

I. General Information, scope

- (1) Our General Terms and Conditions of Purchase (hereinafter referred to as "Conditions of Purchase") apply exclusively and govern the sale and supply of movable items ("Goods"), irrespective of whether the company selling the Goods to us (hereafter referred to as "Supplier") manufactures the Goods itself or procures them from a third party (sections 433 and 650 German Civil Code / BGB). Opposing conditions of the Supplier or any other terms that deviate from our Conditions of Purchase do not become part of the contract, unless we have given our express written consent. Our Conditions of Purchase shall also apply if we accept the delivery without reservation despite knowledge of opposing conditions of the Supplier or other terms which may deviate from our Conditions of Purchase.
- (2) All agreements made between us and the Supplier for the purpose of fulfilling this contract shall be set out in writing and recorded in this contract.
- (3) Our Conditions of Purchase shall apply only to entrepreneurs within the meaning of section 14 German Civil Code, legal entities under public law or other public corporations.
- (4) Statutory provisions shall apply insofar as they are not expressly excluded or modified by these Conditions of Purchase.
- (5) References to statutory provisions are made for clarification purposes only. Therefore, even without such clarification, the statutory provisions shall apply insofar as they are not expressly excluded or modified by these Conditions of Purchase.

II. Quotation, quotation documents

- (1) Our purchase order shall become binding only upon its submission or confirmation in writing. The Supplier shall notify us with respect to any obvious errors (e.g. typing and calculation errors) or omissions in the purchase order or corresponding order documents prior to acceptance; otherwise the contract shall be deemed not to have been concluded.
- (2) The Supplier is obliged to confirm our purchase order in writing within two (2) weeks, or to fulfil the order unconditionally by dispatching the Goods (acceptance). If Supplier's acceptance exceeds this time, it shall be regarded as a new offer, which requires our acceptance.

III. Prices, terms of payment

- (1) The price indicated in the purchase order is binding. All prices shall be understood to include statutory value-added tax, unless indicated separately. Unless otherwise agreed in writing, the price shall include Delivery Duty Paid (DDP) Schloss Holte-Stukenbrock, Germany, as per Incoterms 2020, and all services or supplementary works provided by the Supplier (e.g. assembly), plus all associated costs (e.g. orderly packaging, transportation, transport and liability insurance).
- (2) In order to be able to process Supplier's invoices, they must conform to clause V (2).
- (3) Unless otherwise agreed in writing, we shall pay the purchase price within fourteen (14) calendar days with 3% cash discount, or within thirty (30) calendar days net, calculated in each case from the date of complete delivery and performance (including an acceptance test, where agreed), and the receipt of a proper invoice.
- (4) We shall not owe interest for payment after the above times. Any delays in payment shall be subject to the statutory provisions.
- (5) We reserve rights of setting off, retention and the right to object to an unfulfilled contract, to the extent laid down by law. In particular, we are entitled to withhold due payments as long as we are still entitled to claims arising from incomplete, improper or non-conforming performance by Supplier. Payments made do not constitute an acceptance of the Goods and shall not release Supplier from his warranty obligations.

IV. Delivery date, delayed delivery

- (1) The delivery date or period stated in the purchase order is binding. The delivery date shall be calculated from the date of our purchase order. If no delivery time is stated in the purchase order and no alternative agreement has been made, performance shall be due immediately in accordance with section 271 German Civil Code.
- (2) If a fixed date of performance is set, section 376 (1) sentence 2 German Commercial Code (HGB) shall not be applicable.
- (3) The Supplier shall notify us immediately in writing of any circumstances which occur or of which he may become aware from, that are likely to result in a delay with respect to agreed delivery dates or periods. If we subsequently agree in writing to a certain delay, this shall not affect the Supplier's delay or our resulting rights.
- (4) If the Supplier does not provide his service or does not provide it on the agreed delivery date or period, we shall be entitled to claims as laid down by law and in clause IV (5).
- (5) In the event of Supplier's delay, we shall be entitled to liquidated damages amounting to 0,25% per calendar day, up to a maximum of 5 %, each calculated from the net order value. We reserve the right to furnish proof that larger damages have been incurred, however, by counting them against the liquidated damages. The Supplier reserves the right to furnish proof that no or less damages have been incurred.
- (6) In the event of impairment of our operations (through force majeure, lockouts, strikes, internal unrest, natural disasters, pandemic, traffic emergencies, supply and export bans, boycotts or similar disruptions such as fire, water, explosion and similar) our obligations arising from the contract shall be suspended for the duration of said events. If a delivery/acceptance of performance is delayed due to aforementioned events for more than one month, both parties shall be entitled to withdraw from the contract.

V. Delivery, transfer of risk, documents

- (1) Delivery shall take place DDP as per Incoterms 2020, to the destination named in the purchase order. In the absence of an agreement on the destination, delivery shall take place DDP as per Incoterms 2020 to our registered office at 33758 Schloss Holte-Stukenbrock, Germany. The respective destination is also the place of performance for any warranty services (obligation to be fulfilled at the place of performance).
- (2) The Supplier shall precisely indicate on all shipping documents (e.g. invoices and delivery notes) our order number, position number, part number, type and quantity and exact description of the delivered item or service. Furthermore, the Supplier shall always indicate unit prices per item on invoices. Dispatch notices must be sent to our goods acceptance department. The Supplier shall send a delivery note with each shipment. As possible, the Supplier shall send us the invoice on the date of dispatch.
- (3) If the Supplier neglects to send the aforementioned information to the correct department, we shall not be held responsible for delays in processing.
- (4) The risk of accidental loss or deterioration of the Goods shall be transferred to us upon handover at the place of performance. If acceptance testing is agreed, the testing date shall be the relevant date for the transfer of risk. Furthermore, the statutory provisions for service contracts shall apply when an acceptance test is performed. Handover and/or acceptance testing shall be considered equivalently if our acceptance is delayed.
- (5) Our delay in acceptance shall be subject to the statutory provisions. However, the Supplier must expressly offer us his service, even if a specific or determinable calendar period has been agreed for an action or cooperation on our part (e.g. provision of materials). If our acceptance is delayed, the Supplier may demand his additional expenditure in accordance with the statutory provisions (section 304 German Civil Code). If the contract concerns a fungible item (custom-made) to be manufactured by the Supplier, the Supplier shall be entitled to further rights only if we have entered into an obligation to co-operate and are responsible for the failure to co-operate.

VI. Inspection, liability for defects

- (1) The statutory provisions (sections 377 and 381 German Commercial Code) shall apply to the obligation to perform inspections and provide notification of defects, subject to the following provision: Our obligation to inspect shall be limited to defects that are identifiable during external examination, including perusal of the shipping documents, as part of our incoming goods inspection (e.g. transport damage or incorrect / incomplete delivery) or during our quality control through random sampling. The involvement of third parties or an examination of the Good's chemical composition shall not be necessary. If an acceptance test has been agreed, there is no obligation to inspect. Moreover, our inspection depends on the extent it is practicable in each specific case in the ordinary course of business. Our obligation to provide notification of defects discovered at a later date shall remain unaffected. Notwithstanding our obligation to inspect, our notification obligation shall be deemed immediate and punctual if sent within ten (10) days upon discovery of defects, or upon delivery in the case of obvious defects.
- (2) The statutory provisions shall apply to our rights in the event of quality defects and legal defects of Goods (including incorrect or incomplete delivery or improper assembly, faulty installation or insufficient operating instructions) and other breaches of duty by the Supplier, unless otherwise agreed in these Conditions of Purchase.
- (3) According to the statutory provisions, the Supplier shall in particular be liable for compliance of the Goods with agreed specifications at the time the risk passes. In any event, those product descriptions which are - particularly if set out or referred to in our purchase order - part of the respective contract or have been included in the contract in the same way as these Conditions of Purchase shall be deemed to be agreed specifications. This shall apply irrespective of whether product descriptions originate from us, from the Supplier or from the manufacturer.
- (4) Deviating from section 442 (1) sentence 2 German Civil Code, we shall be entitled to claims for defects without limitation even if the defect grossly negligent remained unknown to us at the time of conclusion of the contract.
- (5) In the course of curing (Nacherfüllung) of the defective Goods, removing and their re-installation shall be included in Suppliers obligations and costs, insofar as the Goods have been installed in or attached to another item, according to their type and purpose. Our statutory right to claim compensation of expenses incurred shall remain unaffected. The Supplier shall bear the costs incurred for the purpose of testing and curing, even if it is subsequently found that no defect attributable to the Supplier was in fact present. However, this shall not affect our liability for damages in the event of an unjustified request for curing of defects. Thus, we shall be liable only if we have recognized that no defect was present or if we did not recognize it due to gross negligence.
- (6) The following shall apply notwithstanding our statutory rights and the provisions in clause VI (5): We are entitled to choose either to demand that the defect is repaired or a new Good free of defects is supplied. If the Supplier does not fulfil his obligation of curing within a reasonable period set by us, we shall be entitled to remedy the defect ourselves and to demand reimbursement of necessary expenses and an appropriate advance payment from the Supplier. If the curing by the Supplier has failed or is unreasonable for us (e.g. due to particular urgency, endangerment of operational safety or an imminent threat of disproportionate damage), no deadline for curing shall be necessary; we shall inform the Supplier of such circumstances immediately in advance, as possible.
- (7) We expressly reserve the right to withdraw from the contract, reduce the purchase price, claim damages and in particular to claim damages in lieu of performance.

VII. Supplier recourse

- (1) Our statutory rights of recourse along a supply chain (supplier recourse according to sections 445a, 445b and 478 German Civil Code) are available to us without limitation in addition to the claims for defects. In particular, we are entitled to demand exactly the kind of curing (remedy of the defect or delivery of a new Good free of defects) from the Supplier as we ourselves individually owe to our customer. This shall not limit our statutory right of choice (section 439 (1) German Civil Code).
- (2) Before we acknowledge or satisfy a claim for defects asserted by our customer (including the reimbursement of expenses pursuant to sections 445a (1), 439 (2) and (3) German Civil Code), we will notify the Supplier with a brief description of the facts and request a written statement. If we do not receive a substantiated statement within a reasonable period and no amicable solution is found, the claim for damages shall be deemed the same as the actual claim we grant to our customer. In this case, it is the Supplier's responsibility to provide evidence to the contrary.
- (3) Our claims arising from supplier recourse shall also apply if the defective Goods have been further processed by ourselves or another entrepreneur (e.g. by installation into another product).

VIII. Product liability, indemnification, liability insurance

- (1) Insofar as the Supplier is responsible for damage to a product, he is under obligation to indemnify us against claims for damages by third parties at our first request, insofar as the damage is within the Supplier's area of control and organisation and he is himself liable in external relation.
- (2) Within the scope of his liability for damages pursuant to clause VIII (1), the Supplier is also obliged to reimburse any expenditure according to sections 683 and 670 German Civil Code and sections 830, 840 and 426 German Civil Code, which result from or are connected to a product recall initiated by us. Where possible and feasible, we shall notify the Supplier as to the scope and content of product recall measures and give the Supplier the opportunity to submit a statement. Other legal claims remain reserved.
- (3) The Supplier undertakes to take out and continually renew a lump-sum product liability insurance policy with a sum insured of EUR 5 million per personal injury or property damage. This shall not affect further claims to which we are entitled.

IX. Intellectual property rights

- (1) The Supplier shall deliver Goods which are free from third-party rights and claims. In particular, the supply and use of the delivered items must not violate patents, licenses or other intellectual property rights of third parties in member states of the European Union or in other countries where the Supplier manufactures the Goods or has them manufactured by others.
- (2) In the event that third parties assert claims against us due to an infringement of third-party rights as per clause IX (1), the Supplier shall indemnify us against such claims. The Supplier's obligation to indemnify shall cover all expenses incurred by us from or relating to a claim by a third party.
- (3) The Supplier's liability and obligation to indemnify shall be waived if he is not responsible for the violation of third-party rights pursuant to clause IX (1) and insofar as the supplied Goods are based solely on our models, diagrams, drawings, plans and other documentation, and the Supplier did not know or could not be expected to know that the manufacture of the supplied Goods constituted an infringement of intellectual property rights.

X. Limitation period

- (1) Unless otherwise stipulated below, mutual claims by the parties to the contract shall be time-barred in accordance with the statutory provisions.
- (2) Contrary to section 438 (1) No. 3 German Civil Code, the general limitation period for claims for defects shall be three (3) years from the transfer of risk or from an agreed acceptance test, if any. The limitation periods according to legal provisions for purchase contracts shall, to the extent provided by law, apply to all contractual claims for defects. Insofar as we are also entitled to non-contractual claims for damages due to a defect, the regular statutory limitation period (sections 195 and 199 German Civil Code) shall apply, unless the application of the limitation periods according to legal provisions for purchase contracts result in a longer limitation period.

XI. Confidentiality, provision of materials, tools, retention of title

- (1) Property rights and copyrights relating to our diagrams, drawings, calculations, product descriptions and other documentation remain with us. Documents of this kind shall be used solely for the performance under this contract and shall be returned to us upon completion of the contract. These documents may be disclosed to third parties only with our express consent; in all other cases they must be kept strictly confidential for an indefinite period of time, even after the contract has ended. The duty of confidentiality shall expire only when and insofar as the knowledge contained in the documents provided has become public.
- (2) We reserve title to any parts, materials, models, tools, etc. that we provide to the Supplier. The Supplier is obliged to exclusively use such models and tools for the production of Goods ordered by us.
- (3) Supplier's obligations set out in clause XI (1) also apply to items and materials (e.g. software, finished and semi-finished products) and to tools and templates, samples and other objects that we provide to the Supplier for the purpose of production. The Supplier shall keep all such objects - insofar as they have not been processed - separated and insure them at their new value against destruction and loss (e.g. damage due to fire, water and theft). Meanwhile, the Supplier hereby assigns to us all claims arising from this insurance; we hereby accept this assignment. The Supplier shall notify us immediately in respect of disruptions relating to our models and tools.
- (4) If materials provided by us are processed, mixed or combined (further processing) by the Supplier, this shall be carried out on behalf of us. The same applies if the delivered Goods are further processed by us, so that we are considered as the manufacturer and acquire title to the Goods at the latest from the time of further processing in accordance with the statutory provisions.
- (5) If our reserved Goods are processed together with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the value of our item (purchase price plus value-added tax) to the other processed items at the time of processing.
- (6) If an item provided by us is inseparably mixed with other items not belonging to us, at the time of mixing we shall acquire co-ownership of the new item in the ratio of the value of the reserved item (purchase price plus value-added tax) to the other mixed items. If the items are mixed in such a way that the Supplier's item can be regarded as the principal item, the parties hereby agree that the Supplier shall transfer proportionate co-ownership to us. The Supplier shall retain the sole ownership or co-ownership for us free of charge.
- (7) The transfer of title to the Goods to us shall take place unconditionally and irrespective of payment of the price. However, if we accept an offer of a transfer of ownership from the Supplier conditional upon payment of the purchase price in an individual case, the Supplier's retention of title shall at the latest expire upon payment of the purchase price for the delivered Goods. In the ordinary course of business, even before payment of the purchase price, we remain authorized to resell the Goods, with advance assignment of the resulting claim (alternatively, application of the simple retention of title and the retention of title extended to resale). This therefore excludes all other forms of retention of title, in particular the expanded or forwarded retention of title and the retention of title extended to further processing.

XII. Place of performance, place of jurisdiction, partial ineffectiveness and applicable law, language

- (1) If the Supplier is an entrepreneur within the meaning of the German Commercial Code, an entrepreneur within the meaning of section 14 German Civil Code, a legal entity under public law or a public corporation, the court with jurisdiction for 33758 Schloss Holte-Stukenbrock, Germany, shall have exclusive jurisdiction, including international jurisdiction, for all legal disputes arising out of or relating to the contractual relationship between the parties. However, we shall also be entitled to initiate proceedings against the Supplier at the competent court at the Supplier's general legal venue, or at the place of performance of the obligation to deliver, in accordance with these Conditions of Purchase. Overriding statutory provisions, particularly in respect of exclusive jurisdiction, shall not be affected.
- (2) Unless otherwise stated in the purchase order, the place of performance shall be our registered office. The same shall apply to the rescission of contracts.
- (3) If provisions of these Conditions of Purchase are or become wholly or partially ineffective, the other provisions shall continue to be effective.
- (4) The law of the Federal Republic of Germany shall apply exclusively to the parties' contractual relationship, excluding the UN Convention on Contracts for the International Sale of Goods (CISG).
- (5) This Conditions of Purchase are made out in two counterparts, German and English. However, the English version is for information and translation purposes only. In any case of discrepancy between the two versions, the German version (which is available to the Supplier on request) shall prevail.