



# General Terms and Conditions of Purchase

## 1. General

1.1 These Terms and Conditions apply exclusively to business transactions with companies, legal entities under public law, and special funds under public law. The statutory provisions apply to business transactions with consumers.

1.2 These Terms and Conditions apply to all purchases and commissions of services made by us without the need for explicit reference. Unless otherwise agreed, the terms and conditions in the version valid at time of submitting the order to the Supplier or in any case in the version last notified to the Supplier in text form shall also apply as a framework agreement for similar future contracts without us having to refer to them again in each individual case.

1.3 These Terms and Conditions apply exclusively. Deviating, conflicting or supplementary terms and conditions of the Supplier shall only become part of the contract if and to the extent that we have explicitly consented to their applicability. This requirement for consent shall apply in any case, for example even if we accept delivery from the Supplier without reservation in knowledge of the Supplier's terms and conditions.

1.4 Any individual agreements made with the Supplier (including collateral agreements, addenda and amendments) shall in any case take precedence over these Terms and Conditions. Subject to proof to the contrary, a written contract or our written confirmation shall be authoritative for the content of such agreements.

1.5 Legally relevant declarations and notifications of the Supplier with regards to the contract (e.g. delay in delivery) must be made in writing, i.e. in written or text form (e.g. letter, email, fax). Statutory formal requirements and further evidence, in particular in the event of doubt regarding the legitimacy of the declaring party, are unaffected.

1.6 References to the applicable law and the validity of statutory provisions are for clarification purposes only. Therefore, even without such clarification, the statutory provisions shall apply unless they are directly amended or explicitly excluded in these Terms and Conditions.

## 2. Order and Order Confirmation

2.1 Our order shall be deemed binding no sooner than upon written submission or confirmation. The Supplier must point out obvious errors (e.g. textual and calculation errors) and incompleteness of the order, including the order documents, to us for the purpose of correction or completion before acceptance; otherwise the contract shall be deemed not to have been concluded.

2.2 The Supplier is required to confirm our order in writing within seven (7) calendar days, stating our complete order information (orderer, order number) and the Supplier's order number, or in particular to execute such without reservation by dispatching the goods (acceptance). Delayed acceptance shall be deemed a new offer and requires that we accept it.

## 3. Services

If our order (also) includes services, the following shall apply in this respect in addition to the relevant provisions below:

3.1 The Supplier is obliged to adhere strictly to the agreed service period for the start, performance and completion of the services. If the Supplier realises that he will likely not be able to comply with the service period, or if he encounters difficulties which will foreseeably impair compliance with the service period, he is obliged to inform us of this immediately in text form.

3.2 Remuneration for the services as specified in the order is binding. We shall only reimburse travel and accommodation costs and other expenses not directly related to the activity if this has been explicitly agreed



and the Supplier provides evidence of the expenses by presenting suitable receipts. Activities that go beyond the services as well as services that are carried out as on-call services require our prior written consent.

3.3 The Supplier shall provide the services with the necessary care and shall observe the current state of the art as applicable. The Supplier shall take into account, where necessary and appropriate, general codes of practice and industry standards, as well as our specific regulations, methods and application practices, where applicable.

3.4 § 625 BGB (German Civil Code) shall not apply.

3.5 The Supplier is liable with respect to us in accordance with the statutory regulations.

3.6 Our right of termination according to § 627 BGB is unaffected. If, after the performance of the services has commenced, the contract is terminated for good cause or on the basis of § 627 BGB, the Supplier may demand part of his remuneration corresponding to services performed so far. If the Supplier terminates the contract without being caused to do so by a breach of contract on our part, or if the Supplier causes us to terminate the contract by breach of contract on his part, the Supplier shall not be entitled to remuneration to the extent that his previous services are of no interest to us as a result of the termination. Any remuneration already paid but not owed as a result of the termination shall be refunded to us by the Supplier.

#### **4. Prices, Packaging, Freight**

4.1 The price for the goods as stated in the order is binding. Unless otherwise stated on the orders, the prices are delivery duty paid (DDP) (Incoterms® 2020) at the place of delivery specified in the order, including packaging and statutory VAT. Packaging materials must be environmentally friendly and recyclable.

4.2 Should the Supplier only be able to meet agreed delivery dates by using express freight (express, air freight, etc.), the Supplier shall be obliged to bear the associated costs.

#### **5. Product Quality, CE Marking and Quality Assurance**

5.1 The quality of the ordered goods is based on the specifications, including drawings or samples, for example. The Supplier is obliged to check these specifications and must report any concerns without delay. Notwithstanding the coordination of specifications or his involvement in the design, the Supplier is responsible for the design, manufacture, instruction and product monitoring of the goods in accordance with the state of the art.

5.2 The Supplier shall carry out quality assurance as is suitable in terms of type and scope and which corresponds to the state of the art. The Supplier guarantees that the requirements of DIN ISO 9001 have been complied with in the manufacture of the goods and the provision of the services. We reserve the right, with reasonable notice and during normal business hours, to inspect the effectiveness of the Supplier's quality management system on-site.

5.3 The Supplier shall check whether and how the CE marking of the goods is to be implemented. The Supplier shall perform this in his own name, unless it has been agreed that this shall be performed for us, in accordance with the relevant guidelines and technical standards and he shall document this. The Supplier shall apply technical standards that trigger the presumption of conformity. Type tests shall be carried out by the Supplier at his own expense. If we are acting as manufacturer according to the agreement, the Supplier shall act on our behalf; test certificates shall be issued in our name.

5.4 The Supplier shall ensure that the goods conform to the relevant safety requirements, including with regards to any product modifications and amendments to the relevant technical standards. The Supplier shall prepare the agreed technical documentation.

## **6. Reporting Obligation, REACH/RoHS, Conflict Minerals**

6.1 The Supplier himself is responsible for ensuring that the goods delivered to us comply with the relevant provisions of the EU regulations and other statutory provisions applicable to the goods, in particular the:

- Chemicals Regulation REACH (Regulation (EC) No. 1907/2006);
- RoHS Directive (No. 2011/65/EU and No. 2015/863/EU);

in their respective applicable versions. If we order substances/mixtures and/or articles as defined in Regulation (EC) 1907/2006 which are subject to an obligation to provide information, the Supplier shall provide this information to us without urging no later upon acceptance as defined under Section 2.2. If information regarding the goods ordered by us changes, the Supplier must provide us with this information without urging and without delay.

6.2 The Supplier undertakes to comply with the provisions of Regulation (EU) 2017/821 and/or Sec. 1502 Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act") as enacted by the Securities and Exchange Commission ("SEC") with respect to conflict minerals. The Supplier shall familiarise himself independently with the defined conformity regulations. The Supplier shall implement the resulting reporting obligations and measures for us in good time.

## **7. Delivery Time and Delay in Delivery**

7.1 The delivery time stated by us in the order is binding. If no delivery time is specified in the order and unless agreed otherwise, delivery time shall be two weeks from conclusion of contract. The Supplier undertakes to inform us immediately in writing if he will foreseeably be unable to meet agreed delivery times – for whatever reason.

7.2 If the Supplier does not render his performance or does not render such within the agreed delivery time, or if the Supplier is delayed, our rights – in particular the right of withdrawal and right to damages – shall be determined in accordance with the statutory provisions. The provisions of Section 7.3 are unaffected. We shall accept partial deliveries after explicit agreement only. In the event of agreed partial deliveries, the quantity still outstanding shall be indicated.

7.3 If the Supplier is delayed in delivery, we may – in addition to further statutory claims – demand lump-sum compensation for damages arising from the delay to the amount of 1% of the net price of the delayed goods per completed calendar week, and not more than 5% of the net price of the delayed goods in total. We reserve the right to prove that higher damages have been incurred. The Supplier reserves the right to prove that no damage at all or only significantly less damage has been incurred.

## **8. Performance, Delivery, Transfer of Risk, Delay in Acceptance**

8.1 The Supplier is not entitled to have the service he is due to perform rendered by third parties (e.g. subcontractors) without our prior written consent. The Supplier bears the procurement risk for his services unless otherwise agreed in individual cases (e.g. limitation to stock).

8.2 Delivery shall be made "free domicile" within Germany to the place specified in the order. If the place of destination is not specified and unless otherwise agreed, the delivery shall be made to our headquarters in Ingelfingen-Criesbach. The respective place of destination is also the place of performance for the delivery and any subsequent performance (obligation to deliver).

8.3 The delivery shall be accompanied by the agreed product documentation (e.g. certificates of material tests) and a delivery note stating the date (issue and dispatch), the contents of the delivery (item number and quantity), and our order identifier (date and number). If the delivery note is missing or incomplete, we shall not



be responsible for any delays in processing and payment resulting therefrom. A corresponding dispatch note with the same content must be sent to us separately from the delivery note.

8.4 The risk of accidental loss and accidental deterioration of the goods shall transfer to us upon handover at the place of performance. Insofar as acceptance has been agreed, this shall be authoritative for the transfer of risk. In all other respects, the statutory provisions of the law on contracts for work and services shall also apply accordingly in the event of acceptance. If we delay in acceptance, this shall be deemed equivalent to handover or acceptance.

8.5 The statutory provisions shall apply to the commencement of our delay in acceptance. However, the Supplier must also explicitly offer us his performance if a specific or determinable calendar time has been agreed for an action or cooperation on our part (e.g. provision of material). If we delay in acceptance, the Supplier may demand compensation for his additional expenses in accordance with the statutory provisions (§ 304 BGB). If the contract relates to a custom item to be manufactured by the Supplier (custom production), the Supplier shall only be entitled to further rights if we are obliged to cooperate and are responsible for the failure to cooperate.

## **9. Performance of Work at our Facilities**

Persons who perform work or provide services within our premises in fulfilment of the contract must observe the general company regulations; the existing regulations for entering our factory facilities must be observed. We accept no liability for self-inflicted accidents that happen to these persons on our premises or in our factory facilities.

## **10. Confidentiality and Retention of Title**

10.1 We reserve the property rights and copyrights to illustrations, plans, drawings, calculations, execution instructions, product descriptions, and other documents. Such documents shall be used exclusively for the contractual performance and returned to us after fulfilment or termination of the contract. The documents must be kept confidential from third parties, even after fulfilment or termination of the contract. The obligation to maintain confidentiality shall only expire if and to the extent that the knowledge contained in the documents provided has become generally known.

10.2 The above provision shall apply accordingly to substances and materials (e.g. software, finished and semi-finished products), as well as to tools, templates, samples and other items which we provide to the Supplier for the manufacture of the products or the performance of his services. Such items shall – as long as they are not processed – be stored separately at the Supplier's expense and insured to a reasonable extent against destruction and loss.

10.3 Any processing, mixing or combination (further processing) by the Supplier of the items provided shall be carried out for us. The same shall apply in the event that we process the delivered goods further, such that we shall be deemed to be the manufacturer and shall acquire ownership of the product no later than upon further processing in accordance with the statutory provisions.

10.4 The transfer of ownership of the goods to us shall be unconditional and without consideration for the payment of the price. If, however, we accept an offer of transfer of ownership from the Supplier conditional on payment of the purchase price in an individual case, the Supplier's retention of title shall expire no later than upon payment of the purchase price for the goods delivered. We shall remain authorised to resell the goods in the ordinary course of business even before payment of the purchase price with advance assignment of the claim arising therefrom (alternatively, the simple retention of title extended to the resale shall apply). In any case, all other forms of retention of title are excluded, in particular expanded and forwarded retention of title and retention of title extended to further processing.



## **11. Payment, Offset**

11.1 Unless otherwise agreed in writing, we shall make payment after receipt of the goods or provision of the service and receipt of the invoice within thirty (30) days with a 3% discount or within sixty (60) days net. Our order number must be indicated on the Supplier's invoice. If this information is missing, we are not responsible for any resulting delays in processing and payment.

11.2 Payment is deemed to be in good time if the transfer is made on the due date. Payment shall be made subject to verification of invoice and complete delivery of the goods or complete provision of the service. Place of performance is Ingelfingen-Criesbach.

11.3 Payment is not equivalent to fulfilment of the Supplier's contractual obligations.

11.4 We do not owe interest on maturity. The statutory provisions shall apply to default on payment.

11.5 We shall be entitled to rights to offset and withhold payment as well as defence of non-performance of contract to the extent provided by law. In particular, we are entitled to withhold payments due as long as we are still entitled to claims against the Supplier arising from incomplete or defective performance.

11.6 The Supplier shall only have a right to offset or withhold on the basis of counterclaims that have been legally established or are undisputed.

## **12. Defective Delivery**

12.1 The statutory provisions shall apply to our rights in the event of material defects and defects of title regarding the goods (including incorrect and short delivery as well as improper assembly, defective assembly, user or operating instructions) and in the event of other breaches of duty by the Supplier, unless otherwise stipulated below.

12.2 In accordance with the statutory provisions, the Supplier is liable in particular for ensuring that the goods have the agreed quality at such time as the risk transfers to us. In any case, those product descriptions which – in particular by means of designation or reference in our order – are the subject of the respective contract or have been included in the contract in the same way as these Terms and Conditions shall be deemed to be an agreement on quality. It makes no difference in this case whether the product description comes from us, from the Supplier, or from the manufacturer.

12.3 We are not obliged to examine the goods or undertake special investigations for any defects upon conclusion of contract. In partial deviation from § 442 par. (1) sen. (2) BGB, we are therefore entitled to claims for defects without restriction even if we were unaware of the defect at time of conclusion of contract due to gross negligence.

12.4 The statutory provisions (§ 377, § 381 HGB (German Commercial Code)) shall apply to the commercial duty to examine and give notice of defects, subject to the following: Our duty to examine is limited to defects that are evident during our incoming goods inspection under external assessment, including delivery papers (e.g. transport damage, incorrect and short deliveries), or that can be identified during our quality control in the random sampling procedure. Insofar as acceptance has been agreed, there shall be no duty to examine. Moreover, it depends on the extent to which an examination is feasible in the ordinary course of business, taking into account the circumstances of the individual case. Our obligation to give notice of defects discovered later is unaffected. Notwithstanding our duty to examine, our complaint (notice of defect) shall be deemed to have been made without delay and in good time if it is sent within five working days (calculated at the place of performance) of discovery or, in the case of obvious defects, of delivery.

12.5 Supplementary performance shall also include the removal of the defective goods and their re-installation, insofar as the goods have been installed in another item or attached to another item in accordance with their

type and intended use; our statutory claim to reimbursement of corresponding expenses is unaffected. The Supplier shall bear the expenses necessary for the purpose of inspection and supplementary performance even if it transpires that there was in fact no defect. Our liability for damages in the event of an unjustified request to remedy a defect is unaffected; however, we shall only be liable in this respect if we recognised or were grossly negligent in not recognising that there was no defect.

12.6 Notwithstanding our statutory rights and the provisions of Section 12.5, the following applies: If the Supplier does not fulfil his obligation to provide supplementary performance – by remedying the defect (remedy) or by delivering a defect-free item (replacement) at our discretion – within a reasonable period set by us, we may remedy the defect ourselves and demand reimbursement of the expenses required for this or a corresponding advance payment from the Supplier. If the supplementary performance of the Supplier has failed or is unreasonable for us (e.g. due to particular urgency, risk to operational safety, or imminent risk of disproportionate damage), no deadline must be set; we shall inform the Supplier of such circumstances without delay, in advance if possible.

12.7 Otherwise, in the event of a material defect or defect of title, we shall be entitled to reduce the purchase price or to withdraw from the contract in accordance with the statutory provisions. In addition, we are entitled to compensation for damages and expenses in accordance with the statutory provisions.

### **13. Supplier Recourse**

13.1 We shall be entitled to our legally determined recourse claims within a supply chain (supplier recourse pursuant to § 445a, § 445b, § 478 BGB) without restriction in addition to the claims for defects. In particular, we are entitled to demand from the Supplier exactly the type of supplementary performance (remedy or replacement delivery) that we owe our customer in the individual case. Our statutory right of choice (§ 439 par. (1) BGB) is not restricted by this.

13.2 If we acknowledge or fulfil a claim for defects asserted by our customer (including reimbursement of expenses pursuant to § 445a par. (1), § 439 par. (2) and (3) BGB) and have notified the Supplier and, setting out the facts of the case, have requested a written opinion, the Supplier shall be entitled to a reasonable period for provision of a substantiated opinion. If no substantiated opinion is made within this period and no amicable solution is reached, the claim for defects actually granted by us shall be deemed owed to our customer. It is incumbent on the Supplier to provide contrary evidence in this case.

13.3 Our claims from supplier recourse shall also apply if the defective goods have been further processed by us or another entrepreneur, e.g. by incorporation into another product.

### **14. Producer Liability**

14.1 If the Supplier is responsible for product damage, the Supplier shall indemnify us regarding third-party claims to the extent that the cause lies within the Supplier's sphere of control and organisation and the Supplier himself is liable in relation to third parties.

14.2 Within the scope of his obligation to indemnify, the Supplier shall reimburse expenses arising from or in connection with claims by third parties including recall measures carried out by us pursuant to § 683, § 670 BGB. We shall inform the Supplier – as far as possible and reasonable – of the content and scope of recall measures, and give the Supplier the opportunity to comment. Further legal claims are unaffected.

14.3 The Supplier shall take out and maintain product liability insurance with a lump-sum coverage of at least five [5] million EUR per personal injury/property damage.



## **15. Limitation Period**

15.1 The mutual claims of the contracting parties shall expire in accordance with the statutory provisions, unless otherwise stipulated below.

15.2 By way of deviation from § 438 par. (1) no. (3) BGB, the general limitation period for claims for defects shall be three (3) years from the transfer of risk. Insofar as acceptance has been agreed, the limitation period shall commence upon acceptance. The 3-year limitation period shall also apply accordingly to claims arising from defects of title, whereby the statutory limitation period for third-party claims *in rem* for surrender of goods (§ 438 par. (1) no. (1) BGB) shall remain unaffected; claims arising from defects of title shall furthermore not expire in any case as long as the third party can still enforce the right against us, in particular in the absence of a limitation period.

15.3 The limitation periods of sales law, including the above extension, shall apply to all contractual claims for defects to the extent provided by law. Insofar as we are also entitled to non-contractual claims for damages due to a defect, the regular statutory limitation period (§ 195, § 199 BGB) shall apply, unless the application of the limitation periods of sales law leads to a longer limitation period in individual cases.

## **16. Industrial Property Rights / Copyrights and Work Results**

16.1 The Supplier warrants that i) the services provided are free of third-party property rights which exclude or impair our use of the service; and ii) the Supplier has the authority to transfer or grant corresponding rights of use to us.

16.2 The Supplier shall indemnify us of all third-party claims, including claims of authors involved, which are enforced against us due to the contractual use of the service provided by the Supplier. This shall not apply insofar as the Supplier did not know or could not have known of the existence of third-party rights. The Supplier shall, as far as possible, conduct any necessary legal disputes himself in his own name and at his own expense. This shall not affect our right to claim damages in accordance with the statutory provisions and to withdraw from the contract.

16.3 Unless otherwise agreed, all tangible and intangible results (“work results”) arising in the course of the provision of the service shall transfer to us without any further condition and without any additional remuneration. If the transfer of such is not legally possible, the Supplier shall grant us an exclusive, transferable, sub-licensable, worldwide, irrevocable and free-of-charge right of use, unlimited in terms of time and content.

16.4 Unless otherwise agreed and to the extent required by us in order to be able to commercially use the services provided (including a work result), the Supplier hereby grants us a non-exclusive, transferable right of use, unlimited in terms of time and content, which may be sublicensed to third parties for the purpose of supplying products or providing services to us as well as to companies from our group of companies, and which applies worldwide, is irrevocable and free of charge, to the property rights or legal positions similar to property rights as required for this purpose.

16.5 If the Supplier creates or adapts software within the scope of his performance, the rights of use pursuant to Section 16.3 are not limited to the object code, but also extend to the source code and the documentation of the programs created and adapted.

## **17. Applicable Law, Place of Jurisdiction**

17.1 These Terms and Conditions and the contractual relationship between us and the Supplier shall be governed by the law at our registered office under exclusion of international uniform law, in particular the UN Convention on Contracts for the International Sale of Goods.



17.2 If the Supplier is a merchant within the meaning of the German Commercial Code, a legal entity under public law, or a special fund under public law, the exclusive – including international – place of jurisdiction for all disputes arising from the contractual relationship shall be our registered office. The same shall apply if the Supplier is an entrepreneur within the meaning of § 14 BGB. However, we are also entitled in all cases to bring an action at the place of performance of the delivery obligation in accordance with these Terms and Conditions or a prior individual agreement or at the Supplier's general place of jurisdiction. Overriding statutory provisions, in particular those relating to exclusive competences, are unaffected.

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