

General Purchasing Conditions of

R+M de Wit GmbH, Bertha-Benz-Allee 7-11, 42579 Heiligenhaus Suttner GmbH, Hauptstraße 15 - 17, 33818 Leopoldshöhe

Section 1 Scope of Application

- (1) All deliveries, services, and quotations of our Suppliers are made solely on the basis of the present General Purchasing Conditions. They form a material part of all contracts we conclude with our Suppliers relating to the deliveries or services offered by them. They also apply to all future deliveries, services, or quotations to the Customer even if they are not agreed separately again.
- (2) Terms and conditions of our Suppliers or third parties shall not be applicable even if we do not separately oppose their validity in each individual case. Even if we refer to a letter, which includes or refers to terms and conditions of the Supplier or a third party, this does not present a consent to the validity of such terms and conditions.

Section 2 Purchase Orders and Orders, Conclusion of Contracts

- (1) Unless our quotations include an express period of validity, we are bound by our quotation for one week as from the quotation date. Receipt of the notice of acceptance shall be decisive for acceptance in due time.
- (2) We are authorised to change time and place of delivery as well as type of packaging at any time by written notice granting a period of at least 5 calendar days before the agreed delivery date. The above also applies to modifications of product specifications insofar as they can be implemented in the scope of the Supplier's normal production process without any considerable extra costs; in these cases, the period of notice according to the above clause shall be at least 8 calendar days. We will reimburse the Supplier for the evidenced and reasonable extra costs incurred by the Supplier due to the modification. Should such modifications result in delay in delivery which cannot be avoided by the Supplier's reasonable efforts in the course of normal production and business, the originally agreed delivery date will be postponed correspondingly. The Supplier shall notify us in writing of the carefully estimated extra costs or delay in delivery to be expected in due time before the delivery date but at least within 2 business days as from receipt of our notice according to Clause 1.
- (3) We are authorised to cancel the contract at any time by written declaration stating the reason if we cannot use the ordered products in our course of business due to circumstances that occurred after conclusion of the contract. In this case, we will reimburse the Supplier for the partial service already rendered by the Supplier.
- (4) Solely, the contract concluded in writing including the present General Purchasing Conditions shall be decisive for the legal relationship between the Supplier and us. This contract completely reflects all agreements made between the contractual parties regarding the subject of the contract. Oral commitments prior to the conclusion of the contract are not legally binding and oral agreements between the parties are replaced by the written contract unless it expressly results from these agreements that they continue to be applicable.
- (5) A purchase order on our part shall only be binding if submitted in writing or confirmed in writing by us. Deliveries not relating to any written purchase order will not be accepted by us. Silence on our part regarding quotations, requests, or other declarations by the Supplier shall only be deemed to be a consent if expressly agreed to in writing. The Supplier shall immediately notify us of obvious mistakes such as typing and calculation errors and/or incomplete purchase orders or missing order forms; otherwise, the contract shall be deemed not to be concluded.
- (6) Even if the Supplier does not modify the purchase order and does not invoke sales contract provisions deviating from the present General Purchasing Conditions, the Supplier shall confirm the purchase order in writing within a period of 3 business days. Any acceptance by the Supplier which is modified in any way or delayed shall be deemed to be a new quotation of the Supplier to us and always requires our written acceptance. This also applies to modifications of our purchase order notified only upon delivery of the goods.
- (7) Unless otherwise agreed to in writing, quotations, drafts, specimens, and samples of the Supplier are always free of charge. At our request, they shall be collected by the Supplier immediately and at the Supplier's expense.

Section 3 Prices, Terms of Payment, Information required in Invoices

- (1) The price indicated in the purchase order shall be binding.
- (2) Unless otherwise agreed to in writing, the price includes delivery and transport to the address mentioned in the contract as well as packaging.
- (3) If according to a contract concluded, the packaging price is not included and the price for the packaging – not only provided as a loan – is not expressly specified, it will be charged at the provable cost price. At our request, the Supplier shall take back the packaging at the Supplier's expense.
- (4) Unless otherwise agreed, we pay within 14 days less 3 % cash discount or within 30 days net as from delivery of the goods and receipt of the invoice. The payments owed by us shall be deemed to be made in due time when our bank receives our transfer order.
- (5) In any order confirmation, shipping document, and invoice, the part, consignment, purchase order and supplier number as well as the supplied quantity, and the delivery address are to be indicated. Should any of this information be missing and thus handling by us be delayed in the scope of our normal course of business, the terms of payment mentioned in Clause 4 shall be extended by the period of delay.



Section 4 Delivery Time and Delivery, Passing of Risk

- (1) The delivery time (delivery date or delivery period) indicated by us in the purchase order or otherwise decisive according to the present General Purchasing Conditions shall be binding. Premature deliveries are admissible after prior consultation, only.
- (2) The Supplier undertakes to immediately inform us in writing if circumstances occur or are foreseeable which indicate that the agreed delivery time cannot be complied with.
- (3) If the day on which the delivery has to be performed at the latest can be determined due to the contract, the Supplier will be in default as from the end of this day without any reminder on our part being required.
- (4) In case of default in delivery, we are entitled to the legal claims without any limitation, including the right of rescission and the claim for damages instead of performance after lapse of a reasonable grace period without any results.
- (5) In case of delay in delivery and after prior written notification, we are entitled to claim from the Supplier a contractual penalty amounting to 0.5 %, maximum 5 %, of the respective order value for each new week of delay. The contractual penalty is to be set off against the damage caused by default to be compensated by the Supplier.
- (6) Without our consent, which can also be given orally, the Supplier is not entitled to make any partial deliveries.
- (7) Even if shipping is agreed, the risk is transferred to us only upon handover of the goods to us at the agreed place of destination.

Section 5 Protection of Title

- (1) We reserve the title or copy right to all purchase orders, orders as well as drawings, figures, calculations, descriptions, and other documents made at the Supplier's disposal. Without our express consent, the Supplier must neither disclose them to third parties, use or copy them itself nor have them used or copied by third parties. At our request, the Supplier shall return these documents completely if they are no longer required in the ordinary course of business or if negotiations do not result in conclusion of a contract. In this case, copies made by the Supplier are to be destroyed except for the retention of records in the scope of legal obligations of retention as well as storage of data for backup purposes in the scope of ordinary data backup.
- (2) Tools, devices, and models made available to the Supplier or which have been manufactured for contractual purposes and are charged separately by the Supplier, remain our property or pass into our ownership. The Supplier has to identify them as our property, keep them in safe custody, protect them against any kind of damage, and use them exclusively for contractual purposes. Unless otherwise agreed, the contractual parties bear the costs for maintenance and repair in equal parts. If, however, these costs are due to defects of the objects manufactured by the Supplier or improper use on the part of the Supplier, its employees, or other vicarious agents, the Supplier shall solely bear these costs. The Supplier undertakes to immediately notify us of any and not only minor damage to these objects. At our request, the Supplier undertakes to return the objects to us in proper condition if they are no longer needed for the performance of the contracts concluded with us.
- (3) Retention of title by the Supplier shall only be applicable if it refers to our obligations to pay for the products to which the Supplier retains the title. In particular, extended or prolonged retention of title is inadmissible.

Section 6 Warranty Claims

- (1) In case of defects, we are entitled to the legal claims without any limits. Deviating from the above, the warranty period shall be 30 months.
- (2) Notification of defects regarding deviating quality and quantity is given in due time if we notify the Supplier thereof within 20 business days as from receipt of the goods. Notification of hidden defects is given in due time if the Supplier is notified thereof within 20 business days as from detection of the defect.
- (3) The acceptance or approval of submitted samples or specimens shall not be deemed a waiver of any warranty claim.
- (4) As soon as the Supplier receives our written notice of defects, the limitation period regarding warranty claims is suspended until the Supplier refuses our claims or declares the defect to be eliminated or otherwise refuses to continue negotiations on our claims. In case of replacement delivery and elimination of defects, the warranty period for the replaced and reworked parts starts again unless the Supplier's behaviour brought us to assume that the latter did not feel obliged to take this action but performed the replacement delivery or elimination of defect only as a gesture of good will or for similar reasons.

Section 7 Product Liability

- (1) The Supplier is responsible for any personal injury or property damage asserted by third parties which can be attributed to a faulty product delivered by the Supplier and the Supplier undertakes to exempt us from any liability resulting therefrom. If we have to perform a recall towards third parties due to a defective product delivered by the Supplier, the Supplier bears any costs relating to the recall.
- (2) The Supplier undertakes to maintain at its expense a product liability insurance policy with a coverage of at least EUR 5,000,000 which does not have to cover the risk of recall, penalties, or similar damage unless otherwise agreed in an individual case. At our request, the Supplier will submit a copy of the liability insurance policy at any time.

Section 8 Property Rights

- (1) According to Clause 2, the Supplier ensures that the products delivered by the Supplier do not violate any property rights of third parties in countries of the European Union or in other countries in which the Supplier manufactures the products or has them manufactured.
- (2) The Supplier undertakes to exempt us from any claims asserted by third parties towards us due to the violation of industrial property rights as mentioned in Clause 1 and to reimburse us for all expenses required in connection with these claims. This right does not exist if the Supplier furnishes proof that the Supplier is neither responsible for the violation of the property right nor should have known it at the time of delivery when exercising due care of a diligent businessman.
- (3) Our further legal claims due to defects of title of the products delivered to us shall remain unaffected thereby.

Section 9 Spare Parts

- (1) The Supplier undertakes to keep in stock spare parts for the products delivered to us for a period of at least 5 years after delivery.
- (2) Should the Supplier intend to discontinue the production of spare parts for the products delivered to us, the Supplier shall immediately notify us of the decision of discontinuance. Subject to the provisions of Clause 1, this decision shall be made at least 12 months before the discontinuance of production.

Section 10 Confidentiality

- (1) The Supplier undertakes to keep strictly confidential the terms of the purchase order as well as any information and documents provided to the Supplier for this purpose (with the exception of information available to the public) for a period of 3 years after conclusion of the contract and to use them exclusively for the execution of the purchase order. After handling of enquiries or execution of purchase orders, the Supplier will return them immediately if requested.
- (2) Without our prior written consent, the Supplier is neither allowed to make reference to the business relation in any advertising material, brochures, etc. nor to exhibit delivered items manufactured for us.
- (3) The Supplier shall bind its subcontractors according to this Section 10.

Section 11 Assignment

The Supplier is not allowed to transfer its claims resulting from the contractual relationship to any third parties. This shall not apply insofar as claims for money are concerned.

Section 12 Export Control and Customs Duty, Supplier's Declarations, Proof of Origin

- (1) As early as possible before the delivery date, the Supplier undertakes to notify us in writing of any duties to obtain an approval for its goods according to the applicable German, European (EU), U.S. export, customs duty and foreign trade and payment law as well as export, customs duty, and foreign trade and payment law of the country of origin of its goods. In this respect, the Supplier shall provide the following information and data in writing:
 - Export list number according to Annex AL of the German Foreign Trade and Payments Ordinance or comparable list items of pertinent export lists;
 - "Export Control Classification Number" according to "U.S. Commerce Control List" (ECCN) if the goods are subject to the "U.S. Export Administration Regulations" (EAR);
 - Whether the goods were transported through the USA, manufactured or stored in the USA, or manufactured using U.S. technology;
 - Commodity code (HS/CN code);
 - Country of origin (commercial/non-preferential origin), indication of country according to ISO 3166 ALPHA – 2;
 - Any other information and data we need in case of export and import as well as in case of resale for re-exportation of the goods;
 - Person responsible in the Supplier's company for the clarification of customs-related questions.
- (2) The Supplier further undertakes to notify us in writing of any other foreign trade data as to its goods and their components as well as to immediately (prior to delivery of corresponding goods affected thereby) notify us in writing of any modifications to the data mentioned above.
- (3) Should export licences be applied for, the Supplier undertakes to submit a copy of this document showing any relevant information relating to the delivery including any collateral clauses affecting us, in particular regarding re-exportations.
- (4) Moreover, at our request the Supplier issues certificates of origin as well as any other documents/data according to the applicable foreign trade requirements.
- (5) The Supplier shall prepare (long-term) supplier's declarations on the basis of the applicable legal regulations; at the moment, on the basis of the Implementing Regulation (EU) 2015/2447 as to the Union Customs Code. This regulation specifies the wording of the supplier's declarations in a binding way. The Supplier undertakes to strictly comply with the legal requirements and in particular with the required wording of the declaration.
- (6) Should the (long-term) supplier's declarations turn out to be insufficiently meaningful or faulty, the Supplier undertakes at our request to provide faultless and complete documents on the origin of the goods which are confirmed by the customs.
- (7) Should the Supplier fail to comply with one of the obligations mentioned above, the Supplier bears any expenses and is responsible for any damage as well as other prejudice (e.g. supplementary claim of foreign import duties, fines) incurred by us or our customers in this respect. This shall only apply if the Supplier is responsible for this violation of duty.

Section 13 Place of Performance, Place of Jurisdiction, Applicable Law

- (1) Exclusive place of jurisdiction for any disputes resulting from the contractual relationship shall be the registered office stated at the beginning of these General Purchasing Conditions of that company entering into the contract.
- (2) The contacts concluded between us and the Supplier are subject to the law of the Federal Republic of Germany excluding the United Nations Convention on Contracts for the International Sale of Goods (UN Sales Convention).