular, loss of production, consequential damage. Refundable damage shall also include the ancillary costs associated with any remedying of damage, such as dismantling and installation costs, material costs, travel expenses and freight cost, labour provision costs and, in particular, costs associated with the ascertainment and assessment of the damage and defect, e.g. expert's fees.

Defective goods shall be returned at the risk and expense of the supplier. If we, at the supplier's request, take over the packaging of the returned goods, or if we otherwise take measures for the return, any liability for non-personal injury shall be excluded, unless intent or gross negligence are imputable to us.

- (4) We shall be entitled to remedy the defect ourselves at the supplier's expense if the supplier defaults in remedying the defect.
- (5) Die Verjährungsfrist beträgt 36 Monate, gerechnet ab Gefahrenübergang, soweit nicht die zwingenden Bestimmungen der §§ 478, 479 BGB eingreifen oder das Gesetz eine längere Verjährungsfrist vorsieht. For repaired or newly delivered goods, the warranty period shall recommence respectively. Any written notice of defects submitted by us shall delay the limitation period for 8 weeks upon receipt of the notice of defects, unless a more extensive delay of the limitation period is provided for by law.
- (6) If we provide plans, drawings, materials and/or accessories to the supplier, the supplier shall undertake to check these to ensure that they are complete, accurate and suitable for the intended purpose and to point out to us any incompleteness or inaccuracy of the documents made available without undue delay. If the supplier does not raise any objections, he shall also be entirely bound by the warranty in this regard.

The supplier shall undertake, as own contractual obligation, to carry out the necessary intermediate and final inspections during the production, and to have delivered parts undergo an effective incoming goods inspection if the delivered item, or parts of it, has been procured from an own sub-supplier.

- (7) If a procurement risk and/or warranty is expressly assumed in its order confirmation/its offer, the supplier shall be strictly liable regardless of whose fault it was.

## Section 7 Product liability – Indemnification – Third party liability insurance coverage

- (1) If the supplier is responsible for damage to the product, he shall undertake to indemnify us at our first request against claims of third parties insofar as the cause lies within his scope of control and organization, and the supplier is personally liable in relation to third parties.
- (2) Within the scope of his liability for claims in terms of paragraph (1), the supplier shall also undertake to reimburse any expenses pursuant to sections 683 and 670 of the German Civil Code (BGB), or pursuant to sections 830, 840 and 426 of the German Civil Code (BGB) which arise from or in connection with any information campaign and/or recall carried out by us. We shall - as far as possible and can reasonably be expected - inform the supplier of the content and scope of the recall measures to be carried out and give the supplier an opportunity to comment. Other statutory claims shall remain unaffected.
- (3) The supplier shall undertake to maintain a product liability insurance providing blanket coverage of € 10 million for each case of personal injury/property damage; any more extensive damage claims to which we may be entitled shall remain unaffected.

## Section 8 Property rights

- (1) The supplier shall warrant that no rights of third parties are infringed in connection with his delivery. The supplier shall be liable, in particular, for ensuring that rights of third parties, particularly patents, utility models, competitive rights, copyrights and trademark rights or other industrial property rights are not infringed by the delivery or use of the delivery item or the work owed or its distribution or its resale.
- (2) If a third party asserts a claim against us due to such infringement, the supplier shall undertake to indemnify us against such claims upon our first written request; we shall not be entitled to enter into any agreements with the third party without the supplier's consent, in particular, to agree on a settlement.
- (3) Die Freistellungspflicht des Lieferanten bezieht sich auf alle Aufwendungen, die uns aus oder im Zusammenhang mit der Inanspruchnahme durch einen Dritten notwendigerweise erwachsen. These shall include expenses or costs incurred by us to prevent or eliminate infringements

of industrial property rights, as well as defence costs, such as lawyer's fees. The assertion of further claims, particularly claims for damages, shall remain unaffected.

## Section 9 Reservation of ownership – Provision of parts – Tools – Confidentiality

- (1) We shall reserve ownership of any parts that we provide to the supplier. The supplier must store these items separately and use them only for our order. The supplier shall be liable for the confirmation or loss. The supplier must insure all the provided parts against fire damage, water damage and theft.
- (2) Any processing or transformation by the supplier shall be done for us as manufacturer. If our reserved goods are processed with other items not belonging to us, we shall acquire co-ownership of the new item in the same proportion as the value of our item (purchase price plus VAT) to the other processed items at the time of the processing.
- (3) If the item made available by us is inseparably mixed with other items not belonging to us, we shall acquire co-ownership of the new item in the same proportion as the value of the reserved property (purchase price plus VAT) bears to the value of the other mixed items at the time of the mixing. If the mixing is done in such a manner that the supplier's item must be considered to be the main item, it is understood that the supplier shall transfer pro-rata co-ownership to us; the supplier shall preserve the sole ownership or co-ownership for us.
- (4) We shall retain title to tools; the supplier shall undertake to use the tools exclusively for the production of the goods ordered by us. The supplier shall undertake to insure the tools belonging to us at his own cost and at their replacement value against damage caused by fire, water and theft. At the same time, the supplier shall herewith already assign all indemnity claims arising from this insurance; we shall herewith accept the assignment. The supplier shall undertake to carry out any required servicing and inspection work as well as maintenance and repair work on our tools in a timely fashion at his own expense. The supplier must report any malfunctions to us immediately; if the supplier culpably fails to do so, claims for damages shall remain unaffected.
- (5) If the security rights to which we are entitled pursuant to paragraph (1) to paragraph (4) exceed the purchase price of all our reserved goods not yet paid for by more than 10%, we shall be obligated at the supplier's request to release the security rights at our discretion.
- (6) The supplier shall undertake to treat all the illustrations, drawings, calculations and other documents and information received as strictly confidential. They may be disclosed to third parties only with our express consent. This confidentiality obligation shall continue to apply even after the completion of this contract; it shall expire when and to the extent that the manufacturing know-how contained in the illustrations, drawings, calculations and other documents made available has become generally known.

## Section 10 Special provisions for work and service contracts as well as construction and engineering services

- (1) If the supplier owes a service or delivery, we shall be entitled to demand amendments and supplements to the order at any time until the acceptance as appears fair and taking into account the supplier's interests. The supplier shall undertake to propose to us changes which he considers necessary or expedient to ensure successful performance of the contract. After we have submitted our consent in writing, the supplier must also carry out these changes. If a change involves a cost increase or decrease and/or exceeding a deadline, the supplier shall undertake to point this out at the same time when the suggestion for a change is made, or immediately after receipt of our request for change, and to submit a corresponding subsequent offer. The change shall be made on the basis of a written agreement in which the compensation for the additional costs or the provision for the reduced costs and the schedule are specified.
- (2) The price stipulated in the order shall be a fixed lump-sum price that is considered to cover and settle all the services required to affect the performance and achieve the work result.
- (3) For design or engineering services, the supplier shall be entitled to bill on the basis of the actual time involved according to hourly rates only if this was expressly agreed. In this case, the supplier must obtain our decision before exceeding the time indicated in the order or order confirmation.
- (4) Before the conclusion of the contract, the supplier obtained a comprehensive picture of the scope of performance and deliveries to be affected. He has determined all the expenses and measures required to affect the performances owed under the contract. These are the basis of the fixed lump-sum price.  
Any approval on plans or other approvals granted by our firm shall be considered to be endorsements only, and shall not release the supplier from his obligation to properly and professionally execute the work ordered.
- (5) Prerequisite of acceptance shall be that the supplier has fully completed his entire service. The supplier shall undertake to apply for a formal acceptance of which a report must be prepared and signed by both parties. Acceptance of partial services or other partial acceptances shall be excluded, unless otherwise agreed in writing. Even in case of such a deviating agreement, the partial acceptances shall not replace the final acceptance. Any notional acceptance shall be excluded.
- (6) The supplier shall be entitled to subcontract the entire contract performance or parts thereof only with our prior written consent. We shall refuse this consent only for good cause. The commissioning of subcontractors shall not release the supplier from his contractual obligation towards us. The supplier shall be responsible for the subcontractors commissioned by him who shall be deemed his vicarious agents.
- (7) To secure all obligations of the supplier arising from this contract, the supplier shall provide to us - within one week of the conclusion of the contract at the latest - an open-ended, directly enforceable contract performance guarantee of a bank, savings bank (Sparkasse) or insurance company in the amount of 10% of the contractually agreed gross remuneration. The guarantee shall secure performance of all obligations under this contract, in particular, repayment claims including interest, claims based on defects (including eliminated consequential damage caused by a defect), damage claims and claims for payment of a contractual penalty. Until the contract performance guarantee is submitted, we shall be entitled to recover payments. The contract performance guarantee shall be returned upon completion and full acceptance of the complete and faultless performance.

- (8) To secure the warranty claims we shall retain 10% of the agreed gross compensation for the work for the duration of the agreed warranty period. This retention may be redeemed by the supplier on the due date of the final payment at the earliest and concurrently with the provision of an open-ended, directly enforceable guarantee of a bank, savings bank or insurance company to secure our warranty claims (guarantee for warranty obligations) in the same amount.
- (9) If it is necessary to enter our works premises or our customer's works premises to affect the work performance, the supplier must comply with all the existing accident prevention regulations and supplementary instructions of our firm or of the responsible members of our customer's staff.

## Section 11 General provisions

- (1) The assignment of receivables and claims arising from this contract by the supplier shall be permitted only with our written consent.
- (2) The supplier shall transfer to us free of charge any copyrights, industrial property rights and similar legal rights to his performances, and grants us a comprehensive, unlimited right of use and of exploitation to the extent required to execute the deliveries and performances and to the extent permitted by law. Above all, we shall be entitled to use, continue, change and publish the performances effected by the supplier without the supplier's involvement, and to transfer these rights to a third party as a whole and individually. This shall also apply in the event of an early termination of this contract.

If improvements arise in connection with the order with regard to documents or know-how provided by us, we shall be entitled to a gratuitous non-exclusive right of use to commercially exploit these. The supplier shall grant us an unrestricted and gratuitous right of use with regard to the item delivered by him or the work produced by him; this shall also apply after the completion of the order.

- (3) Set-off by the supplier or the assertion of a right of retention by the supplier shall be excluded unless the supplier's counter-claim has been stated legally binding, undisputed or recognized by our company.
- (4) We shall be entitled, within the scope of the General Data Protection Regulation (GDPR), to store data related to the movement of goods and payment transactions with the supplier to the extent permitted. The supplier shall ensure that all persons who are entrusted with the performance of his obligations observe the statutory data protection regulations. The obligation of these persons under data protection law to maintain data confidentiality must be imposed on these persons before they take up their duties for the first time, and proof thereof must be provided to us upon request.
- (5) Amendments and additions as well as the termination of agreements affected including these terms and conditions shall be subject to written form to be effective. The same shall apply to this requirement for the written form. Transmission by fax shall suffice to comply with the requirement of the written form; otherwise, telecommunication transmission, particularly by email, shall not be sufficient.
- (6) Should any of the provisions of these terms and conditions be invalid or show a loophole, the validity of the remaining provisions shall not be affected thereby. The invalid provisions shall be replaced and the loophole in the provisions filled by an appropriate provision, the economic purpose of which comes closest - to the extent permitted by law - to what the contracting parties intended or would have intended based on the meaning and purpose of these terms and conditions if they had considered the matter.
- (7) The supplier shall verify the implementation of a state-of-the-art quality assurance system. The DIN standards and, if any, the European standards, particularly CEN and CENELEC, shall be considered to be the minimum standards.
- (8) If the supplier becomes insolvent, suspends his payments or a petition is filed for the initiation of insolvency proceedings or judicial composition proceedings against the assets of the supplier or of one of his owners, we shall be entitled to withdraw from the contract for the unfulfilled part without prejudice to other rights. If the supplier is responsible for the reason of the termination, or notice of termination is given in accordance with sentence 2, only the self-contained and proven performances effected as per contract by that date must be remunerated, provided that they can be exploited by us. Our right to damage claims shall remain unaffected. If the supplier is not responsible for the reason for the termination, we shall reimburse the expenses demonstrably incurred by the termination of the contract and resulting directly from the order, including the costs incurred from inescapable liabilities. The supplier shall not be entitled to more extensive claims for performance or damages arising from the termination. The industrial property rights and/or rights of use to the work results created by the date of termination shall pass to us pursuant to section 11 paragraph 2.

If the supplier owes a service, we shall be entitled to terminate the entire contract or parts thereof at any time.

## § 12 Place of jurisdiction – Place of performance- Choice of law

- (1) If the supplier is a merchant, the courts at our principal place of business shall have exclusive jurisdiction; however, we shall also be entitled to file a legal complaint against the supplier with the court at the supplier's principal place of business.
- (2) Unless otherwise stipulated in the order, our principal place of business shall be the place of performance.
- (3) All legal relations between the supplier and us shall be governed exclusively by the substantive law of the Federal Republic of Germany, excluding the UN Convention on Convention on Contracts for the International Sale of Goods (CISG) and excluding the connecting standards of the Private International Law.