

GENERAL PURCHASING CONDITIONS (“GPC”)

of Konrad Busche GmbH & Co. KG

(Last updated 04/2022)

1 Scope, protective clause, written form

- 1.1 These conditions apply exclusively to our purchases of deliveries and services (hereinafter referred to as “services”), without our needing to refer to them in each individual case. Any deviating, contradictory, or supplementary conditions of our business partners and suppliers (“contractors”) shall only be a component of the contract if we have consented to them expressly, at least in text form. Unconditional acceptance of a delivery shall not be considered consent. Individual agreements concluded in an individual case shall take precedence over our conditions if we have expressly concluded or confirmed them.
- 1.2 If not otherwise expressly regulated in these conditions, fax or e-mail shall be considered sufficient for complying with the agreed written form requirement.

2 Conclusion of contract

Our oral orders or orders made by telephone, as well as addenda or supplements to an order, shall require our written confirmation. We will consider ourselves bound to our order for two weeks from the order date. However, we can also revoke the order up to the time we receive a written confirmation of acceptance with the same content as our order from the contractor.

3 Services

- 3.1 Our orders shall be decisive for determining the scope, type, and content of services, as well as any specifications and manufacturing documents (drawings, samples, etc.) provided by or confirmed by us to the contractor. If contracts are not filled out in full (in particular blanket orders), then the contractor shall implement changes to the delivered object at our request if these are not unreasonable. If the contractor can provide verifiable justification for doing so, they can request that costs and delivery times be adjusted according to the originally agreed costs and delivery times.
- 3.2 All delivered objects must be manufactured with the materials and tools best suited for the purpose and in good condition, conforming to our technical specifications and the applicable ISO standards, European and German standards, statutory regulations (in particular the Product Safety Act), guidelines of professional associations, and similar. These are considered the standard of quality for the delivered object, even if not expressly agreed to.
- 3.3 The contractor must provide complete documentation (such as preferential supplier declaration, safety data sheet).
- 3.4 The contractor must obtain all permits and approvals necessary for its services. It must comply with all statutory and official regulations when performing its services, including applicable ISO standards, European and German standards, guidelines from professional associations, and similar, and the state of the art.

- 3.5 If services are performed or objects manufactured according to our specifications, then acceptance is required even if this has not been expressly agreed. Acceptance shall be granted once an inspection shows that the services are free from defects or contain only insignificant defects. A log shall be prepared of acceptance and signed by both parties.
- 3.6 If the contractor only acts as an intermediary for the sale of goods, then it must inspect the goods for defects before handing them over to us.
- 3.7 The contractor must deliver replacement and wear parts and attachments for the delivered objects at customary market prices for the normal service life of the delivered objects, and for at least ten years after delivery. If the contractor intends to stop production of these parts, it must inform us of this at least three months in advance, regardless of the obligation under clause 1.
- 3.8 The contractor shall inform us regarding changes to its production processes, production location, materials used and preliminary suppliers, unless the contractor can assume, based on a careful inspection, that any influence on the quality or characteristics of its services are excluded for our intended purpose.

4 Service term, shipping, transfer of risk

- 4.1 Agreed deadlines and terms are always binding for the contractor. If the contractor fails to comply with delivery deadlines, then it shall fall into default even without a warning from us.
- 4.2 If the contractor is responsible for the delay, then we will be entitled to demand 1% of the net price of the total order for each full week of delay past the delivery deadline, and at most 5% of the net price for the total order, as a contractual penalty. This applies accordingly if partial services are delayed. Any claims for damages shall remain unaffected. The contractual penalty shall be offset against any claims for damages. If we accept the late delivery, we must assert the contractual penalty at the latest with the final payment.
- 4.3 Shipping is carried out at the risk of the contractor free of charge to the destination indicated in our order. The same applies to any return deliveries. The contractor is liable for complying with the shipping specifications provided. If an acceptance 3 procedure is carried out, the risk shall be transferred to us only upon our acceptance declaration.
- 4.4 The contractor must enclose a delivery slip with every delivery stating our order number, the item number, quantity, delivery destination and item designation, if these are indicated in our order. Otherwise, we are entitled to deny acceptance without this resulting in any claims for the contractor. Any resulting costs shall be borne by the contractor.

5 Force majeure

We reserve the right to not accept the contractual service, or not accept it in the scope indicated in the contract, or to delay an agreed delivery deadline at our own discretion. In order to do so, circumstances must have come about under which the parties would not have agreed to the service or interval in the present form, especially in cases of force majeure such as pandemics, epidemics, natural catastrophes or events, wars, explosions, fires, destruction, strikes, and boycotts.

6 Prices, invoicing, and payment

- 6.1 Unless otherwise agreed, the agreed price is a flat rate and fixed price and does not include statutory VAT or ancillary services and ancillary costs (such as assembly, installation, packaging, transportation, transportation insurance), and shall be due for payment after handover or acceptance of the services.
- 6.2 A detailed work description must be enclosed with each invoice for services.
- 6.3 At our discretion, after receipt of a proper written (e-mail and fax are not sufficient), we will pay invoices within 10 days at a 3% discount, or within 30 days without discount.
- 6.4 If there are significant changes to the market situation, the contractor shall negotiate a pricing adjustment with us. If the negotiations fail, we can terminate existing agreements with a notice period which is appropriate with respect to the interests of both parties. In this case, the contractor can only charge us for the actual costs it incurred for materials which it cannot use otherwise. We also have such a right of termination if the contractor's prices are above market level, or at least 3% above the prices of a comparable competitor, and if the contractor cannot offer us more competitive prices within one month after a written request to do so.
- 6.5 We are entitled to rights of offsetting and retention, as well as objection due to non-fulfilment of a contract in accordance with the law; in particular, we can retain any payments due as long as we have claims against the contractor resulting from incomplete or defective deliveries.

7 Inspection, defects

- 7.1 The statutory regulations apply to our rights in case of material defects or defects of title, or other breaches of duty by the contractor, unless otherwise specified in the following.
- 7.2 If an acceptance procedure is not carried out, we will only complete random checks in the normal course of business after receiving a delivery, in the form of checks to ensure that the correct items were sent, that the quantity is roughly correct, and that there are no visible damages from transit. By doing so, we fulfil our duty of inspection. We will notify the contractor of any defects found within 15 business days. If defects were concealed, then the term begins when we become aware of the defect.
- 7.3 If the contractor falls into default with correcting the defect, or if a delay in correcting the defect could result in significant damages for us or our customers, then we are entitled to correct the defect ourselves or have it corrected by third parties even without prior request to do so to the contractor at the contractor's cost. We will inform the contractor of this as quickly as possible.
- 7.4 Costs of supplementary fulfilment also include costs associated with finding the defect and sorting, both for us and our customers.
- 7.5 The limitation period for our claims due to material defects is two years, or four years from the time of delivery or acceptance for defects of title. Longer limitation periods due to other claims that are not the result of a defect themselves shall remain unaffected. Longer

statutory limitation periods (such as due to structural defects or material claims for surrender) shall also remain unaffected.

8 Product liability

- 8.1 If the contractor is responsible for a defect in the product, then it shall release us in this respect from any claims by third parties due to personal injury or property damage, insofar as the cause was within its domain and organisational control, and if it is externally liable for this.
- 8.2 In this case, the contractor shall also reimburse us for any expenses in accordance with Sections 683, 670 BGB (German Civil Code) that result from or in conjunction with a recall campaign carried out by us or our customers, insofar as we or our customers were obligated to carry out the recall campaign, or if it was reasonable to do so. We will inform the contractor of the content and scope of the recall measures to be carried out whenever possible and reasonable, and will give the contractor an opportunity to provide their own statement.
- 8.3 If a claim is made against us due to a product error for which the contractor was responsible, regardless of culpability, by a third party either domestically or abroad, then the contractor shall be liable towards us accordingly. The same regulations on the burden of proof apply to the relationship between us and the contractor as apply between us and third parties.

9 Violations of property rights

The contractor shall ensure that contractual use of the services does not violate any rights of third parties, in particular that it does not violate any property rights or applications for property rights. The contractor shall release us from any expenses and damages resulting from third party claims due to a violation of such rights. Our claims under this section shall expire after the statutory limitation period (Sec. 195 BGB).

10 Rights

- 10.1 If the contractor's service consists of creating a copyright protected work, then upon handover by the contractor we will receive the exclusive, transferable, irrevocable right, unrestricted in space and time, to use and exploit the services free of charge, in particular to duplicate them, edit them, publish them, and provide them to third parties free of charge temporarily or permanently, in particular in conjunction with other products; therefore, we will be entitled to all rights of use, processing, and exploitation to the services without limitation. All claims by the contractor for granting the rights shall be considered compensated by the agreed remuneration. Therefore, any licensing payments, in particular, shall be excluded now and for the future. The contractor shall waive the right to be named as the originator.
- 10.2 The contractor shall also grant us an exclusive right of use, unlimited in time, space, and content, for any types of use that are unknown at the time the contract is concluded. If we ourselves exploit these unknown types of use, or if we do so through third parties, then the contractor shall receive appropriate compensation, which we will negotiate with it at the time

we intend to begin use. If we cannot come to an agreement within one month after notifying the contractor that we intend to begin the new type of use at its last known address, then we are entitled to determine the compensation ourselves at our own discretion. The contractor is entitled to have the responsible District Court review within six months from the determination of performance whether we exercised our own discretion appropriately.

- 10.3 If the delivered object consists wholly or partially of software, then the contractor shall grant us a non-exclusive, transferable, irrevocable right of use to the software, unlimited in time and space. We are generally entitled to duplicate the software if necessary to use it in compliance with the contract.
- 10.4 The contractor must have concluded written agreements with its employees or third parties that fully ensure the fulfilment of its obligations under the above regulations, and shall submit these agreements to us upon request, or at least the relevant portions.
- 10.5 If improvements are made to supplied materials in conjunction with carrying out our orders (see clause 13.113.1) or if our manufacturing documents result in other improvements for the contractor, then we have a free and non-exclusive right of use to also utilise these improvements and to exploit any protected rights to them.

11 Software

If the service consists wholly or partially of software which the contractor creates for us, then the contractor is obligated to provide us with the source code. If we agree that the contractor will only provide us with the object code, then we can request that the source code be stored (for instance by the TÜV Süd) at our cost. With the software, we must receive printable user documentation as well as development documentation – if the contractor is required to provide the source code – each in German. We can also request that the contractor conclude a customary servicing agreement at standard conditions.

12 Supplied materials

- 12.1 Figures, concepts, plans, drawings, calculations, implementation guidelines, product descriptions, tools, models, and other documents and materials which we provide to the contractor or which are otherwise supplied, or which are delivered to the contractor directly on our behalf (supplied materials) shall remain our property.
- 12.2 Any objects manufactured according to our information may not be offered nor delivered to third parties without our approval; this obligation shall continue to apply even after the end of the business relationship.
- 12.3 The contractor must treat supplied materials carefully and return them promptly after the end of the contract.

13 Retention of ownership

We hereby object to any forms of extended or expanded retention of ownership.

14 Confidentiality

- 14.1 The contractor is obligated to treat all commercial and technical information disclosed to it in the course of its business relationship with us as trade secrets, and to use such information only for the purpose of collaborating with us, if and insofar as this information is not public or does not become public, in particular all information designated as “secret”, “confidential” or similar. The information must be stored carefully and protected against unauthorised access by third parties. This also applies to information regarding our customers. This applies in particular to agents (including employees) of the contractor. They must be obligated accordingly in writing, and the obligations must be submitted to us upon request.
- 14.2 Unless this is already prohibited by copyright law or other law, the customer is not permitted to obtain trade secrets by observing, testing, disassembling, or testing provided products or objects.
- 14.3 The contractor is only entitled to refer to its business relationship with us for advertising purposes with our prior written consent.
- 14.4 If the contractor intends to publish delivered objects produced on our behalf and according to our specifications for the purpose of advertisement, then this shall require our prior written agreement.

15 Right of retention

The contractor is not entitled to retain its services in whole or in part if we require them to fulfil our contractual obligations towards our customers, not even if any claims for compensation are disputed by the contractor; upon request, we will deposit any disputed compensation amounts in a separate or trustee account at the request of the contractor.

16 Insurance

The contractor shall maintain appropriate liability insurance during the contractual relationship, with sums insured of at least 5 million € for personal injury or property damage and shall provide us with proof of insurance upon request.

17 Export controlling

The contractor must provide us with all information and data in writing which we require to comply with applicable international trade laws in case of export, import, and movement of goods, as well as in order to resell or re-export the goods as early as possible.

18 REACH regulation

- 18.1 The contractor must comply with regulation EC 1907/2006 dated 18/12/2006 (REACH regulation), including subsequent supplements and amendments, as valid at the time of its

services, including packaging. The contractor hereby expressly assures that the products do not contain any SVHC in accordance with Art. 33 para. 1 of the REACH regulation.

- 18.2 Each product (including packaging) that contains or releases substances that would require registration or approval under the REACH regulation must be registered or approved. If the contractor is not itself obligated to register under the REACH regulation, then it shall obligate its preliminary suppliers to comply with the obligations under the REACH regulation. We must be provided with written verification of any product registration carried out by the contractor or its preliminary suppliers upon request.
- 18.3 The contractor must provide us with a current, complete safety data sheet conforming to the requirements of the REACH regulation with every delivery, even if this is not explicitly required under the REACH regulation. The contractor shall also provide us with all information and documentation required under the REACH regulation within the statutory deadlines or will forward such information to us promptly from preliminary suppliers.
- 18.4 If claims are made against us by a customer, competitor, official agency, or other third party due to violations of REACH regulation specifications due to a product delivered by the contractor, then the contractor shall release us from any such claims.

19 Final provisions

- 19.1 The place of fulfilment is our headquarters.
- 19.2 If the contractor is a merchant, legal entity under public law, or public law special fund, then the place of jurisdiction for all disputes resulting from and in conjunction with the contractual relationship shall be our company headquarters, or the headquarters of the contractor at our discretion. This also applies in cases where the contractor does not have a domestic place of jurisdiction, if it has moved its residence or domicile abroad after the contract was concluded, or if neither the residence or domicile of the contractor were not known at the time the suit was filed.
- 19.3 German law shall apply, including the UN Convention on the International Sale of Goods.
- 19.4 If one or more provisions of this agreement are or become invalid, this shall not affect the validity of the remaining provisions.

* * * *