

## **General Terms and Conditions of Purchase**

### **BOSSARD Deutschland GmbH**

#### **I. Validity of the Conditions of Purchase**

These Conditions of Purchase exclusively are valid for all existing or future orders. We do not recognise suppliers' conditions conflicting with or supplementary to our own Conditions of Purchase unless we have specifically accepted them in writing.

These Conditions of Purchase apply exclusively and automatically for all and future quotations, agreements, deliveries or services rendered by a supplier (herein designated "Supplier").

Our Conditions of Purchase are also binding in nature if we unconditionally accept deliveries despite our being aware of conflicting or diverging conditions of the supplier.

#### **II. Confirmation of Order and Quotation Documents**

Our orders are generated automatically and are valid without signature.

The supplier must confirm receipt of our order in writing within four days quoting our order number, otherwise we are freed of any obligation in respect of the order.

We reserve rights of ownership and copyright of all illustrations, drawings, calculations and any other documents and models; they may not be further commercialised, nor duplicated nor made accessible to third parties even if they have been produced by the supplier from details provided by us, without our express agreement in writing, but must be kept strictly confidential. They are only to be used in the execution of our order.

On completion of the order, they must be handed over to us on request.

The supplier is prohibited from referring to his business relationship with us in his advertising material, except with our express written approval.

### **III. Price and Terms of Payment**

The prices agreed are fixed prices. Where the legal rate of VAT is not indicated in the order confirmation or invoice as a separate amount, it is included in the price.

Failing any other written instruction, the price is deemed to be “delivered”, including packing. Should the supplier, contrary to an agreement made, use non-returnable pallets, costs for their disposal will be charged to the supplier.

Invoices are to be submitted immediately after dispatch of the goods, that is, they are not to be sent accompanying the goods. The invoices are to be accompanied by packing lists and agreed information and other documents such as first article inspection reports, factory certificates etc. VAT is to be shown as a separate item in all invoices. All invoices are to include our order number and the name of the person placing the order.

Except as otherwise agreed, payment of invoices is carried out by day 15 of the month following delivery to us (our receipt of the goods) subject to 3 % discount or by day 15 of the next month net. Method of payment is to our choice.

We shall be entitled to rights of set-off and retention as well as the plea of non-performance of the contract to the extent provided by law. In particular, we shall be entitled to withhold payments due as long as we are still entitled to claims against the Seller arising from incomplete or defective performance.

The supplier shall have a right of set-off or retention only on the basis of counterclaims that have become res judicata or are undisputed.

### **IV. Deliveries, SLVS-exemption and Supplier Declarations as per EU 1207/01**

It is mandatory for the supplier to comply with the packaging units and lettering on packaging / labels as specified by us. Similarly, our packing and delivery instructions must be observed. The supplier is to obtain these from us.

If the delivery is agreed as "ex supplier's works", the supplier must note that we are SLVS-exempt. The supplier must ensure that no SLVS insurance is taken out. Should the supplier disregard our exempt status, he must bear any consequential costs himself. In the case of "ex works" deliveries, we are entitled to nominate the carrier to be engaged.

For goods manufactured in the EC and which comply with the provisions of EC Regulation 1207/01, the supplier must provide corresponding supplier declaration(s). The supplier must mark goods of non-EC origin clearly "Not of EC origin" in the delivery note, or make certain they are otherwise readily identifiable.

The supplier shall ensure the continuous, sufficient and timely supply of itself and us by suitable and approved measures (e.g. emergency plan, alternative production/procurement). As far as possible, the supplier shall define and implement an alternative supplier strategy for services or partial services which he specifically produces or processes in whole or in part for us or through third parties. In this respect, our supplier bears the procurement risk for its performances and services.

## **V. Delivery Time**

The delivery date as quoted in the order is binding.

The supplier is under an obligation to notify us without delay in writing if the delivery date agreed cannot be achieved. The date of delivery always specifies the date of dispatch from the supplier. Part deliveries and premature deliveries may only be made if we have given our express agreement to their acceptance. However, the earliest date for due payment remains that relating to the originally-agreed delivery date.

Short or over-deliveries will not be accepted.

If the supplier defaults on the delivery date, we are entitled to demand a conventional penalty amounting to 0.1 % of the value of the consignment for each day's delay, but not exceeding 5 % of the consignment value. We are entitled to claim a conventional penalty in addition to

performance. It shall suffice if we claim the penalty from the supplier within 14 days of receipt of the delayed consignment or later by corresponding deduction from the invoice. We are also entitled to claim compensation for any loss arising from the delay which is in excess of the conventional penalty imposed.

In the case of delivery default, all legal avenues to make claims are open to us. In particular we are entitled after granting a reasonable period of grace and offsetting the conventional penalty imposed to withdraw from the contract and to claim compensation in preference to performance.

If a calendar week is agreed as delivery date, the goods must be delivered to us at the latest by our close of business on the Friday of the respective calendar week.

For compliance with the delivery date, it is required that the goods are discharged at the reception point or location of use as designated by us.

## **VI. Packaging and Delivery**

Packaging and delivery instructions are to be agreed on a product-specific basis.

## **VII. Transfer of risk**

Risk of delivery is transferred to us after delivery and successful unloading at our premises in Illerrieden or at the agreed discharge or usage point.

## **VIII. Quality Assurance, Inspection for Defects and Warranty**

The supplier must operate at least a Quality Management System in accordance with ISO 9001 and carry out appropriate quality assurance inspections with the aim of achieving zero defect quality and continuous improvement in his performance.

The supplier guarantees us that the goods comply with the DIN standards valid at the time of delivery or the latest state of knowledge, technology and science and the specification valid at the time of the order, unless otherwise expressly agreed.

In the case of surface finishing of high-strength parts, there is a risk of hydrogen embrittlement. Therefore, the supplier guarantees us that the goods delivered to us have been manufactured according to the current state of science and technology and in compliance with the required measures to avoid hydrogen embrittlement in compliance with ISO4042, ISO15330, DIN EN ISO 19598, DIN 50969-1 and DIN 50969-2 and have been tested and monitored by him. In this context, the supplier undertakes to sufficiently document the implementation of the measures and to keep the documentation for a period of 10 years and to hand it over to us upon request.

Insofar as third parties (irrespective of the legal grounds) assert claims against us resulting directly or indirectly from hydrogen-induced embrittlement fractures and it turns out that the manufacturing process was either not carried out in accordance with the current state of the art in science and technology and/or in the manufacturing process, the requirements set out in ISO4042, ISO15330, DIN EN ISO 19598, DIN 50969-1 and DIN 50969-2 have not been observed or have not been observed to a sufficient extent, the supplier shall indemnify us in full against all losses, liabilities, damages, costs and all expenses upon first written request. This also includes all reasonable court and attorney's fees.

Supplier guarantees that

- the Products comply in all respects with the applicable legal requirements, rules and regulations of the country in which the Product is manufactured, stored or from where it is supplied and where it is used;
- that the manufacture of the Products is of high quality in accordance with best industry standards and that the Products are safe, merchantable and fit for their intended use and conform in all respects to the Specifications;
- the products are marked in conformity with the specifications and legal requirements (the latter includes in particular the country of manufacture as well as the country/countries of destination).

Our obligation to inspect is limited to defects which are openly recognizable during our incoming goods inspection under external examination including the delivery documents (e.g. transport damage, wrong and short delivery).

Notwithstanding our duty to inspect, our notice of defects shall be deemed to have been given without undue delay and in due time if it is sent within 10 working days of discovery or, in the case of obvious defects, of delivery.

The warranty period for material defects is 36 months from receipt of the consignment.

In the case of defective goods, we are entitled to demand rectification of the defect or a replacement delivery, at our option. If the supplier is not able to satisfy this requirement or unwilling to provide subsequent performance within a reasonable period as laid down by us, or if this is unreasonable on other grounds, we are entitled to have the defects identified corrected at the supplier's expense or to obtain replacement elsewhere. In urgent cases, we may take the necessary action without reference to the supplier and without setting a period of grace. The supplier will indemnify us against any claims from our customers which may arise as a result of the defective nature of the goods delivered. This applies in particular to claims for reimbursement of extra costs incurred by us and our customers as a consequence of the said defects, in particular (but not exclusively) costs of transport, travelling, labour and materials, installation and removal and inspection costs.

We are furthermore entitled to legal warranty protection inasmuch as we are entitled to claim a reduction in price on account of defective goods or to withdraw from the contract and to claim compensation. The supplier also indemnifies us against any third-party claims which may be made in respect of deficiency in title. The period of limitation for claims for deficiency in title is ten years.

#### **IX. Chemicals Prohibition, Hazardous Materials and Environmental Protection**

The supplier further assures us that the goods delivered by him contain no prohibited substances as scheduled in the Annex to § 1 of the Chemicals prohibition ordinance restricting the introduction of hazardous materials and products, in its most recent version.

The supplier guarantees that the products delivered by him comply with the provisions of Regulation (EC) No. 1907/2006 on the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH Regulation). The substances contained in the Supplier's products are, to the extent required under the provisions of the REACH Regulation, pre-

registered or registered after the expiry of the transitional periods, unless the substance is exempt from registration.

In the case of substances that are dangerous or hazardous to health within the meaning of the statutory provisions or substances subject to registration under the REACH Regulation, the supplier shall provide a safety data sheet without being requested to do so prior to the first delivery and shall update it in due time (at the latest every three (3) years).

If compliance with these regulations leads to a change in the goods delivered by the supplier or affects the possible uses or quality of the goods, the supplier must inform us of this immediately.

With acceptance of the order, the supplier confirms to us in addition that all goods delivered by him comply with the requirements of ,the RoHS Directive 2011/65/EU.

The supplier shall indemnify us against claims by third parties arising from any infringement of such environmental rights as listed under Section IX. Furthermore, he shall bear all costs incurred by us as a result of third parties asserting the infringement of such rights and us defending ourselves against this.

#### **X. Product Liability, Recall and Product Liability Insurance**

The supplier shall be responsible for all claims asserted by third parties for personal injury or property damage attributable to a defective product supplied by him and shall be obliged to indemnify us against any liability resulting therefrom. If we or our customer are obliged to carry out a recall action against third parties due to a defect in a product supplied by the supplier, the supplier shall bear all costs and expenses associated with the recall action

The supplier undertakes to take out product liability insurance to an appropriate value for the duration of the business relationship, also covering the recall risk for defective goods.

The supplier is obliged to furnish us on request evidence in suitable form of the scope and confirmation of the insurance.

## **XI. Customs and foreign trade law requirements**

1.

The supplier shall inform himself about the requirements of customs clearance and shall provide us in due time with all necessary documents and information such as, among others, the statistical commodity number (HS code / harmonized code), designation of preferential goods, certificate of origin and all other necessary information for import or export clearance.

2.

Insofar as relevant and insofar as no other or further prerequisites are required by law, the supplier shall send us a long-term supplier's declaration for products with preferential originating status (e.g. for the EU: form in accordance with Regulation (EU) No. 2015/2447) without being requested to do so prior to the first delivery with the corresponding period of validity and then prior to the end of the period of validity. We must be notified immediately in writing of any changes in the origin of the goods.

3.

The supplier shall inform us without undue delay with regard to his goods including all components within the meaning of the Foreign Trade Law about potential

- export restrictions and export licenses issued in the country of manufacture and/or in the country of dispatch of the service.
- about licensing obligations, which according to the US-American export and re-export law including so-called EAR99 goods,
- about licensing obligations for dual-use, armaments and other goods listed as "restricted", which exist according to the community law of the European Union or the national regulations of the foreign trade law.

If the supplier delivers commercial goods, services and/or technologies which are subject to export control, the supplier shall forward the following information and corresponding documents to us without being requested to do so:

- the Dual-Use List No. (List of Goods Annexes to the EU Dual-Use Regulation as amended),
- in the case of US commercial goods, services and/or technologies
  - whether these are subject to US re-export regulations (Export administration Regulations EAR or International Traffic in Arms Regulations ITAR),
  - the ECCN No. (Export Control Classification Number) according to US Export Administration Regulations (EAR, USML (U.S. Munitions List) according to ITAR),
  - an "Export License"
  - the U.S. quantity of origin and, if applicable, the amount of licensable portions
- Information on transportation through the U.S. and/or manufacturing and/or storage in the U.S. and/or manufacturing using U.S. technology or parts,
- other commodity-related information material for the application of regulatory approvals,

The supplier shall inform us in writing of any changes to the above data. This duty to inform shall also exist for the supplier after the end of the business relationship.

The supplier guarantees that the information provided in the export control declaration is complete and correct. Should changes occur in the future with regard to the delivery items which alter the classification of the goods under export control law, the supplier shall inform us of these changes without delay.

The supplier shall indemnify us against all claims or other sanctions arising against us due to violations of export control law in connection with the delivery items

**XII. Protection of ownership and Retention of Title**

We reserve the ownership or copyright to orders placed by us, orders as well as drawings, illustrations, calculations, descriptions and other documents made available to the supplier. The supplier may neither make them accessible to third parties nor use or reproduce them himself or through third parties without our express consent. He shall return these documents to us in full at our request if they are no longer required by him in the ordinary course of business or if negotiations do not lead to the conclusion of a contract. In this case, any copies made by the Supplier shall be destroyed; the only exceptions to this are storage within the scope of statutory storage obligations and the storage of data for backup purposes within the scope of normal data backup.

Tools and models which we make available to the supplier or which are manufactured for contractual purposes and which are charged to us separately by the supplier shall remain our property or shall become our property. The supplier shall mark them as our property, keep them in safe custody, protect them to a reasonable extent against damage of any kind and use them only for the purposes of the contract. The costs of their maintenance and repair shall be borne by the supplier, unless otherwise contractually agreed. However, insofar as these costs are attributable to defects in the items manufactured by the Supplier or to improper use on the part of the Supplier, its employees or other vicarious agents, they shall be borne solely by the Supplier. The supplier shall notify us immediately of any damage to such tools and models which is not merely insignificant. Upon request, he shall be obliged to return them to us in proper condition if they are no longer required by him for the performance of the contracts concluded with us.

Retentions of title by the supplier shall only apply insofar as they relate to our payment obligation for the respective products to which the supplier retains title. In particular, extended or prolonged reservations of title are not permitted.

**XIII. Property Rights**

1.

In accordance with the provisions of this Paragraph 1, the Supplier warrants that the products delivered by it do not infringe any third-party intellectual property rights in countries of the European Union or other countries in which it manufactures the products or has them manufactured. He shall be obliged to indemnify us against all claims asserted against us by third parties due to such infringement of intellectual property rights and to reimburse us for all necessary expenses in connection with such claims. This shall not apply if the supplier proves that he is neither responsible for the infringement of intellectual property rights nor that he should have been aware of such infringement at the time of delivery if he had exercised due commercial care.

Our further legal claims due to defects of title of the products delivered to us shall remain unaffected.

**XIV. Assignment**

Assignment of receivables arising from the supplier relationship required our express agreement.

**XV. Confidentiality**

The supplier will treat all elements of commercial and operational information of BOSSARD DEUTSCHLAND and its customers which are not in the public domain and which are not intended for third-party consumption which become known to him in the course of this business relationship as confidential and as business secrets and will not make them either directly or indirectly, in whole or in part, available to third parties and only use them for the purpose intended by contract. This applies equally for the time following dissolution of this business relationship.

**XVI. Place of Performance**

Except as otherwise agreed, the place of fulfilment is our headquarters in Illerrieden.

## **XVII. Processing Personal Data**

On the establishment of the business relationship, we process and store personal data as necessary for carrying out business transactions, in particular the processing of orders and fulfilment of contracts, in line with the data protection provisions of the Federal Data Protection Act and the General Data Protection Regulation (GDPR), here specifically as per Art. 6 Section 1 b) or c) otherwise, provided we have the consent of the person concerned. In the case of credit enquiries, we transmit personal data (name, address, postal address, details of the company and if appropriate contract and debt details) for the purpose of examining financial standing and checking the deliverability of the address given and for the purposes of collection procedures to the Creditsafe Deutschland GmbH, Schreiberhauer Strasse 30, 10317 Berlin and if appropriate to further co-operating commercial enquiry agencies and business partners. The statutory basis for transmitting the data is Article 6 I b GDPR and Article 6 I f GDPR. Transmissions based on Article 6 I f GDPR are only undertaken to the extent necessary for safeguarding the justified interests of our company when these are not outweighed by the interests or basic rights and freedoms of the person affected, whose personal data are afforded this protection.

Right of objection to processing:

If the processing of your personal data is based on justified interests in accordance with Article 6 Section 1 letter f GDPR, you have the right at any time to object to future processing of your data, provided there are grounds which exist relevant to your own particular situation (Article 21 Section 1 GDPR). This also applies to profiling based on these regulations within the meaning of Article 4 No. 4 GDPR. If you lodge an objection, we will not process your personal data further unless we can demonstrate compelling legitimate reasons for the processing which outweigh your interests, rights and freedoms, or the processing serves the purpose of claiming, exercising or defending legal entitlements.

## **XVIII. Force Majeure**

1.

In the event of force majeure, the delay shall occur only after the force majeure ceases to exist. Force majeure within the meaning of this agreement shall be natural disasters, fire,

storm, hail; wildcat strikes and consequences of industrial action, insofar as these cannot be influenced by the affected party; war, civil war, civil unrest or warlike events; terrorist or political acts of violence, irrespective of the number of persons involved; arrest, confiscation, seizure or other interventions by sovereign authorities, insofar as these interventions are not attributable to misconduct on the part of the affected party.

On the other hand, force majeure shall not include production stoppages or production disruptions on the part of the Supplier, delivery failures on the part of the Supplier's upstream suppliers, material shortages or increased cost prices on the part of the Supplier. Also not force majeure are events such as lockouts, announced strikes, blockades, roadblocks or traffic jams, insofar as the aforementioned obstacles were announced via the media or are known or should have been known to the affected party from other sources of information customary in the industry.

2.

The Supplier shall notify us without undue delay of the event or circumstances constituting the Force Majeure Event, providing details of the Force Majeure Event, its effects and its expected duration. The notification shall be made without undue delay after the Supplier has become aware of the relevant event or circumstances constituting Force Majeure. The Supplier's obligation to perform shall be revived if the Supplier does not make reasonable efforts to resume performance. It is also reasonable to purchase goods to be delivered (from the Supplier's competitors).

3.

If the force majeure event in question lasts longer than four months after its commencement, we may, taking into account the individual case, declare the termination of this contract and/or the individual contract concerned.

## **XIX. Concluding Provisions**

1. This contract is governed by the law of the Federal Republic of Germany and excludes the UN CISG.

2. The parties agree that the exclusive court of jurisdiction in all disputes arising from or in connection with this contract or with these General Terms and Conditions of Purchase and Delivery shall be that at our company headquarters. We are however entitled to take action against the supplier in the court with jurisdiction at his headquarters.

3. The original language of this contract is German. The German version has priority over the English version.