

1. Scope of applicability

- a) These General Purchasing Terms and Conditions are exclusively applicable for all of our contracts, including future ones, under which we purchase goods. We do not acknowledge supplemental or contrary terms and conditions of the supplier or those that deviate from our General Purchasing Terms and Conditions, unless we have given our express written consent to their applicability. The foregoing arrangements also apply where we accept deliveries without reservation despite awareness that the supplier's terms and conditions are contrary to or deviate from our General Purchasing Terms and Conditions.
- b) These General Purchasing Terms and Conditions apply only to entrepreneurs within the meaning of section 310, para. 1 of the German Civil Code (Bürgerliches Gesetzbuch, BGB).
- c) References to the applicability of statutory provisions are for the purposes of clarification only. Therefore, even absent such clarification, statutory provisions are applicable unless they have been directly modified or expressly precluded by these General Purchasing Terms and Conditions.

2. Conclusion of contract/ Confidentiality

- a) Our enquiries and orders are non-binding and constitute merely a request for the supplier to submit an offer. A different situation applies to our orders only where a framework agreement has been concluded with the supplier or the order has been expressly designated by us as binding.
- b) Contract, orders, and delivery requests (each, an "Order") under a framework agreement are binding. A contract for the specific Order or the specific delivery request comes into effect unless the supplier expressly objects within three (3) working days.
- c) We are bound by an Order that we have expressly designated as binding for seven calendar days following the date of the Order, unless a different deadline is expressly specified in the Order.
- d) If the supplier makes us an offer in response to our enquiry, the contract comes into effect only after we have accepted the offer in writing.
- e) We are entitled at all times to change the time and place of the delivery, as well as the type of packaging, by giving written notice of at least 10 calendar days prior to the agreed delivery date. The same applies to changes to product specifications, provided same can be implemented in connection with the supplier's normal production process without significant additional effort and expense, whereby in such cases the notice period pursuant to the foregoing sentence amounts to 14 calendar days. We will reimburse the supplier for demonstrated, reasonable added expenses incurred for each change. If such changes result in delays in delivery that cannot be avoided in the supplier's normal production and business operations with reasonable effort, the originally agreed delivery date is postponed accordingly. The supplier must give us timely written notice prior to the delivery date of the added costs or delays in delivery that it anticipates after careful estimation, but in any event not later than one week after receipt of our notice pursuant to sentence 1 or sentence 2.
- f) An amendment or cancellation of the contract concluded pursuant to our order is deemed accepted unless promptly objected to by the other party.
- g) The fulfillment by third parties of the performance owed to us is permissible only with our express written consent.
- h) We retain title and intellectual property rights in and to formulas, manufacturing requirements, samples, and other specifications and information that we provide to the supplier, whether of a tangible or intangible nature, including in electronic form. They may not be made accessible to third parties without our express written consent. This applies in particular to written documentation that has been designated as "confidential". The supplier may use all information only for the purposes of meeting its contractual obligations to us, and it must at its own initiative promptly return same to us following completion of the order.
- i) The supplier must maintain in strictest confidence all documentation and information (including that provided verbally) that relate to our business operations, unless in a given case we have given prior written consent to the disclosure of information or the supplier must disclose information in meeting mandatory statutory obligations. The supplier must ensure that this obligation of confidentiality is also complied with by its employees, as well as by other persons used to perform an obligation (Erfüllungsgehilfen) and vicarious agents (Verrichtungsgehilfen).
- j) The obligation of confidentiality pursuant to no. 2, letters h) and i) survives completion of the order. It expires if and when the information contained in the provided documentation becomes public knowledge without there having been a breach of obligations of confidentiality.

3. Prices/ Payment terms

- a) Unless expressly agreed otherwise, the prices agreed to with the supplier are net of applicable valueadded tax but include all packaging, transport, and other added costs. Subsequent price changes require our express written consent. When we so request, the supplier must take back the packaging of the delivered goods.
- b) Invoices can be processed and payment deadlines begin to run only if the invoices received by us indicate the enquiry number set forth in our orders, the order number (if available), the item numbers, the delivery amount, and the delivery address. The supplier is responsible for all consequences resulting from failure to comply with this obligation, unless it can demonstrate that it is not responsible for same.
- c) Unless expressly agreed otherwise in writing, payment is made within 30 working days of receipt of goods and receipt of invoice. We are entitled to an early payment deduction of 3% if we pay within 14 working days of receipt of goods and receipt of invoice.
- d) We are entitled to rights of set-off and retention, particularly for defective deliveries, to the extent provided by statute. In particular, we are entitled to withhold due payments, provided we are entitled to claims resulting from incomplete or defective performance by the supplier.
- e) We are entitled to pay by cheque or with discountable bills of exchange. All expenses incurred with bills of exchange and discounting are for our account.
- f) We do not owe interest on overdue payments. The supplier's claim to payment of default interest remains unaffected. Statutory provisions determine whether we are in default. In any event, however, the supplier must give notice of default.

4. Delivery/ Transfer of risk

- a) Agreed delivery deadlines begin to run on the order date and, as with delivery dates, are binding as material contractual content. The supplier must give us prompt written notice of foreseeable delays in delivery, without prejudice to any of our rights resulting from this.
- b) In the event of delay in delivery, we are entitled to all statutory rights. In addition, we may demand lumpsum damages for delay in the amount of 1.5% of the net price for each completed calendar week, in total, however, not more than 5% of the net price of the untimely delivered goods. The supplier is entitled to demonstrate that we suffered no damages whatsoever or only significantly lower damages. We reserve the right to assert any farther-reaching claims for damages. The lumpsum amount will be applied against any farther-reaching claim for damages.
- c) For logistical reasons, we can accept greater, lesser, partial, and advance deliveries only if we have given our written consent to same prior to delivery. If such a delivery is made without prior consent, we are entitled to return it at the supplier's expense. In this respect, the supplier must indemnify us upon first demand against third-party claims.
- d) The price of ordered goods includes delivery to the place of receipt designated by us, i.e. in particular, at the supplier's risk and expense. In the event that we do not designate a place of receipt, the price includes delivery to the plant that sent the order, as shown on the letterhead. The respective place of delivery is also the place of performance. The supplier bears the risk of shipment also where we assume the costs of shipment. The supplier must insure the delivery at its own expense against loss and damage during transport.
- e) The supplier is obligated to correctly indicate on all shipping documents and delivery notes the enquiry number, the order number (if available), the item numbers, the delivery amount, and the delivery address as indicated in our orders. If it fails to do so, we are not responsible for delays in processing.
- f) The supplier undertakes to make all deliveries and partial deliveries in the quality and composition that has been requested and accepted by us. This also applies to a sample submitted by the supplier. The supplier expressly assures us that all deliveries and partial deliveries will have the characteristics of the sample.
- g) The supplier bears the procurement risk for its performance, unless a one-off production is involved.

5. Warranty

- a) In its manufacturing, the supplier must use only top-quality materials and state-of-the-art, standard-conforming production techniques. It undertakes to manufacture products that conform to state-of-the-art technology and that are suitable without qualification for the intended purpose of use, provided it is aware of same. In addition, it must undertake proper quality assurance and thorough outgoing product control. The supplier must demonstrate same at our request.
- b) The delivered goods will be inspected by us by a reasonable deadline for any deviations in quality and quantity. Objections as to type, amount, or dimensions of the delivered products, as well as defects in same discovered by our quality control through random sampling, will be promptly notified to the supplier. Latent defects, i.e. including those that are not able to be ascertained until processing or use of the delivered products has begun, will be promptly notified to the supplier upon discovery.

- c) We are entitled to statutory warranty rights in full. The supplier is entitled to a one-time cure – at our choice, by eliminating the defect (repair) or delivering a defect-free item (replacement) – by a reasonable deadline set by us. If the goods remain defective following the cure, same is deemed to have failed, which entitles us to rescind the contract, reduce the price, and demand compensation for damages and fruitless expenses.
- d) If the supplier fails to meet its obligation to cure – at our choice, by eliminating the defect (repair) or delivering a defect-free item (replacement) – by a reasonable deadline set by us, we may eliminate the defect ourselves and demand either compensation from the supplier for the expenses required for same or a corresponding advance payment. If cure by the supplier fails, or if we cannot be reasonably expected to accept same (e.g. due to special urgency, threat to operational safety, or impending occurrence of unreasonable damages), we do not need to set a deadline. The supplier must be promptly informed.
- e) Pursuant to statutory provisions, the supplier is in particular liable for the goods having the agreed characteristics at the time risk passes to us. Agreement as to characteristics is considered to be, at a minimum, those product descriptions that form the subject of the respective contract – in particular, through designation or reference in our order or purchase or order confirmation – or are included in the contract in the same way as these General Purchasing Terms and Conditions. In this regard, it is irrelevant whether the product description originates from us, the supplier, or the manufacturer.
- f) In deviation from section 443, para. 1, sentence 2 BGB, we are entitled without limitation to claims for defects even where we remained unaware of the defect at the time of conclusion of contract due to gross negligence.
- g) The supplier bears that costs expended by it for the purposes of inspection and repair even where it turns out that no defect was actually present. Our liability for damages for unwarranted demands for elimination of defects remains unaffected. In this regard, however, we are liable only if we knew that no defect existed or failed to do so know due to gross negligence.
- h) All dates, including for the replacement, pick up, and repair of defective goods at our facility, must be confirmed with us in writing in advance. If the supplier fails to obtain such confirmation from us, no. 4, letter c), sentences 2 and 3 of these General Purchasing Terms and Conditions applies mutatis mutandis, and we are not obligated to turn over goods or to grant the supplier access to the goods.
- i) The supplier must pick up from us goods objected to by us as defective by a reasonable deadline set by us. If this does not take place by the deadline, no. 4, letter c), sentences 2 and 3 of these General Purchasing Terms and Conditions applies mutatis mutandis.
- j) If the delivered goods are defective, particularly where the delivered goods do not have the agreed product characteristics or durability, the supplier bears all expenses necessary for the purposes of ascertaining the cause and consequences of the defect, as well as for the purposes of eliminating the defect or providing replacement (also by us or by third parties), including the costs for warning and recall actions. We are entitled for evidentiary purposes to remove and use samples of the goods objected to by us as defective, provided this does not unreasonably interfere with the supplier's interest in return in full of the defective goods.
- k) In any event, the normal prescription period for all warranty claims amounts to 36 months from the transfer of risk, unless a longer warranty period is stipulated by statute in a given case or the supplier has provided a guarantee going beyond this. If acceptance inspection has been agreed to, the prescription period begins to run following completion of same.

6. Supplier recourse

- a) We are entitled without limitation to our recourse claims within a supply chain as stipulated by statute (supplier recourse pursuant to sections 478-479 BGB), in addition to claims for defects, provided a consumer is at the end of the supply chain. In particular, we are entitled to demand from the supplier the precise type of cure (repair or replacement) that we owe to our buyer in a given case. The foregoing does not limit our statutory right of choice (section 439, para. 1 BGB).
- b) Before we acknowledge or satisfy a claim for defects asserted by our buyer (including reimbursement of expenses pursuant to sections 478, para. 2, 439, para. 2 BGB), we will notify the supplier and request a written statement in response to a brief description of the facts. If the statement is not provided by a reasonable deadline, and if a mutually agreed solution is not obtained, then the claim for defects actually granted by us is deemed owed to our buyer. In such case, the supplier is obligated to provide evidence to the contrary.
- c) Our claims under supplier recourse also apply where the goods were processed by us or one of our buyers prior to their sale to a customer, e.g. through installation in another product.

7. Damage claims/ Product liability/ Indemnification/Insurance cover

- a) Insofar as the supplier is obligated to pay damages to us, regardless of legal reason, it is liable for every type of fault, including for simple negligence. The same also applies where it has made use of persons used to perform an obligation or vicarious agents. Exclusion of liability and limitations on the amount of liability are not acknowledged.
- b) If the cause of product damage falls within the supplier's sphere of control or organisation, it must indemnify us against third-party damages claims upon first demand. In this regard, the supplier must also reimburse us for any expenses incurred as a result of or in connection with a warning or recall action. To the extent possible and reasonable, we will inform the supplier about the substance and scope of such actions prior to carrying them out and give it an opportunity to make a statement. Farther-reaching statutory claims remain unaffected.
- c) The supplier is obligated to maintain product liability insurance with a policy amount of at least € 2.5 million per person per incident – lump sum – that also covers the payment of consequential damages, including warning and recall actions, and it must demonstrate same to use upon request. If we are entitled to damage claims exceeding this amount, same remain unaffected.
- d) If in connection with its delivery, the supplier culpably infringes third-party rights and a claim is made against us because of such infringement, the supplier is obligated to indemnify us against such claim upon first written demand. We are not entitled to enter into any agreements with the third party without the supplier's consent, including agreeing to a settlement.
- e) The supplier's duty of indemnification pursuant to no. 7, letters b) and d) relates to all expenses necessarily incurred by us as a result of or in connection with the claim by a third party.

8. Retention of title/ Assignment/ Set-off

- a) The supplier is not entitled to either extended or expanded retention of title. Resale and processing of the item is done for us, and we are expressly permitted to do so.
- b) The supplier is not entitled to assign claims from the business relationship with us to third parties, either in whole or in part, unless the assignment is made in the normal course of business or with our prior written consent.
- c) The supplier is entitled to rights of set-off and retention only to the extent that its claim has been reduced to a legally enforceable judgment, is uncontested, or is acknowledged by us in written form. However, the supplier is entitled to retain amounts relating to claims from the same contractual relationship.

9. Energy management

- a) In connection with our energy management system, which we have had certified under DIN EN ISO 50001, we make an effort to reduce our energy consumption and to use it more efficiently. We welcome any suggestions you may have for energy-savings potentials. Please feel free to contact us.
- b) In this connection, we would like to ask that you also pay attention in your production processes to working methods that are efficient and save energy.

10. Miscellaneous

- a) None of the foregoing clauses leads to a change in the burden of proof to the detriment of the supplier in such a way that the burden of proof is imposed on it for circumstances falling within our scope of responsibility.
- b) If the supplier is a registered merchant within the meaning of the German Commercial Code (Handelsgesetzbuch, HGB), a legal person under public law, or a special fund under public law, Hamburg is the exclusive place of jurisdiction for all disputes directly or indirectly arising out of the contractual relationship. However, we are also entitled to bring suit against the supplier at the court competent for its place of residence or registered business office. Mandatory statutory provisions on exclusive places of jurisdiction remain unaffected by this arrangement.
- c) All agreements entered into between the supplier and us with respect to our order are and will be set down in writing, unless agreed otherwise between the parties in a given case or a different arrangement is agreed to in the future. Legally relevant declarations and notices that are to be submitted by the supplier to us following conclusion of contract must be given in writing in order to be effective.
- d) The law of the Federal Republic of Germany is applicable, under exclusion of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 (CISG), including where the supplier has its registered office outside of Germany.