

General Terms and Conditions of Purchase for Suppliers

1 General provisions

1.1 Conditions of the supplier deviating from or supplementing these general terms and conditions of purchase are non-binding for the purchaser, including where not rejected by the purchaser or where the supplier declares its wish to supply solely in accordance with its own conditions.

Where the supplier is to supply machinery or production equipment, the 'supplementary conditions for machinery and production facilities of Directive 2006/42/EC of the European Parliament and of the Council of 17 May 2006 on machinery, and amending Directive 95/16/EC (recast)' shall also apply; however with subordinate authority. In supplement, the "Provisions to combat illegal employment", the "VINCI Charter" and the "Quality management conditions" also apply.

The customer is an ISO/IEC 27001 certified company with a high security standard and therefore the customer and the supplier must observe and comply to a special degree with the implementation of the statutory provisions in accordance with the General Data Protection Regulation (GDPR). The supplier is obliged to comply with the provisions of the Federal Data Protection Act (Bundesdatenschutzgesetz – BSDG) as amended, and may only appoint such persons for the provision of the services who have been trained accordingly and committed to data secrecy.

1.2 Orders and acceptance as well as amendments or additions to such require written form. Verbal ancillary agreements upon conclusion of the contract are only effective where confirmed in writing by the purchaser. This also applies for amendments to the contract following conclusion of such.

1.3 Should the supplier fail to accept the order within 14 days, the purchaser may cancel the order prior to receipt of the supplier's notice of acceptance.

1.4 Transfer in full or subcontracting of ordered supplies and services by the supplier to third parties is subject to the written approval of the purchaser. In addition to the respective third party, the supplier is jointly and severally liable.

1.5 Subject to a condition precedent, in the event of an application to open insolvency proceedings against the supplier's assets, the supplier hereby assigns all existing current and future claims for performance and subsequent remedy of defects to which the supplier is entitled as a result of its legal relations with any

third party at the time of occurrence of the said contingency. In this respect, the object of such legal relations must be the performance or subsequent remedy of defects of a service in relation to which performance or subsequent defect remedy is also provided for in the legal relationship between the purchaser and the supplier.

To the extent that the object of such legal relations is the performance or subsequent defect remedy of services for which performance or subsequent defect remedy is not provided for under legal relations between the purchaser and supplier, these claims shall be excluded from the assignment.

1.6 Costs for insuring the goods, specifically forwarding insurance, will not be accepted by the purchaser. The purchaser is the prohibitory/waiver customer.

1.7 Copyright to plans, drawings and ideas embodied in the delivery is afforded to the purchaser. The purchaser is the creator within the meaning of Section 951 of the German Civil Code.

2 Delivery date and place of performance

2.1 The agreed delivery date is binding. Advance deliveries are only permissible with the agreement of the purchaser. Receipt at the delivery address stated by the purchaser is decisive for the timeliness of deliveries or installation.

2.2 In the event of default on the part of the supplier, the purchaser will be entitled to require a contractual penalty of 0.1% of the order value per commenced calendar day of default, up to a maximum of 5% of the order value. The purchaser may only claim the contractual penalty up to final settlement at the latest.

2.3 Place of performance for deliveries by the supplier is the delivery address stated in the order. Where a delivery address is not stated and the place of performance is also not apparent from the nature of the contractual obligation, the place of performance shall be the purchaser's address. DDP (place of performance) Incoterms 2010 apply with subordinate authority. Place of performance for payment is similarly the address of the purchaser. In the case of non-cash payments, performance will be deemed effected for bank transfers once transfer to the account in question has been completed and the purchaser is irreversibly availed of the funds without any encumbrance by third-party rights.

3 Compliance with the principles of the United Nations Global Compact

(1) By means of the accession of our shareholders to the United Nations

Global Compact, we agree to comply with the Global Compact and require the same of our suppliers.

(2) Compliance with the principles of the Global Compact specifically includes:

- the preservation of human rights
- ensuring the provision of adequate working conditions (the elimination of compulsory labour, child labour and discrimination of any kind)
- taking a precautionary approach to the environment (the encouragement, development and diffusion of environmentally-friendly technologies)
- taking action against all forms of corruption

(3) The supplier agrees to promptly notify us of any infringements of the aforesaid principles occurring within its business operations.

(4) Upon gaining knowledge of any infringements of the conditions stated under 1 to 3 on the part of the supplier, we reserve the right to carry out commensurate inspection and terminate the mutual business relations as necessary.

4 Waste disposal

Packaging materials are to be used solely to the extent necessary and as far as possible using environmentally-friendly materials; in the absence of alternative agreement, the supplier is obliged to accept return of packaging within the scope of the pertinent waste disposal regulations.

5 Shipping and pricing

5.1 Delivery items are to be properly packed and shipped. Packaging and shipping instructions must be adhered to. Delivery notes or packing slips are to be attached to each delivery. Purchaser order numbers and the purchaser references stipulated in the order are to be stated in all documents. Notification of shipping is to be sent to the purchaser by no later than the date of dispatch. Any additional costs incurred by the purchaser as a result of non-compliance with the above provisions shall be borne by the supplier.

5.2 Prices apply free to place of performance (DDP Incoterms 2010), including all loading processes (loading and unloading).

6 Invoicing and payment, ban on assignment

6.1 The invoice must state the order number and all references stipulated in the order.

6.2 Payments are to be effected within 30 days subject to 3% discount, or

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- optionally within 90 days net after incoming goods and invoicing.
- 6.3 The supplier may not assign or allow for third-party collection of its receivables vis-à-vis the purchaser without the written agreement of the purchaser; whereby this shall not apply in the event of an effective agreement for extended retention of title by the supplier.
- ## 7 Warranty
- 7.1 The supplier guarantees that its deliveries and services shall remain free of defects throughout the statutory warranty period and that they possess the contractually agreed qualities. The supplier guarantees the contractually agreed qualities and performance/characteristics (Ss. 443, 444, 639 of the German Civil Code [BGB]).
- 7.2 The period of limitation begins upon commencement of the period of limitation in the contract between the purchaser and its customer; however, by no later than one year following handover of the delivery to the purchaser by the supplier. The period of limitation shall be delayed by a legitimate defect complaint.
- 7.3 The supplier is to be notified in writing of any defects as soon as such defects are discovered within the due and proper course of business, with notification to occur within a reasonable period.
- 7.4 Application of Ss. 377 et seq. of the German Commercial Code (HGB) and Art. 38, 39 CISG is hereby waived; however, a period of 2 weeks from discovery applies with respect to obvious defects.
- 7.5 In this respect, the supplier will carry out quality inspections and, upon request, allow for inspection of the production process by the purchaser at its premises. Commensurate documentation is to be provided to the purchaser upon request.
- 7.6 In the case of reworking or subsequent remedy of defects, the defective delivery is to be recovered by the supplier from the place of use as stipulated in the supplier instructions (situs), or otherwise from the place of performance.
- 7.7 The period of limitation of any claim arising under a security provided by the supplier (guarantee, cash security etc.) shall commence upon exercise of such vis-à-vis the security provider. The period of limitation of any claim arising under a guarantee provided by the supplier shall first enter into effect upon limitation of the final claim secured by such.
- ## 8 Notification obligations and duty of care
- 8.1 Where the purchaser has informed the supplier of the intended use of deliveries, or where such intended use is apparent to the supplier without express reference to such, the supplier is obliged to notify the purchaser without delay in the event that the supplier's deliveries are not suitable for performance of the commensurate intended use.
- 8.2 Circumstances jeopardising compliance with agreed delivery dates are to be promptly communicated in writing to the purchaser for the purpose of clarifying further action.
- 8.3 The supplier is to promptly notify the purchaser in writing of any changes to the nature of the formulation of the processed material or in respect of the constructive performance of equivalent deliveries or services rendered to the purchaser to date. Such changes are subject to the written approval of the purchaser.
- 8.4 The supplier will ensure that deliveries and services satisfy environmental protection, accident prevention and other health and safety regulations, as well as pertinent safety requirements and all other statutory provisions applicable in the Federal Republic of Germany, and is also to notify the purchaser of any special handling or disposal requirements not generally known in relation to each delivery.
- This includes in particular REGULATION (EC) No 1272/2008 (CLP) of the EUROPEAN PARLIAMENT AND OF THE COUNCIL on the classification, labelling and packaging of substances and mixtures, amending and repealing Directives 67/548/EEC and 1999/45/EC and amending Regulation (EC) No. 1907/2006 (REACH) and all relevant legislation of the EU and the Federal Republic of Germany.
- ## 9 Technical documents
- 9.1 All technical documentation requested by the purchaser is to comply with the pertinent German standards with regard to form and execution and is to be supplied in German. These documents are an integral element of the delivery.
- 9.2 Operating instructions provided in triplicate are to be included with the ordered machinery or production equipment, broken down into
- Product details
 - Requirements for the installation site
- Information on transport, installation and dismantling
 - Operating instructions (use)
 - Maintenance instructions and notes.
- 9.3 Insofar as not already included as part of the operating instructions pursuant to 9.2, the following documents are also to be supplied as an appendix to the operating instructions:
- Completed AWF machine cards – details of accessories
 - Wearing parts and replacement parts lists – inspection log
 - Assembly drawings, as necessary
 - Tool lists, as necessary
 - Programming instructions, as necessary
- 9.4 Technical documentation required by the purchaser prior to delivery of the machinery or production equipment in preparation for installation and operation are to be supplied by the dates and in the quantities stated in the order.
- 9.5 At the request of the purchaser, the supplier is to provide the purchaser with written documentation confirming that the delivery object complies with the provisions of German accident prevention regulation BGV A3 'Electrical installations and equipment' (Elektrische Anlagen und Betriebsmittel) Where official approval is required for use of the purchased machine or production equipment, the supplier will provide the purchaser with all necessary documentation in triplicate. To the best of its ability, the supplier is obliged to support the purchaser in relation to acquisition of any such official approval.
- ## 10 Acceptance
- 10.1 Insofar as agreed, joint preliminary acceptance is to be effected at the plant of manufacture, whereby the purchaser shall determine the scope of the preliminary inspection. Delivery approval is effected following confirmation of the preliminary acceptance by the purchaser.
- 10.2 Acceptance is to be effected by purchaser personnel at the place of installation; with the machinery or production equipment including all accompanying technical documentation to be inspected for defects. The purchaser will determine the scope of the acceptance inspection. The machinery or production equipment in question will only first be deemed accepted upon unconditional signature of the acceptance log by the purchaser.
- ## 11 Cancellation

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- 11.1 The purchaser may cancel the entire contract or parts thereof at any time. Where the reason for cancellation is occasioned by the supplier, payment will be required solely for concluded, substantiated performance rendered to date in accordance with the contract, insofar as this may be utilised by the purchaser. Claims for compensation on the part of the purchaser remain without prejudice. This also applies where cancellation is effected by the purchaser as a result of the supplier's inability to pay or where the supplier suspends payments, or an application for the opening of insolvency proceedings is filed in relation to the assets of the supplier or one of its owners.
- 11.2 Where cancellation occurs for reasons not occasioned by the supplier, the purchaser will recompense all performance demonstrably effected to the date of cancellation and all unavoidable costs. The supplier will not be entitled to any further performance or compensation claims on the basis of the cancellation. The supplier is to agree a commensurate provision with its subcontractors. All rights to work results achieved up to the time of cancellation shall pass to the purchaser.
- 12 Provision of materials**
- 12.1 Items of any nature provided to the supplier by the purchaser remain the property of the purchaser and may be used solely for the purposes of rendering the ordered supplies.
- 12.2 The supplier is obliged to carry out any necessary maintenance and inspection work at its own cost; the supplier will also sufficiently insure the items provided and furnish evidence of such to the purchaser upon request.
- 12.3 Should items provided by the purchaser be processed or reformed by the supplier to create new moveable property, the purchaser shall be deemed the creator of such. In the case of combination or inseparable mixing with other objects, the purchaser shall acquire co-ownership in the resulting article in proportion to the value of its commensurate items at the time of combination or mixing. Where combination or mixing occurs in such a manner that the supplier's items are deemed the primary object, agreement for the supplier to afford the purchaser commensurate, proportionate co-ownership is hereby deemed effected; the supplier shall safely store the co-owned property on behalf of the purchaser.
- 13 Non-disclosure**
- 13.1 The supplier agrees to maintain secrecy with respect to all business and technical information and documentation not generally in the public domain of which it gains knowledge in the course of the business relationship and will use such solely for the purposes of rendering the ordered supplies. A commensurate obligation is also to be imposed on any subcontractors.
- 13.2 The supplier may refer to the purchaser's company or brands within the scope of presenting references or publications solely with the prior, written commensurate approval of the purchaser.
- 14 Replacement parts and willingness to supply**
- 14.1 The supplier is obliged to supply replacement parts at reasonable conditions for the duration of the standard service life; however, for a period of at least 10 years following the last delivery of the delivery item.
- 14.2 Where the supplier discontinues the supply of replacement parts after expiry of the period stipulated in Section 14.1 or stops delivery of the delivery items during that period, the purchaser is to be provided with the opportunity to place a final order.
- 15 Insolvency**
- Should the agreement between the contracting parties be terminated (hereinafter: termination of contract) through a mutual declaration of intent, agreement or otherwise (however, not pursuant to Sections 362 and 364 of the German Civil Code [BGB]), the supplier shall provide every available resource required by the purchaser to continue performance; this specifically includes utilisation of machinery, materials, system components, drawings, know-how and industrial property rights. The supplier is obliged to comprehensively support the purchaser in relation to any such utilisation. Moreover, the supplier is obliged to promptly surrender all project documents to the purchaser free of charge and, subject to the condition precedent of contract termination, hereby assigns all rights to such documents to the purchaser, which the purchaser duly accepts. Irrespective of legal basis, in relation to document surrender the supplier waives any right of retention and the purchaser duly accepts the respective waiver. Project documents include all physical items and any EDP-based data, files and other information (in)directly associated with the project and its implementation.
- Subject to the condition precedent of contract termination, the supplier hereby assigns to the purchaser
- all current and future claims against suppliers and subcontractors, including all claims in relation to performance, claims in relation to defective or non-performance, repayment claims resulting from overpayment, compensation claims, warranty claims, claims to and resulting from the provision of security, as well as claims to insurance benefits arising from losses incurred by the supplier or its subcontractors, and
 - all claims to and arising from any related security or guarantees (for example, guarantees relating to advance payments, contract performance or warranty)
- whereupon the purchaser duly accepts the respective assignment.
- In all contracts to be concluded with its own suppliers and subcontractors (SC), the supplier is obliged to obtain a declaration by the respective SC confirming its commensurate agreement for the supplier to assign all its various claims against the SC in question to the purchaser subject to the condition precedent of contract termination, (specifically: performance-related claims, repayment claims resulting from overpayment, compensation claims, warranty claims, claims to insurance benefits arising from losses incurred by the SC as well as claims to and under guarantees provided by the said SC).
- The supplier will furnish the purchaser with evidence of such upon request.
- 16 Liability:**
- The customer is liable to the supplier solely in cases of gross negligence or wilful intent.
- 17 Legal venue and applicable law**
- 17.1 Where the supplier is a merchant, exclusive legal venue is Frankfurt am Main, including for cheque and bill of exchange procedures. The same legal venue shall apply where the supplier has no overall legal venue in the Federal Republic of Germany at the time legal proceedings are initiated. Notwithstanding this, the purchaser may effect recourse to any legally competent court.
- 17.2 The law of the Federal Republic of Germany applies; to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 and the entire body of German international private law.

