

I. Applicable conditions

- 1) The legal relationship between the Supplier and Purchaser is based solely on the following General Purchasing Terms and Conditions. Any amendments and additions shall be in writing. The same shall apply to any waiver of this written-form requirement. Contradicting conditions or provisions of the Supplier or third parties which deviate from these General Purchasing Terms and Conditions shall not be recognised unless the Purchaser expressly accepts their validity in writing.
- 2) These terms and conditions of purchase shall also apply if the Purchaser is aware of conflicting conditions or conditions of the Seller deviating from these terms and conditions of purchase and accepts the delivery/service without reservation. Indications of or references by the Supplier as to the applicability of its general terms and conditions are hereby expressly rejected.
- 3) These terms and conditions of purchase are also considered as agreed on in advance in the event of regularly reoccurring orders and for all future transactions.

II. Offers, orders, ownership of documents

- 1) Offers made by the Supplier are binding with regards to all information, in particular images, drawings, weights and volumes, and are free for the Purchaser, unless a charge is expressly agreed in writing.
- 2) Orders, contracts and delivery schedules, as well as their amendments and verbal additions must be established in writing, unless otherwise agreed in writing. The written form is also complied with, if information is submitted by fax or by electronic data transfer.
- 3) If the Supplier does not accept an order within a period of one week after receipt, the Purchaser is entitled but not obliged to withdraw the order. The withdrawal shall not entitle the Supplier to any claims. Acceptance by the Supplier is also presumed if the latter starts operations for the execution of the services / delivery without reservation.

Unless agreed otherwise, delivery schedules are binding unless rejected by the Supplier within three working days.

- 4) The Supplier agrees that the handover of information and documents of the Purchaser does not comprise a transfer of ownership, license or other exploitation rights. They are to be used exclusively for the execution of delivery / services on the basis of the Purchaser's orders. After completion of the order, they are to be returned to the Purchaser with no further request to do so. They are to be kept confidential from third parties; in this respect the provisions of no. XV of these conditions apply.

III. Modifications

Modifications of the product in construction and version may be requested by the Purchaser at any time. After checking, the Supplier will immediately, latest within 10 working days, on receipt of the modification request inform on the effects of the modification as to production process, timelines, lead times and the piece price. The contract partners will then sort out the effects in an appropriate and amicable way.

IV. Dates

- 1) The agreed dates are binding. The receipt of the goods or execution of the service at the place of receipt or use as specified by the Purchaser shall be decisive for adherence to the date or deadline.
- 2) The Supplier is obliged to immediately inform the Purchaser in writing if circumstances occur or are recognisable which will result in missing the date, providing reasons and the duration of the delay. This notification has no effect on the agreed date.
- 3) Partial deliveries and services shall only be accepted upon express agreement. They are to be identified as such and a record is to be kept of the remaining volumes / services to be delivered. Even if the Purchaser has agreed to a partial delivery / service, the agreed dates for the entire delivery / service remain applicable, so that the delivery / service shall not be regarded as having been made until the contract has been fulfilled completely.

- 4) Any reservation of the Supplier regarding its own received deliveries and supplies must be expressly approved in writing by the Purchaser.

V. Delayed delivery

- 1) In the event of a delayed delivery, the Purchaser is entitled to assert its legal claims. Following the unsuccessful end of a reasonable grace period, the Purchaser is in particular entitled to choose whether to request compensation for damages in place of the service and obtain an alternative delivery from a third party or to withdraw from the contract. Further claims remain unaffected.
- 2) An acceptance of the delayed delivery or service does not represent a waiver of the right to make claims for damages.
- 3) For each week or part thereof of delay, the Purchaser shall demand flat rate compensation for delay amounting to 1% of the delivery value, but no more than 5%. The claim of the flat rate compensation is reserved up to the payment effected by the Purchaser. The Supplier has the right to provide evidence that the delay has not caused any damages or has only resulted in significantly lower damages. The flat rate fee shall then be adjusted accordingly. Further legal claims are hereby expressly reserved.

VI. Delivery, transfer of risk, documents

- 1) If no special agreements have been made, the delivery shall be effected free stated place of receipt or use according to DDP Incoterms®2020 including transport insurance. The Supplier is required to take back the packaging material free of charge if requested by the Purchaser.
- 2) A delivery note is to be provided with each individual dispatch. All information requested in the order, in particular the order number, is to be included on the delivery note and invoice.

VII. Force Majeure

- 1) Force Majeure means an extraordinary event or circumstance preventing of one the contract partners from fulfilling one or several of its contractual obligations under the contract, if and insofar the contract partner affected by the obstacle proves that:
 - a) this hindrance is beyond the reasonable control of this party; and
 - b) it could not reasonably be foreseen at the time of the conclusion of the contract; and
 - c) the effects of the hindrance could not have been avoided or overcome by the affected contract partner in a reasonable way.

Force Majeure releases the contractual partners from their liability for the duration of the disruption and within the scope of its effects. The contractual partners are required, within reason, to immediately provide the information required and adapt their obligations in accordance with the changed conditions.

- 2) The Purchaser shall be fully or partially released from its obligation to accept the ordered delivery / service and is entitled to withdraw from the contract if the delivery/service is no longer usable due to delays caused by the Force Majeure at the Purchaser's - taking economic considerations into account.
- 3) If the Purchaser does not fulfil one or several of its contractual obligations due to the failure of a third party, its obligations towards the Supplier are suspended for the duration of this failure without claims arising for the Supplier.
- 4) If the hindrance lasts for more than two months, both contractual parties are entitled to withdraw from the contract with no further notice.

VIII. Prices, submission of invoice, payment

- 1) The price stated in the order is binding. If the prices fall between the order and delivery / service, the prices listed at the time of delivery / service shall apply. Any reservation of the Supplier to amend or increase prices shall cause a qualified acceptance at the Purchaser's.

- 2) Contractually agreed prices with a limited period of validity shall remain valid beyond the validity period if it has not been possible to agree on new prices. The Supplier must announce its intention to increase prices.
- 3) If no other written provisions have been agreed, the invoice shall be paid days with 3% discount on the 25th day of the month following the delivery or within 90 days net. The deadline shall commence at the time at which both the invoices and the product have been received by the Purchaser or the service has been provided, and both have been checked. If and insofar an inspection and approval has been stipulated, the term of payment shall start at earliest after successful approval. Upon acceptance of early deliveries / services, the due date shall be based on the agreed delivery / service date. For compliance with the term of payment the bank transfer within this term shall be enough.

IX. Notice of defects

Incoming deliveries shall be immediately inspected by the Purchaser after receipt for externally recognizable transport damage and deviations with regards to identity and volumes which can be recognised from the outside, e.g. by means of the shipping documents, as far as this is feasible in orderly course of business. The Purchaser is required to immediately, however latest one week after detection, inform the Supplier of any defects of delivery. In this respect the Supplier waives the defence of delayed notification of defects. The Purchaser has no further obligations towards the Supplier with other than those inspections and notifications mentioned above.

X. Liability for defects

- 1) All deliveries/services are to be provided to the Purchaser with no material defects or defects of title. Any reservations or exclusions by the Supplier as to properties, condition and use of the deliveries / services require the explicit written confirmation of the Purchaser to become valid.
- 2) Deviations from the specifications shall always be regarded as significant breaches of obligations, unless the Purchaser itself is able to amend the product to correspond to the specification at a very insignificant cost or the Purchaser will grant a corresponding written deviation approval.
- 3) As far as the Supplier delivers goods that according to relevant regulations and recommendation of professional associations should be registered and / or declared directly or as part of the manufacturing process, the supplier has to fulfil the resulting obligations in good time.

If the Supplier does not provide information on materials that need to be registered and / or declared, this means that the delivery does not contain any materials which need to be registered or declared. A delivery which contains forbidden materials or materials which need to be registered with no provision of the necessary information shall be regarded as defective, i.e. it does not offer the agreed-on properties and conditions.

- 4) If within the period of limitation, the suspicion of defect is raised, the Supplier is obliged to execute the necessary examinations for cause detection at its own charge and to reimburse the Purchaser for all costs incurred in context with the suspicion of defect. This especially includes examinations for cause detection resp. damage analysis, sorting costs, assembly and disassembly costs, part prices of components that may not be disassembled without damaging / destroying the components / modules, and transport costs.
- 5) The Supplier will receive for analysis a representative number of the defective products the Purchaser has on hands on request and own charge. If in case of use of the defective materials at the Purchaser the defectiveness of the product is proved by means of provision of a representative number, the Supplier will accept this proof of defect as sufficient.
- 6) Upon delivery of defective goods, the Purchaser is entitled to assert its legal rights, in particular the rectification of defects or subsequent delivery of its choice, compensation of damages, withdrawal from the contract and recovery claims. The Purchaser is entitled to rectify the defects itself or have this carried out by third parties at the charge of the Supplier if the Supplier does not provide rectification within the legally required period or is in default.
- 7) The limitation period is 36 months from the transfer of risk unless agreed otherwise. In the case of appliances, machines and equipment, the limitation period begins on the date of acceptance as stated in our written statement of acceptance. If the acceptance is delayed and this is not the fault of the Supplier, the limitation period is 36 months following the provision of the delivered item for acceptance.

- 8) The limitation period is suspended at the point in time when examinations for cause detection are initiated. The Purchaser will inform the Supplier accordingly.
- 9) In the case of rectified or subsequently delivered products or parts thereof, the limitation period of 36 months shall begin anew at the end of the rectification or subsequent delivery or upon transfer of the new item. This provision does not apply if only a minor defect of a delivered product can be rectified by a replacement delivery or rectification with no noteworthy expense or loss of time. Furthermore, it does not apply if the replacement delivery or rectification is undoubtedly provided out of goodwill or for the amicable settlement of a dispute.

XI. Compliance, quality

- 1) The Supplier guarantees that all deliveries/services are state of the art, comply with the relevant legal provisions and the regulations and guidelines of authorities, social accident insurance institutions and professional associations. Just as well, the Supplier undertakes to adhere to the SCHERDEL Compliance Code for Suppliers in its latest version, to be found at www.scherdel.com.
- 2) If deviations from these provisions are required in individual cases, the Supplier must obtain the written approval of the Purchaser. The Supplier's liability for defects shall not be limited by this approval. If the Supplier has doubts regarding the type of execution requested by the Purchaser, they are required to immediately inform the Purchaser in writing.
- 3) The Supplier undertakes to use environmentally friendly products and processes for its deliveries/services and also when using supplies and additional services of third parties, whenever this is economically and technically possible. The Supplier is liable for the environmental compatibility of the delivered products and packaging materials and for all consequential damages resulting from the breach of the Supplier's legal disposal obligations.
- 4) The Supplier is required to carry out quality assurance procedures of a suitable nature and scope which are in accordance with current scientific and technological developments and shall provide evidence of this to the Purchaser upon request.

XII. Product liability

- 1) In the event of product defects, the Supplier is obliged to release the Purchaser from all contractual and extra-contractual claims unless it can provide evidence that it has not caused the product defects.
- 2) The Supplier is required to sufficiently insure the product risk - beyond the scope of normal business liability insurance. Evidence of corresponding insurance policies is to be provided upon request.

XIII. Responsibilities for Suppliers and sub-contractors, transfer of contract

- 1) Suppliers to the Supplier and sub-contractors are considered the vicarious agents of the Supplier.
- 2) The Supplier is not entitled to transfer the order or significant parts thereof to third parties without the prior written approval of the Purchaser. If this approval is granted, the Supplier shall remain responsible as co-debtor along with the third party for the delivery/service.
Not considered as third parties are affiliated companies of the Supplier. Affiliated companies are all companies
 - a) in which the Supplier directly or indirectly
 - holds more than half of the voting rights or company's shares, or
 - is entitled to appoint more than half of the members of the managing or administrative organ or of the organs authorized to legally represent the respective company, or
 - is entitled to conduct the business of the company ("subsidiary companies")and
 - b) that have direct or indirect influence on the supplier as listed above ("parent company"), as well as their subsidiary companies ("sister companies"), however only if above influence of the parent company on the sister companies is given.

XIV. Reservation of title

- 1) Items provided by the Purchaser to the Supplier, in addition to transferred documents, samples, models, data etc. remain the property of the Purchaser. The processing, alteration or assembly of items provided by the Purchaser to the Supplier shall be carried out for the Purchaser. If the processing, alteration or assembly results in an inseparable connection or combination of the Purchaser's items with products owned by the Supplier or a third party, the Purchaser shall acquire co-ownership of the new item in proportion to the value of the item provided compared to the other products contained in the new item at the time of the loss of ownership. If the connection, combination or processing takes place in such a way that the Purchaser's item is to be regarded as the main item, it is hereby agreed that the Supplier shall transfer sole ownership of the new item to the Purchaser. The Supplier shall preserve the sole ownership or co-ownership for the Purchaser.
- 2) Prolonged or extended reservation of title by the Supplier to the Purchaser shall not be recognised, so that a reservation of title declared by the Supplier shall only be effective for us as standard reservation of title.

XV. Industrial Property Rights

The Supplier assures that all deliveries and services are free of industrial property rights and copyrights of third parties and that the delivery resp. services and use of the delivered products+ in accordance with contract by the Purchaser and its Purchasers will not breach any industrial property rights and copyrights of third parties. The Supplier obliges to indemnify the Purchaser against any claim of third parties resulting from the delivery / service due to asserted infringements of industrial property rights or copyrights and to reimburse all related costs and expenses. Besides claims related to the concerned product, this also includes those related to the materials or processes used.

XVI. Confidentiality, Data Protection, Information Security

- 1) In the sense of these General Purchasing Terms and Conditions, the term "Confidential Information" shall include, but not be limited to business secrets and all technical and commercial information, especially access authorizations and passwords, drawings, pictures, plans, specifications, methods, formulas, samples, documentation, calculations and cost components, market and Purchaser data, source codes, know-how as well as materials or other objects as well as personal data (any information relating to an identified or identifiable natural person, regardless of whether an individual can be identified directly or indirectly in combination with other information), that the Purchaser or one of its affiliated companies makes available to the Supplier or to one of its affiliated companies directly or indirectly in connection with the cooperation, in oral, visual or written form or via data carriers, in particular any information that is marked as "confidential" or marked with a similar note. Business secrets shall mean information,
 - a) which is not generally known nor readily accessible, neither as a whole nor with regard to the precise arrangement of its components, to the category of persons who usually deal with this kind of information, and
 - b) which is at the same time subject to secrecy measures appropriate in the circumstances, and
 - c) for which there is a legitimate interest in maintaining secrecy and
 - d) which have a commercial value because they are confidential.
- 2) The Supplier undertakes to treat Confidential Information in a strictly confidential manner as trade and business secrets and to use and exploit the information exclusively for the purpose of the cooperation. In particular, the Supplier ensures to take reasonable protective measures for the purpose of information security. If the Purchaser's Purchaser requires a special level of protection, the Supplier shall implement this after the Purchaser has notified accordingly. Furthermore, the Supplier will not make Confidential Information available to third parties. The Supplier is only allowed to disclose confidential information to third parties after written consent of the Purchaser and after obligation of the third party to similar confidentiality.
- 3) The duty of confidentiality shall continue to apply after the end of the delivery relationship. If no concrete completion date has been agreed, it shall expire if and insofar as the knowledge contained in the transferred Confidential Information becomes generally known.
- 4) The Supplier is only permitted to use the business relationship for advertisement purposes after obtaining prior written permission by the Purchaser.

XVII. Termination of the Business Relation for Good Reason

- 1) Both parties are entitled to terminate the contract without notice for good cause with immediate effect. Good Cause is especially given if:
 - a) a contractual partner ceases payments due to impending or real inability to pay, or if insolvency proceedings regarding their assets or extrajudicial settlement proceedings are initiated, or
 - b) the contract between the Purchaser and its Purchaser for the delivery by the Supplier to its Purchaser in which the product of the Supplier is employed, is ended, or
 - c) the Supplier is no longer competitive in terms of technology, quality, service or price. The Supplier shall be deemed to be "no longer competitive" in respect of price if the Product or an equivalent product can be supplied to the Purchaser by a third party at a price lower than the Supplier's current parts price and the Supplier is unable to offer the said third party price within 12 calendar weeks of receiving a request to do so from the Purchaser; or
 - d) 25% or more of the voting shares at the Supplier's are taken over by a third party or there is otherwise a change of control at the Supplier, and such takeover or change of control is likely to impair the legitimate interests of the Purchaser or one of its affiliated companies or of a company in which the Purchaser directly or indirectly holds 50% of the shares or voting rights; such prejudice shall be deemed to exist in particular if a competitor of the Purchaser or one of its affiliated companies or of a company in which the Purchaser directly or indirectly holds 50% of the shares or voting rights takes over the aforementioned shares or control.
- 2) Claims for indemnification due to a statutory notice of termination under any of the above provisions are excluded.

XVIII. Contractual language, place of fulfilment, place of jurisdiction, applicable law, disclaimers and partial nullity

- 1) Unless expressly agreed otherwise, the contractual language is German. If the contractual partners use additional other languages, the German wording shall be given precedence.
- 2) Place of fulfilment for the Supplier's delivery or service obligations is the place of receipt or use defined by the Purchaser.
- 3) If the Supplier and Purchaser are based in Germany, the law of the Federal Republic of Germany applies exclusively. Place of jurisdiction is the respective site of the Purchaser or, at the Purchaser's option, the place of fulfilment for the Supplier's obligation to deliver/service.
- 4) If one of the contracting parties or both contracting parties do not have their registered office in Germany, all disputes arising from or in connection with these General Purchasing Terms and Conditions shall be subject to the jurisdiction of the International Court of Arbitration of the International Chamber of Commerce (ICC). The disputes shall be ultimately settled in accordance with the Rules of Arbitration of the ICC, with the exclusion of the ordinary courts of law. The arbitral tribunal shall consist of three arbitrators appointed in accordance with these Rules. The place of arbitration shall be Munich. The language of the court of arbitration is German. The applicable substantive law shall be the law of the Federal Republic of Germany, with the exclusion of the UN Convention on Contracts for the International Sale of Goods of 11 April 1980 (CISG).
- 5) Recurring conduct between the Purchaser and the Supplier and the Purchaser's delay or failure to exercise any right granted under these Conditions of Purchase shall not be deemed a waiver of such rights.
- 6) Should individual provisions of these General Purchasing Terms and Conditions be or become invalid in whole or in part, the validity of the remaining provisions shall not be affected thereby. In this case, the contracting parties shall agree on a valid provision which comes as close as possible to the economic purpose of the invalid provision. The same shall apply to any omissions.