

General Terms and Conditions of Purchase

Euscher GmbH & Co. KG

Applicable to business transactions with companies, legal entities under public law, and special funds under public law.

I. General Provisions

Our Terms and Conditions of Purchase apply exclusively. We recognize any General Terms and Conditions of the supplier that conflict with or deviate from our Terms and Conditions of Purchase only to the extent that we have expressly agreed to them in writing (Section 126b of the German Civil Code (BGB)). Acceptance of goods or services from the supplier (hereinafter: "Subject Matter of the Contract") or payment for them does not constitute consent.

II. Conclusion and Amendment of Contracts

1. Orders, acceptances, delivery calls, supply contracts, and other legal transactions to be concluded between us and the supplier, as well as any amendments or supplements thereto, must be in writing. However, orders, acceptances, and delivery calls may also be transmitted electronically.
2. Inquiries made by us to the supplier are merely invitations to the supplier to submit an offer.
3. Cost estimates are binding and shall not be remunerated, unless expressly agreed otherwise.
4. The supplier must confirm our order in writing immediately, at the latest within 3 days of receipt; otherwise, we are entitled to cancel our order.
5. We may, within the limits of what is reasonable for the supplier, request changes to the subject matter of the contract in terms of design and execution. In doing so, the effects, particularly with regard to additional and reduced costs as well as delivery dates, must be settled appropriately and by mutual agreement. Changes made by the supplier require our prior written approval to be effective.
6. The Supplier is obligated to personally review drawings, calculations, specifications, and other requirements provided by us for errors and inconsistencies within the scope of its general and specialized expertise, and to immediately notify us in writing of any concerns and clarify them.

7. The Supplier bears the risk for the goods.

III. Delivery Dates, Transfer of Risk, and Transportation

1. The delivery dates and deadlines specified in the purchase order or delivery call are binding.
2. Unless otherwise agreed, delivery shall be made DDP Incoterms 2020 to us or to the delivery location designated by us.
3. Compliance with the delivery date or delivery period shall be determined by the receipt of the subject matter of the contract and the shipping documents by us or the receiving location designated by us.
4. In the event of a delay in delivery, we are entitled to claim a contractual penalty of 0.2% of the net order value per business day, but not exceeding 5%. We are entitled to claim the contractual penalty until the final payment is made. The assertion of further damages exceeding the contractual penalty is not excluded. In all other respects, the statutory provisions apply. If the supplier encounters difficulties regarding production, the supply of raw materials, compliance with the delivery date, or similar circumstances that prevent it from delivering on time or in the agreed quality, the supplier must notify us immediately.
5. Our unconditional acceptance of a delayed delivery or service does not constitute a waiver of our right to claim damages arising from such delay; this applies until full payment of the amount owed by us for the delivery or service in question.
6. Partial deliveries are generally not permitted unless we have agreed to them in writing in advance.
7. If the supplier has undertaken installation or assembly and nothing else has been agreed, the supplier shall bear all necessary incidental costs, such as travel expenses and the provision of tools, subject to any deviating provisions.
8. In the event of over- or under-deliveries of ordered quantities, as well as in the event of early delivery, we reserve the right to refuse acceptance of the delivery at the supplier's expense or to adjust the invoice accordingly.
9. The supplier must package the goods in an appropriate manner.
10. The supplier warrants that the goods do not contain any substances falling within the scope of the substance bans under EC Directive 2011/765/EU (RoHS). The supplier further warrants that the substances contained in the goods, as well as their use(s), are either already registered or are not subject to a registration requirement under Regulation (EC) No. 1907/2006 (REACH Regulation) and that, where required, an authorization under the REACH

Regulation has been obtained. The Supplier shall also, where necessary, prepare the safety data sheet in accordance with Annex II of the REACH Regulation and make it available to us. If goods are delivered that are classified as hazardous materials under international regulations, the Supplier shall notify us of this no later than upon order confirmation.

11. The supplier shall provide us with appropriate assistance in obtaining customs and other government benefits and shall, for this purpose, provide us with the evidence and documents we request, in particular certificates of origin.

IV. Force Majeure

Force majeure, civil unrest, governmental measures, or other unavoidable events shall release us and the supplier from our obligation to perform for the duration of the disruption and to the extent of its effect. If the event lasts longer than four weeks, we shall be entitled to withdraw from the contract without the supplier being entitled to any claims arising therefrom, such as claims for payment of remuneration or compensation.

V. Prices and Terms of Payment

1. The prices are fixed prices. All incidental costs associated with the purchase (customs duties, packaging, transportation, insurance) must be itemized separately by the supplier in its offer and, unless otherwise agreed in writing, shall be borne by the supplier, with the exception of statutory sales tax. Price increases for the subject matter of the contract, including increases in ancillary procurement costs, require our prior written consent to be effective.
2. Unless otherwise agreed, payment of the invoice shall be made either within 14 days with a 3% discount or within 30 days without any deduction, starting from the due date of the payment claim and upon receipt of both the invoice and the goods or the provision of the service. Payment is subject to verification of the invoice.
3. We are entitled to rights of set-off and retention as well as the defense of non-performance of the contract to the extent permitted by law. In particular, we are entitled to withhold due payments as long as we have claims against the supplier arising from incomplete or defective performance.
4. The supplier may set off only undisputed claims or claims that have been finally and conclusively determined. Similarly, the assertion of a right of retention is permitted only with respect to undisputed claims or claims that have been finally and conclusively determined.

VI. Notice of Defects

Our obligation to inspect goods upon receipt is limited to discrepancies in quantity and identity, obvious defects, and damage incurred during transport. We may give notice of such discrepancies, defects, and damage within 7 business days of delivery and of hidden defects within 2 business days of discovery, whereby dispatch of the notice within the respective deadline shall suffice. In this respect, the supplier waives the right to object to a late notice of defects.

Payments made by us do not constitute an acknowledgment of the absence of defects.

VII. Warranty

1. The Supplier warrants that the Contracted Goods are free from defects. In particular, the Supplier warrants that the Contracted Goods comply with the current state of the art, generally accepted technical safety regulations issued by authorities and professional associations, and are in accordance with applicable legal provisions.
2. The statutory provisions regarding material defects and defects of title shall apply, unless otherwise agreed below.
3. We generally have the right to choose the type of subsequent performance. The Supplier may refuse the type of subsequent performance chosen by us if it is possible only at disproportionate cost.
4. If the supplier does not begin remedying the defect immediately upon our request to do so, we shall be entitled, in urgent cases—particularly to avert imminent danger or prevent significant damage—to remedy the defect ourselves or have it remedied by a third party at the supplier's expense.
5. In the event of defects of title, the supplier shall also indemnify us against any claims by third parties, unless the supplier is not responsible for the defect of title.
6. Claims for defects shall become time-barred after 3 years—except in cases of fraud—unless the item has been used in a building in accordance with its customary use and has caused the building's defectiveness. The limitation period begins upon delivery of the subject matter of the contract (transfer of risk).
7. For items covered by the warranty that could not remain in operation during the investigation of the defect and/or the rectification of the defect, the current warranty period shall be extended by the duration of the interruption in operation.

8. In cases of replacement or in cases where a repaired item exhibits the same defect or a defect results from the repair, the limitation period shall begin anew, unless the supplier has demonstrably provided a replacement or performed repairs solely as a gesture of goodwill or to avoid a legal dispute.
9. If we incur costs as a result of the defective delivery of the subject matter of the contract, in particular costs for transportation, travel, labor, installation, removal, materials, or costs for an incoming inspection exceeding the usual scope, the supplier shall bear these costs.
10. Any other claims we may have arising from a breach of contract or a violation of other obligations remain unaffected.

VIII. Product Liability

1. If claims are made against us based on product liability, the supplier is obligated to indemnify us against such third-party claims if and to the extent that the damage was caused by a defect in the goods delivered by the supplier. In cases of fault-based liability, this applies only if the supplier is at fault.
2. In the cases described in Section 8.1, the supplier shall bear all costs and expenses, including the costs of any legal proceedings.
3. In all other respects, the statutory provisions apply.
4. Prior to a product recall that is wholly or partly due to a defect in the contractual item delivered by the supplier, we will notify the supplier, give the supplier the opportunity to participate, and consult with the supplier regarding the efficient implementation of the recall, unless notifying or involving the supplier is not possible due to the urgency of the matter. To the extent that a recall is the result of a defect in the contractual item delivered by the Supplier, the Supplier shall bear the costs of the recall.
5. The Supplier undertakes to take out business and product liability insurance, which also covers recall measures, with worldwide coverage and a coverage amount of at least EUR 5,000. 000 per claim and to maintain this insurance coverage for the duration of the supply relationship plus five years thereafter.

Upon request, the supplier will provide us with the appropriate insurance certificate..

IX. Performance of Work

Any personnel of the supplier who perform work on our premises or those of a third party designated by us in fulfillment of the contract must comply with the relevant rules and regulations of our company or the designated third party. Liability for accidents that befall these persons on the premises is excluded, unless such accidents were caused by an intentional or grossly negligent breach of duty by our legal representatives or vicarious agents.

X. Provision of Materials / Retention of Title

Materials, parts, containers, and special packaging provided by us remain our property. These may only be used for their intended purpose. The processing of materials and the assembly of parts are performed on our behalf. It is agreed that, in proportion to the value of the materials and parts provided by us relative to the value of the total product, we shall be co-owners of the contractual items manufactured using the materials and parts provided by us, which shall be held in safekeeping for us by the supplier to that extent.

XI. Confidentiality

1. The contracting parties agree to treat all non-public commercial and technical details that come to their knowledge through their business relationship as trade secrets.
2. Drawings, specifications, models, templates, samples, and similar items may not be disclosed to unauthorized third parties or otherwise made accessible; they may only be used for the purposes of the respective contract between the supplier and us and not for any other purposes of the supplier. The reproduction of such items is permitted only within the scope of operational requirements and copyright provisions.
3. Subcontractors must be bound by these obligations accordingly.
The contracting parties may only use their business relationship for advertising purposes with prior written consent.

XII. Compliance, Due Diligence in the Supply Chain

1. The supplier undertakes to comply with all applicable legal regulations regarding the treatment of employees, environmental protection, and occupational safety, and to work

toward minimizing the adverse effects of its activities on people and the environment. To this end, the supplier shall operate at least one QM system certified by an accredited certification body in accordance with ISO 9001 in its currently applicable version and shall strive to implement a management system in accordance with ISO 14001. Suppliers of production parts are required to develop their QMS with the aim of meeting the requirements of ISO/TS 16949 in its current version. Furthermore, the supplier shall observe the principles of the UN Global Compact Initiative. These principles primarily concern the protection of international human rights, the right to collective bargaining, the abolition of forced labor and child labor, the elimination of discrimination in hiring and employment, environmental responsibility, and the prevention of corruption.

2. The supplier is obligated to observe and comply with the human rights, labor, social, and environmental standards set forth in the Supply Chain Due Diligence Act (“LkSG”) and, where applicable, in relevant EU regulations, in accordance with the applicable legal provisions. The goal is to prevent or minimize violations of these regulations. To this end, the Supplier must implement appropriate preventive measures. Upon request, the Supplier shall provide us with comprehensive written information regarding this matter. The Supplier is obligated to incorporate the standards agreed upon in paragraph 1, as well as the implementation of preventive measures, into its contractual relationships with its subcontractors and to impose corresponding obligations on them. If, despite the preventive measures taken, violations as described in paragraph 1 occur in the supplier’s own business operations or at subcontractors engaged by the supplier, the supplier is obligated to notify us immediately of the violation and to take appropriate measures to remedy the situation and, if necessary, eliminate the consequences, and to provide ongoing, unsolicited information regarding this matter. The supplier must tolerate—to the extent that this is not unreasonable—and support us in any measures we take to fulfill legal or contractual requirements regarding companies’ human rights and environmental due diligence obligations..
3. In the event that the supplier repeatedly acts in violation of the law and/or continues to do so despite having been notified, and fails to demonstrate that the violation has been remedied to the greatest extent possible and that appropriate measures have been taken to prevent future violations, we reserve the right to withdraw from existing contracts or terminate them without notice.

XIII. Provision and Use of Production Resources

Any fixtures, models, tools, samples, drawings, or other documents manufactured by the Supplier in accordance with our specifications shall become our property upon payment by us. From that point on, the Supplier shall be borrowing the items from us. Production resources may only be used for the purpose of fulfilling the order or for the production of the ordered goods or services. Without our prior written consent, these may neither be made accessible to third parties nor used for deliveries to third parties. They must be carefully stored by the Supplier free of charge and at its own risk and returned to us at any time upon request, without the Supplier being entitled to invoke a right of retention, unless the Supplier has a contractually granted right of possession.

XIV. Miscellaneous

1. The place of performance for payments is our registered office as listed in the Commercial Register.
2. The laws of the Federal Republic of Germany shall apply, excluding conflict of laws provisions and the United Nations Convention on Contracts for the International Sale of Goods (CISG).
3. The exclusive venue for all disputes arising from the contractual relationship is our registered office. However, we are also entitled to bring an action at the supplier's registered office.