

General Terms and Conditions of Purchase for Companies  
(GTC-Companies)

Valid from 01 February 2024

**I. General**

1. Our General Terms and Conditions of Purchase (GTC) apply to all business relationships with our business partners and suppliers (hereinafter referred to as "Contract Partners"), insofar as they are traders (Section 14 of the German Civil Code (Bürgerliches Gesetzbuch, BGB)), legal entities under public law or special funds under public law.
2. Our Terms and Conditions of Purchase apply exclusively. We shall not recognize General Terms and Conditions of the Buyer that are conflicting or deviating in relation to our Terms and Conditions of Purchase unless we have expressly consented to their validity in writing. This requirement of consent is not fulfilled if the Contract Partner refers to their General Terms and Conditions in the order confirmation and we do not expressly object to this. Our Terms and Conditions of Purchase shall also apply if we accept deliveries of products and services from our Contract Partner (hereinafter: subject matter of the Agreement) without reservation or if we pay for them.
3. Our Terms and Conditions of Purchase shall apply to all future deliveries and services provided by our Contract Partner to us until our new General Terms and Conditions of Purchase become applicable.

**II. Contract conclusion**

1. Orders placed verbally or by telephone require our written confirmation, as do additions and amendments to an order.
2. Unless our orders expressly state a binding period, the binding period of our orders is two weeks from the order date. Receipt by us of the declaration of acceptance is decisive for the timely acceptance of our order. Delayed acceptance of the order shall be deemed a new offer by the Contract Partner and requires separate acceptance by us. We may cancel the order until we receive a written confirmation of acceptance with the same content as our order from our Contract Partner. Call-offs shall become binding if our Contract Partner fails to object in writing within five working days of receipt.

**III. Price – Payment terms – Invoicing**

1. The price stipulated in the order is binding. Unless otherwise agreed in writing, the price is DDP ("Delivery Duty Paid") as per Incoterms 2020 and includes free delivery to the plant, including packaging. Value added tax is not included.
2. We can only process invoices if – in accordance with the specifications in our orders or our call-offs – they state the order number shown there. The invoice must be sent in a single copy, stating the invoice number and other assignment features, to the address printed on our order; it must not be enclosed with shipments. The Contract Partner is responsible for all consequences arising from non-compliance with these obligations, unless they can prove that they are not responsible for them.
3. Insofar as no other agreement has been reached, invoices must be settled either within 14 days less 3% cash discount or within 30 days without a discount as of the payment due date and receipt of the invoice and goods or provision of the services. Payment is made subject to invoice verification.
4. We are entitled to the right to set-off, the right to retention and the right to plead non-performance of the contract within the limits of statutory regulations.
5. In the event of significant changes in the market situation, we shall be entitled to negotiate with our Contract Partner to adjust prices. If negotiations fail, we may terminate existing agreements with a notice period that takes appropriate account of the interests of both parties. In this case, our Contract Partner may only charge us for the costs actually incurred for material that cannot be otherwise used.

**IV. Delivery periods – Default in delivery – Contractual penalty – Packaging**

1. Agreed delivery dates and periods shall be binding. If no delivery time is specified in our order and has not been otherwise agreed separately, it shall be three weeks from conclusion of the contract.
2. Partial deliveries are generally not permissible, unless we have agreed to them expressly and in writing. Deviations from agreements and orders are only permitted with our prior written consent.
3. The compliance with the delivery date or delivery deadline is determined by the receipt of the goods DDP at our plant or at the place of delivery specified in our order as per Incoterms 2020 and including packaging. If "free delivery" to the plant DDP as per Incoterms 2020 has not been agreed, our Contract Partner must make the goods available in good time, taking into account the time to be agreed with the forwarding agent or carrier for loading and dispatch.
4. The Contract Partner shall be in default from the end of the last day on which the delivery is to be made. There is no need for a reminder from us.
5. A delivery note containing the issue and dispatch dates, contents of the delivery (article number and volume) and our order identification details (date and number) shall be included with the delivery. In the event that the delivery note is missing or incomplete, we shall not be responsible for any resulting delays in processing and payment.
6. Our Contract Partner undertakes to inform us immediately and in writing if circumstances arise indicating that the specified delivery period cannot be adhered to, or if it is recognized that such circumstances will arise.
7. If agreed dates and/or periods are not adhered to by our Contract Partner, we shall be entitled to all statutory claims. The unconditional acceptance of a delayed delivery or service does not constitute a waiver of the statutory claims to which we are entitled due to the delayed delivery or service.
8. If agreed dates and/or periods are not adhered to by our Contract Partner, we may demand a contractual penalty of 0.5% of the net price of the goods for the entire order for each full week of delay in delivery, up to a maximum of 5% of the net price of the goods for the entire order. The same shall apply if our Contract Partner is in default with individual partial deliveries. In this case, the contractual penalty shall relate to the net value of the goods of the delayed partial performance, unless the delayed partial performance recognisably leads to the fact that further delivery periods and/or delivery dates cannot be met. We retain the right to prove that higher damages have been incurred. The Contract Partner reserves the right to prove that no damage at all or only significantly lower damage has been incurred. If we are also entitled to statutory claims for damages, the agreed contractual penalty shall be offset against these. If we accept the delayed service, we must assert the contractual penalty no later than with the final payment.

9. All deliveries must be manufactured or produced using suitable materials and tools and must be in perfect condition. They must also comply with our published technical specifications as well as the applicable European and German standards and statutory regulations (in particular the Product Safety Act) and trade association guidelines and at least meet the standard customary in the market. The above requirements set the quality standard required for the deliveries, even without express agreement.
10. Upon delivery, our Contract Partner shall provide us with the complete documentation of the delivery item (e.g. proof of origin, preferential supplier declaration, safety data sheet, technical documentation regarding CE labelling, operating and maintenance instructions, etc.), unless expressly agreed otherwise.
11. Our Contract Partner undertakes to supply us with the necessary spare parts, wearing parts and dismantling and installation parts at standard market prices for the period of the normal useful life of the delivery item, but no less than ten years after its delivery.
12. From the time of our order, our Contract Partner shall inform us in good time of any changes to the production process and/or production location and of any changes to the material used and/or a replacement of the suppliers, unless a careful review and assessment indicate that any influence on the quality of its deliveries is clearly excluded.
13. If the delivery consists in whole or in part of software, our Contract Partner shall grant us a simple, transferable, irrevocable right of use to the software that is not limited in time or space. We are generally authorised to reproduce the software – to the extent required for contractual use. If only provision of the object code has been agreed, we may demand that the source code be deposited under customary conditions, e.g. with TÜV Süd. We shall receive printable documentation in German with the software. We may also demand that our Contract Partner conclude a standard maintenance contract at standard market conditions.
14. Our Contract Partner undertakes to use the most environmentally friendly packaging possible. The return of empties and packaging material, provided the packaging is not disposable, shall be freight forward at the expense of our Contract Partner, provided a return has been agreed.

#### **V. Force majeure**

In cases of force majeure, labour disputes, operational disruptions for which we are not responsible, unrest, official measures and other unavoidable events, our Contract Partner shall agree to an appropriate adjustment of the contractual obligations to the changed circumstances, provided that we request such an adjustment. If the aforementioned circumstances are of not insignificant duration and result in a considerable reduction of our required quantities, we shall be entitled to withdraw from the Agreement in whole or in part.

#### **VI. Transfer of risk**

1. Unless otherwise agreed in writing, the material or performance risk shall pass to us upon handover of the delivery item at the place of fulfilment. The place of fulfilment is the place to which the goods are to be delivered in accordance with the order.
2. Insofar as an acceptance inspection is agreed, it determines whether the transfer of risk occurs. The risk shall only pass to the extent that receipt/acceptance is carried out by us, our authorised representative or vicarious agents.
3. If we are in default of acceptance, this shall be deemed equivalent to handover or acceptance. Statutory provisions apply to our default of acceptance. Our Contract Partner must expressly offer us their services, even in the case that a defined or definable calendar period is agreed for action or our cooperation (e.g. provision of material).

#### **VII. Examination for defects – Liability for defects**

1. The statutory provisions and the following supplements, which apply exclusively in our favour, shall apply to our rights in the event of material defects and defects of title in the goods and in the event of other breaches of duty by our Contract Partner.
2. Our Contract Partner shall be liable in accordance with the statutory provisions in particular for ensuring that the goods have the agreed quality upon transfer of risk. In any case, product descriptions which, in particular by means of designation or reference in our order, form the subject of the respective Agreement or are incorporated into the Agreement in the same way as these conditions, shall be deemed to be an agreement on the quality. It is irrelevant whether the product description originates from us, from our Contract Partner or from the manufacturer.
3. Acceptance of the goods shall be subject to inspection for defects. Unless otherwise agreed, the statutory provisions applicable to the commercial duty of inspection and notification of defects (Sections 377, 381 of the German Commercial Code (Handelsgesetzbuch, HGB)) shall apply subject to the following conditions: an incoming goods inspection shall only be carried out by us with regard to defects which become apparent upon external inspection, including examination of the shipping documentation (e.g. transport damage, incorrect or short deliveries), or which are recognizable in our quality control by way of a random sample test procedure. In addition, the extent to which an inspection is appropriate, both in the normal course of business and with regard to the specific instance, is to be taken into account. Insofar as this is appropriate in the ordinary course of business, we shall be entitled to inspect the object of the Agreement. Our duty to notify defects discovered later remains unaffected. Notwithstanding our duty to inspect, our complaint (notification of defects) shall be deemed to have been made promptly and in good time if it is sent within 10 working days of discovery or, in the case of obvious defects, of delivery. In this respect, our Contract Partner shall waive any plea for late notification of defects.
4. We shall be entitled to the statutory provisions on material defects and defects of title in full, unless otherwise stipulated below; in any case, we shall be entitled to demand that our Contract Partner remedy the defect or deliver a new item, at our discretion. Our Contract Partner has the right to refuse the type of subsequent fulfilment chosen by us under the conditions of Section 439(4) BGB. The right to damages, in particular, damages in lieu of performance, remains expressly reserved to us.
5. If our Contract Partner does not fulfil their obligation to subsequent performance – at our discretion by remedying the defect (subsequent improvement) or by delivering a defect-free item (replacement delivery) – within a reasonable period set by us, we may remedy the defect ourselves and demand reimbursement of the necessary expenses or a corresponding advance payment from our Contract Partner. If subsequent performance by our Contract Partner fails or is unreasonable for us (e.g. as a result of particular urgency, risk to operational safety or to avert disproportionate damage), no deadline need be set; in such circumstances; we shall promptly notify our Contract Partner of such circumstances, if possible in advance. In urgent cases, in particular to avert acute danger or avoid major damage, in which it is not possible to give our Contract Partner the opportunity for subsequent fulfilment, we shall also be entitled to remedy the defect ourselves or have it remedied by a third party at the

Contract Partner's expense.

6. Claims for material defects shall expire after 24 months, beginning with the delivery of the item. Other limitation periods shall be governed by the statutory provisions.
7. The expenses required for the purpose of inspection and subsequent performance, in particular transport, travel, labour and material costs and, if applicable, dismantling and installation costs, shall be borne by our Contract Partner, even if it is found that no defect exists. Our liability for damages in the event of unjustified requests for rectification of defects remains unaffected; but, in this respect, we shall only be liable if we recognized, or were grossly negligent in failing to recognize, that no defect existed.
8. If we incur costs as a result of the defectiveness of the contractual item, in particular, shipping, travel, labour or materials costs, or if the costs of an incoming goods inspection exceed the customary costs, our Contract Partner must bear said costs.
9. If we are obliged to take back goods manufactured and/or sold by us as a result of the defectiveness of the delivery item supplied by our Contract Partner, or if the purchase price is reduced for this reason, or if claims are made against us in any other way for this reason, we reserve the right of recourse against our Contract Partner, whereby it is not necessary to set an otherwise required deadline for our defect rights. We also may demand compensation from our Contract Partner for the expenses that we had to bear in relation to our customers because they had a claim against us for compensation for the expenses necessary for the purpose of subsequent performance, in particular transport, travel, labour and material costs, if the defect already existed when the risk was transferred to us. Notwithstanding the provisions in paragraph 6 (limitation period for claims based on defects), the limitation period shall commence at the earliest two months after the date on which we have fulfilled the claims asserted against us by our customers, but no later than five years after delivery by our Contract Partner.

#### **VIII. Supplier recourse – Product liability – Product liability insurance**

1. We are entitled to our statutory claims for expenses and recourse within a supply chain (supplier recourse pursuant to Sections 478, 445a, 445b or Sections 445c, 327 (5), 327u BGB) without restriction in addition to the claims arising from liability for defects. In particular, we are entitled to demand exactly the type of subsequent fulfilment (rectification or replacement delivery) from our Contract Partner that we owe our customer in the individual case; in the case of goods with digital elements or other digital content, this also applies with regard to the provision of necessary updates. Our statutory right to choose (Section 439(1) BGB) is not restricted thereby. We are not authorised to make any agreements with the third party without the consent of our Contract Partner, in particular to conclude a settlement.
2. Before we recognise or fulfil a claim for defects asserted by our customer (including reimbursement of expenses pursuant to Sections 445(a)(1), 439(2), (3), (6) sentence 2, 475(4) BGB), we shall notify our Contract Partner and give them the opportunity to make a written statement. If no meaningful and reasoned statement is made within a reasonable period of time and no amicable solution is reached, the claim for defects effectively allowed by us shall be deemed to be owed to our customer. In this case, our Contract Partner shall be responsible for providing counter-evidence.
3. Insofar as our Contract Partner is responsible for a product defect, they undertake to indemnify us against claims made by third parties upon first request in this respect, insofar as the cause of the defect is based within the scope of the Supplier's control and organization and the Supplier is liable to third parties. Within the scope of their liability according to sentence 1, our Contract Partner also undertakes, pursuant to Sections 683, 670 BGB and Sections 830, 840, 436 BGB, to pay us all costs and any expenses arising from or in connection with claims by third parties, including product recalls carried out by us. To the extent that this is possible and reasonable, we shall inform our Contract Partner of the content and scope of recall measures and provide the latter with an opportunity to make observations. Where we are entitled to further statutory claims, these shall remain unaffected.
4. Our Contract Partner is obliged to maintain product liability insurance in an appropriate amount.

#### **IX. Property rights – Defects of title**

1. Our Contract Partner shall be responsible – regardless of fault – for ensuring that no third-party rights are infringed in connection with their delivery.
2. Where a third party makes a claim against us, our Contract Partner undertakes to indemnify us against such claims. The obligation to indemnify of our Contract Partner pertains to all expenses inevitably incurred by us through or in connection with the claims asserted by a third party. We are not authorised to enter into legally relevant agreements with the third party, in particular to conclude a settlement, without the consent of our Contract Partner.
3. Further legal claims due to defects of title of the delivery item remain unaffected.

#### **X. Retention of title – Provision – Tools**

1. We retain proprietary rights and copyright to images, drawings, calculations and other documentation; these may not be disclosed to third parties without our express written consent. Such documentation is to be used exclusively for production based on our order; after processing of the order, it must be returned to us without further request. They must not be disclosed to third parties, pursuant to paragraph XI.
2. If we provide our Contract Partner with means of production, tools or other parts or materials for the purpose of manufacturing the delivery item, we reserve title to these objects and materials. Processing or remodelling by our Contract Partner is always effected on our behalf. Insofar as the goods subject to retention of title are processed with other items that do not belong to us, we shall acquire co-ownership of the new item at the ratio of the value of our goods (purchase price plus VAT) to the other processed objects at the time of processing.
3. Where the object provided by us is inseparably combined with items or materials that do not belong to us, we shall acquire co-ownership of the new item at the ratio of the value of the object provided by us (purchase price plus VAT) to the other combined items or materials at the time of combination. Where the combination is effected in such a way that the third-party item or the third-party material is the main constituent of the new object, it is agreed that our Contract Partner shall assign proportionate joint title to us.
4. Insofar as the security rights to which we are entitled exceed the purchase price of all our goods subject to retention of title as yet unpaid by more than 10%, we undertake to release security rights upon request of our Customer and at our discretion.
5. The tools, objects and materials in our sole or co-ownership shall be kept safe for us by our Contract Partner. Tools owned by

us may only be used for the manufacture of the goods ordered by us. Our Contract Partner undertakes to carry out any necessary maintenance and inspection work and all repair/restoration work on our tools, at its own expense and in a timely manner. They must notify us immediately of any malfunctions; if they culpably fail to do so, they shall be obliged to compensate us for any damage incurred as a result.

6. Our Contract Partner is obliged to treat the reserved goods with care and to store them properly. They must insure these items at replacement value against fire, water damage and theft at their own expense. At the same time, they assign all claims for compensation deriving from the insurance contract; we accept such assignment.

#### **XI. Confidentiality**

1. Our Contract Partner undertakes to keep all commercial and technical information in connection with our order strictly confidential, unless such information is generally known. This includes in particular all illustrations, drawings, calculations and other documents provided by us – including in electronic form – insofar as these are labelled as “secret”, “confidential” or in a similar manner. This information must be stored carefully and protected against unauthorised access by third parties. These may only be disclosed to third parties with our express permission. Employees, vicarious agents and third parties used by our Contract Partner to fulfil their delivery obligations must be bound to secrecy in writing.
2. Unless already prohibited by copyright or other legal provisions, our Contract Partner is not permitted to obtain a trade secret by observing, examining, dismantling or testing products or objects provided to them by us.
3. The non-disclosure obligation shall also apply after the end of this contractual relationship; it expires only if and to the extent that the manufacturing know-how contained in the images, drawings, calculations and other documentation provided becomes general knowledge.

#### **XII. Minimum wage – Data protection – Compliance**

1. Our Contract Partner is obliged to observe the relevant statutory provisions in connection with the contractual relationship; in particular, it must comply with anti-corruption and money laundering laws, as well as antitrust, labour and environmental protection regulations. This obligation applies not only to national law, but also to the provisions set out in the United Nations Global Compact Initiative ([www.unglobalcompact.org](http://www.unglobalcompact.org)) and the ILO International Labour Standards ([www.ilo.org](http://www.ilo.org)), in particular regarding the minimum age of employment, the prohibition of child labour, the prohibition of forced and compulsory labour, the prevention of occupational accidents and the prohibition of discrimination. They must also comply with all EU regulations on safety and environmental protection.
2. Our Contract Partner undertakes to comply with the provisions of the German Act Regulating a General Minimum Wage (Mindestlohngesetz, MiLoG). They also guarantee compliance with the statutory data protection regulations, including by its employees and vicarious agents.
3. If our Contract Partner commissions third parties to fulfil his contractual obligations, they shall oblige them accordingly; our Contract Partner shall indemnify us against claims by third parties due to the violation of statutory provisions by them or their subcontractors.
4. Our Contract Partner shall contractually oblige its upstream suppliers to comply with the aforementioned provisions and to carry out regular inspections of upstream suppliers in terms of compliance with these obligations. Upon request, our Contract Partner will provide us with corresponding evidence.

#### **XIII. Export control**

Our Contract Partner shall inform us immediately in writing of all information and data that we require in order to comply with the applicable foreign trade law when exporting, transferring and importing and, in the case of resale, when re-exporting the deliveries.

#### **XIV. REACH Regulation**

1. Our Contract Partner must comply with Regulation EC 1907/2006 of 18 December 2006 (REACH Regulation) including subsequent amendments and changes at the time of delivery for its deliveries, including packaging.
2. Every product (including its packaging) that contains or releases substances that require registration or authorisation under the REACH Regulation must be registered or authorised. If our Contract Partner is not itself subject to registration under the REACH Regulation, it shall oblige its upstream suppliers to comply with the obligations under the REACH Regulation. Proof that the products have been registered by our Contract Partner or its upstream suppliers must be provided to us on request.
3. Our Contract Partner shall provide us with all information and documentation required by the REACH Regulation within the statutory deadlines or forward such information from upstream suppliers to us without delay.
4. If claims are asserted against us by customers, competitors, authorities or other third parties due to a violation of REACH regulations that is attributable to a product supplied by our Contract Partner, our Contract Partner shall indemnify us against all claims.

#### **XV. Place of jurisdiction – Place of performance**

Insofar as our Contract Partner is a merchant, a legal entity under public law or special fund under public law, the exclusive – also international – place of jurisdiction for all disputes arising from the contractual relationship shall be our registered office in Freudenstadt. However, we are also entitled to bring an action at the place of fulfilment of the delivery obligation in accordance with these terms and conditions or an overriding individual agreement or at the general place of jurisdiction of our Contract Partner. This does not affect overriding statutory provisions, in particular regarding exclusive responsibilities.

#### **XVI. Applicable law**

The contractual relationship shall be governed exclusively by the laws of the Federal Republic of Germany shall apply, excluding conflict-of-law rules and the United Nations Convention on Contracts for the International Sale of Goods (CISG).

#### **XVII. General provisions**

1. The written form referred to in these Terms and Conditions of Purchase shall also be deemed to have been complied with by

text form.

2. Where an individual provision of the present Conditions and additional agreements concluded is or becomes ineffective, the validity of the remaining Conditions shall be unaffected thereby.
3. These General Terms and Conditions of Purchase are available in German and English. In the event of deviations, the German version of the General Terms and Conditions of Purchase shall take precedence.

Freudenstadt, February 2024