

General purchasing conditions

Section 1 Area of application, form

(1) These general purchasing conditions (AEB) shall apply to all business relationships with our business partners and suppliers ("Seller"). The AEB shall only apply if Seller is an entrepreneur (Section 14 German Civil Code), a legal entity under public law or a public-law special fund.

(2) The AEB shall specifically apply to contracts for the sale and/or delivery of movable goods ("Goods"), no matter if Seller produces the Goods directly or purchases them from suppliers (Sections 433, 650 German Civil Code).

(3) These AEB shall apply exclusively. Any deviating, contrary or supplementary general terms and conditions of Seller shall only become part of the contract if and as far as we have expressly approved their application. This requirement of consent shall apply in any case, e.g. also if we accept Seller's deliveries without reservation, knowing of the general terms and conditions of Seller.

(4) Any individual agreements reached from case to case with Seller (including any side agreements, supplements and changes) shall take precedence over these AEB in any case. For the content of such agreements, a written agreement or our written confirmation shall be essential, subject to proof to the contrary.

(5) Legally relevant declarations and indications of Seller concerning the contract (e.g. setting of a grace period, dunning, withdrawal) must be indicated in writing. Any legal requirements of form and any further proof, specifically if there is any doubt concerning the legitimation of the party making the declaration, shall remain untouched.

(6) In these AEB, the term "in writing" shall mean: in written form or in text form (e.g. letter, email, telefax).

(7) References to the application of statutory provisions shall only have a clarifying meaning. Even without such clarification, the legal provisions shall therefore apply as far as these AEB do not directly change or expressly exclude them.

Section 2 Data protection

The supplier agrees that we store the data of the supplier and the contract concluded with it as required in the scope of the business relationship by EDP and only use them for our own purposes within the affiliated companies of our group. Any further agreements on data protection shall be stipulated in separate agreements.

Section 3 Conclusion of a contract

(1) Our order shall be deemed binding at the earliest when it is placed or confirmed in writing. Seller shall inform us of any obvious mistakes (such as writing and calculating mistakes) and any incompleteness of the order, including the order documents, for the purpose of correction or completion before acceptance. Otherwise, the contract shall be deemed not concluded.

(2) The Seller is asked to confirm our order within a period of one week in writing or to perform it without reservation, in particular by dispatching the Goods (acceptance). After the end of this period, we shall no longer be bound to our offer (order). Delayed acceptance shall be deemed a new offer and shall require acceptance by us, for which we shall be due a period of four weeks.

(3) Seller must only assign any claims from this contract with our consent.

Section 4 Delivery period and delivery default

(1) The delivery period indicated by us in the order shall be binding. If the delivery period is not indicated in the order and also was not agreed on otherwise, it shall be four weeks from the time of conclusion of the contract. Seller shall be obligated to inform us in writing without delay if it expects to be unable to comply with agreed delivery times - no matter the reason.

(2) If Seller does not render its service or does not do so within the agreed delivery time, or if it enters default, our rights – specifically to withdrawals and damages – shall be according to the legal provisions. The provisions in para. 3 shall not be affected.

(3) If Seller has entered default, we may – in addition to any further statutory claims – claim flat-rate reimbursement for our default damage at 1% of the agreed net order total per week of delay, but all in all no more than 5% of the net order total. We reserve the right to prove that we have incurred a higher damage. Seller shall have the right to prove that no damage or only a much lesser damage was incurred.

Section 5 Service, delivery, passing of risk, default of acceptance

(1) Seller shall – if no personal performance is agreed – have the right to use third parties to meet its contractual obligations, except if this is opposed by an important reason, in particular if the third party does not offer a warranty for contractual performance from an objective point of view. Such contract-specific reasons may be: required special knowledge, authority approvals or required compliance with safety provisions.

(2) Seller shall be liable in full for procurement of the goods and the deliveries and services required for this – also without any fault – (full assumption of the procurement risk) if nothing different is agreed (e.g. limitation to inventory).

(3) Seller shall not be entitled to make partial deliveries, except if this is expressly agreed.

(4) The delivery shall be made "free domicile" within Germany unless something different has been expressly agreed, to the location indicated in the order. If the destination is not indicated and noth-

ing else has been agreed, the delivery shall be made to our office in Vreden. The respective destination shall also be the place of performance for the delivery and any subsequent performance (obligations).

(5) The place of performance for payments shall be our place of business in Vreden. Also deviating from the provisions made in section 57 CISG (convention of the United Nations concerning contracts on the international sale of goods) concerning the place of payment, our registered office shall be deemed the place of performance for meeting payment deviations.

(6) The delivery must include a delivery receipt, indicating the date (issue and dispatch), content of the delivery (item number and number of items) and our order ID (date and number). If the delivery receipt is missing or incomplete, we shall not be at fault for any delays in processing and payment that result from this. Separate from the delivery receipt, we must receive the corresponding shipping indication with the same contents no later than 24h before receipt of the delivery.

(7) The risk of accidental destruction and accidental deterioration of the goods shall pass to us at handover at the place of performance. As far as acceptance is agreed, this shall be relevant for passing of the risk. Apart from this, the statutory provisions from the law on contracts for work shall apply accordingly as well. It shall be equivalent to handover or acceptance if we have entered default.

(8) The statutory provisions shall apply to occurrence of our default of acceptance. Seller must offer us its services expressly even if any determined or determinable calendar time is agreed for any action or contribution on our side (e.g. provision of material). If we enter default of acceptance, Seller may demand reimbursement for its additional expenses according to the statutory provisions (Section 304 German Civil Code). If the contract applies to any object that cannot be sold elsewhere and that is to be produced by Seller (custom production), Seller shall be due any further rights only if we have committed to contribution and are at fault for the lack of contribution.

Section 6 Further performance obligations of Seller

(1) Upon delivery, Seller shall hand over the necessary documentation to us, specifically operating and assembly instructions, declaration of conformity, operating instructions and/or measuring records.

(2) In doubt, Seller shall deliver software custom-produced or customised for us together with the source code and comprehensive documentation as well as a manual.

(3) Seller shall ensure that it will be able to supply the purchased products or parts of them as spare parts for delivered objects that become parts of our products or are tools or machines in our production to us for a period of at least ten years after the purchase in appropriate conditions.

Section 7 Force majeure

Production interruptions due to unavoidable events (force majeure, e.g. labour dispute), both for us and at the supplier's site, shall entitle us to withdraw from the orders; apart from this, any acceptance obstacles not due to our fault shall extend the delivery and payment time according to the duration of the delay. Strike, lock-out, authority actions, scarcity of energy and raw materials, transport bottlenecks caused without fault, operating impairment caused without fault, e.g. due to fire, water and machine damage, and any other impairment that has not been caused culpably by us from an objective point of view shall be equivalent to force majeure.

Section 8 Prices and payment conditions

(1) The price indicated in the order shall be binding. All prices shall be given including statutory VAT if this is not indicated separately.

(2) If nothing different is agreed from time to time, the price shall include any services and secondary services of Seller (e.g. assembly, installation), any secondary costs (e.g. proper packaging, transport costs including any transport and liability insurance).

(3) The agreed price shall be due for payment within 30 calendar days from the complete delivery and service (including any agreed acceptance) and receipt of a proper invoice, except if something else has been explicitly agreed. If we make any payment within 14 calendar days, Seller shall grant us a 3% discount from the net amount of the invoice, except if something else has been expressly agreed. For bank transfers, the payment shall be deemed made in time when our transfer order is received by our bank before the end of the payment period; we shall not be obligated for any delays due to the banks involved in the payment process.

(4) We shall not owe any interest after the due date. Payment default shall be according to the statutory provisions.

(5) Set-off and retention rights, as well as the objection of unfulfilled contract shall be due to us at the statutory scope. We shall specifically have the right to retain any due payments, while we are still due any claims from incomplete or defective services against the Seller.

(6) The Seller shall only have any right of set-off or right of retention due to legally determined or undisputed counter-claims.

Section 9 Secrecy and reservation of title

(1) We reserve title and copyright in any figures, plans, drawings, calculations, execution instructions, product descriptions and any other documents. Thus documents shall only be used for the contractual service and returned to us after performing the contract. In relation to third parties, the documents shall be kept secret, even after termination of the contract. The secrecy obligations shall only expire if and as far as the knowledge contained in the provided documents has become generally known.

(2) The above provisions shall apply accordingly to any substances and materials (e.g. software, finished and semi-finished products) as well as to any tools, templates, samples and other objects that

we provide to Seller for production. Such objects shall - if not processed - be kept separately at Seller's expense and insured against destruction and loss at an appropriate scope.

(3) Processing, mixing or blending (further processing) of provided objects by Seller shall be performed for us. The same shall apply to further processing of the delivered Goods by us, so that we shall be deemed the manufacturer and acquire title in the product at the latest upon further processing according to the proviso of the statutory provisions.

(4) Transfer of title in the Goods to us shall take place unconditionally and without consideration of payment of the price. However, if we accept any offer of Seller for transfer of title from case to case that is subject to the condition of payment of the purchasing price, Seller's reservation of title shall expire at the latest upon payment of the purchasing price for the delivered Goods. We shall remain entitled to further sale of the Goods subject to advance assignment of the claims resulting from this in the proper course of business even before payment of the purchasing price (alternatively, application of simple reservation of title and extended reservation of title for further sale). This shall in any case exclude any other forms of reservation of title, in particular the reservation of title that is expanded, forwarded, and including further processing.

Section 10 Defective delivery

(1) Our rights in case of defects of material and title of the Goods (including any wrong or underdeliveries, as well as improper assembly, defective assembly, operating or usage instructions) and in case of any other violations of obligations by Seller, shall be subject to the statutory provisions, provided that nothing different has been determined.

(2) According to the statutory provisions, Seller shall specifically be liable for the Goods having the properties agreed upon passing of risk to us. We shall be due the right to withdrawal from the contract and damages instead of (complete) performance even in case of inessential deviations from the agreed properties or inessential impairment of usability.

(3) Deviating from Section 442 para. 1 s. 2 German Civil Code, we shall be due claims from defects without limitation even if the defect has remained unknown to us due to gross negligence.

(4) The commercial examination and complaint obligations shall be subject to the statutory provisions (Sections 377, 381 German Commercial Code), subject to the following proviso: Our examination obligations shall be limited to defects that are evident during our inbound goods inspection upon outward inspection, including the delivery documents (e.g. damage in transport, wrong and underdeliveries) or that are evident in our quality control in the random sample procedure. As far as acceptance is agreed, there is no examination obligation. Apart from this, it is relevant how far examination under consideration of the circumstances of the individual case is suitable according to the proper course of business. Our obligation to report any defects found later shall not be affected. Notwithstanding our examination obligations, our report (report of defects) shall, in any case, be deemed made without delay and in time if sent within ten working days from the time of discovery or, in case of obvious defects, from the time of acceptance of the defects in our incoming goods process. If the defects only become evident by the subsequent more intense examination (e.g. lab tests for chemical composition, complicated measurement or inspection), it shall be deemed in time if the defects are reported within four weeks from the time of acceptance of the goods in our goods storage.

(5) Seller shall bear the expenses required for the purpose of inspection and subsequent performance even if it turns out that there actually was no defect. Our liability for damages for unjustified demands for removal of defects shall not be affected; in this respect, however, we shall only be liable if we recognised or grossly negligently did not recognise before the inspection that there was no defect.

(6) The following shall apply notwithstanding our statutory rights and the provisions in para. 5: If Seller does not meet its obligation to subsequent performance – at our choice by remediation of the defect (improvement) or by delivery of a defect-free object (replacement delivery) – within an appropriate period set by us, we shall have the right to remedy the defect directly and to demand that Seller reimburse us for the expenses required for this or to demand an appropriate advance payment. If subsequent performance by Seller has failed or is unreasonable for us (e.g. due to special urgency, danger of operating safety or threatening occurrence of disproportional damage) a grace period shall not need to be set; we shall inform Seller of such circumstances without delay, and if possible in advance. If improvement is to be performed, subsequent improvement shall be deemed failed after the first unsuccessful improvement attempt.

(7) Apart from this, we shall be due reduction of the purchasing price or withdrawal from the contract in case of any defects of material or title according to the statutory provisions – even in case of only inessential deviations from the agreed properties or inessential impairment of usability. Apart from this, we shall have a claim to damages and reimbursement for expenses according to the statutory provision.

Section 11 Supplier recourse

(1) Our legally specified recourse claims within a delivery chain (supplier recourse according to Sections 445a, 445b, 478 German Civil Code) shall be due to us without limitation in addition to the claims for defects. We shall specifically have the right to demand precisely the type of subsequent performance (improvement or replacement delivery) from Seller that we owe our purchaser from case to case. Our statutory option right (Section 439 para. 1 German Civil Code) shall not be limited by this.

(2) Before we accept or meet any claim for defects asserted by one of our purchasers (including reimbursement for expenses in accordance with Sections 445a para. 1, 439 para. 2 and 3 German Civil Code), we shall inform Seller and ask for a written statement after a brief presentation of the situation. If a substantiated statement is not made within an appropriate period and if no amicable solution is procured either, the claim for defects actually granted by us shall be deemed owed to our purchaser. In this case, Seller shall be obligated to render proof to the contrary.

(3) Our claims from supplier's resources shall apply even if the defective Goods were processed further by us or by any other entrepreneur, e.g. by installation in another product.

(4) Seller shall indemnify us against any claims that one of our customers ("Customer") asserts due to advertisement statements of Seller, the manufacturer within the meaning of Section 4 para. 1 or 2 ProdHaftG or an agent of one of these parties named and which would not exist without the advertising statement or would not exist in the same amount. This provision shall apply independently of whether the advertising statement was made before or after conclusion of this agreement.

Section 12 Reporting obligations and producer's liability

(1) Seller shall inform us without delay about any findings concerning safety-relevant defects or findings of the contractual products or the components contained in them. It shall specifically provide us with the information required for reports to domestic and foreign state offices in the necessary form.

(2) If Seller is responsible for product damage, it shall reimburse us for any third-party claims in this respect, as far as the cause is within its area of control and organisation and it is liable in the outside relationship.

(3) Within the scope of its indemnification obligations, Seller shall reimburse expenses pursuant to Sections 683, 670 German Civil Code, which result from or in connection with any claim asserted by third parties, including any recall campaigns performed by us. We shall inform Seller of the content and scope of recall measures - as far as this is possible and reasonable - and give it the opportunity to make a statement. Any further statutory claims shall not be affected.

(4) Seller shall take out and maintain a product liability insurance with a coverage total appropriate at a ratio to the damage risk for injury and property damage at its expense.

Section 13 Materials in products

(1) Supplier represents that it complies with the requirements of the EU chemicals regulation REACH (regulation (EC) no. 1907/2006 from 30 December 2006) as amended from time to time – hereinafter designated as the REACH regulation - specifically that the substances are registered. We shall not be obligated to collect any approval for a delivery object delivered by the supplier within the scope of the REACH regulation.

(2) The supplier further represents that it shall not deliver any delivery objects that contain any substances in accordance with

- annex 1 to 9 of the REACH regulation as amended from time to time;
- the resolution of the council 2006/507/EC (Stockholm convention concerning persistent hazardous organic substances as amended from time to time);
- the EC regulation 1005/2009 concerning ozone-layer-depleting substances as amended from time to time;
- the Global Automotive Declarable Substance List (GADSL) as amended from time to time (under www.gadsl.org);
- RoHS (2002/95/EC) for products according to its area of application.
- EU regulation 765/2008 CE standards must be complied with.

(3) If the delivery objects contain any substances that are listed on the "Candidate List of Substances of Very High Concern" ("SVHC-list") in accordance with REACH, the supplier shall be obligated to report this without delay. This shall also apply if any substances not yet listed are included in this list in case of on-going deliveries. The respective current list can be viewed at <http://echa.europa.eu>. Beyond this, the delivery objects must not contain any asbestos, biocides or radioactive material.

(4) If such substances are contained in the delivery objects, we must be informed of this in writing before delivery and under indication of the substance and the identification number (e.g. CAS) and a current safety data sheet of the delivery object. Delivery of these delivered objects shall require separate release by us.

(5) The supplier shall be obligated to release us from any liability in connection with non-compliance with the above regulations by the supplier or reimburse us for any damage that arises from non-compliance with the regulations by the supplier or are connected to this.

Section 14 Violation of third-party property rights

(1) Seller shall be responsible for the service results rendered within the scope of this contract being free of any third-party property rights that limit or exclude use at the contractually specified scope.

(2) If the contractual use is impaired by third-party property rights, Seller shall have the right to either modify the contractual services at a scope that is reasonable for us and according to the choice and expense of Seller so that they are no longer subject to the protection area, while still complying with the contractual provisions, or to acquire the right to use them contractually without limitation and without any additional costs for the purchaser.

(3) If any claims are raised against us due to any violation of rights, we shall inform Seller of this without delay.

(4) Seller shall take any necessary steps for the fastest possible defence without delay after the report on such a claim being raised due to any third-party property rights violations. Seller shall reimburse us for all costs and the damage incurred by us due to any third-party claims raised against us, including the costs for appropriate legal steps if even restriction of usability of the service, and even one of a temporary nature, occurred. This indemnification of costs and damage shall apply even if we have informed Seller without delay and left any statement of declarations towards the third party to it. Seller shall support us in any manner in the defence against third-party claims.

Section 15 Expiration

(1) The mutual claims of the contracting parties shall expire according to the statutory provisions if nothing different is agreed below.

(2) Deviating from Section 438 para. 1 no. 3 German Civil Code, the general period of expiration for claims from defects shall be 3 years. As far as any acceptance is agreed, the period of expiration shall commence upon acceptance. The period of expiration of 3 years shall apply accordingly to any claims from defects of title as well, with the statutory period of expiration for material release rights of third parties (Section 438 para. 1 no. 1 German Civil Code) not being affected; any claims from defects of title shall not expire beyond this in any case while the third party can still assert the right against us yet – in particular due to a lack of expiration.

(3) The periods of expiration for the purchasing rights, including the above extension, shall apply - at the statutory scope - to any contractual claims for defects. As far as we are due any damages claims outside of the contract as well due to a defect, the regular statutory expiration (Sections 195, 199 German Civil Code) shall apply to this if application of the expiration periods under purchasing law does not lead to any longer period of expiration from case to case.

(4) The period of expiration shall re-commence upon completion of the subsequent performance measure for any defect that leads to subsequent performance. Any longer statutory periods of expi-

ration shall remain unaffected, just as any further provisions concerning the suspension of expiration, suspension and re-commencement of deadlines.

Section 16 Severability

The ineffectiveness of any one provision of these general purchasing terms shall not affect the validity of the remaining provisions.

Section 17 Choice of law and jurisdiction

(1) The contractual relationship between us and Seller shall be subject to the law of the Federal Republic of Germany, subject to exclusion of the standards referring to any other legal order.

(2) If Seller is a merchant within the meaning of the Commercial Code, legal entity under public law or a public-law special fund, the exclusive – also international – place of jurisdiction for any disputes resulting from the contractual relationship shall be our registered office in Vreden. This shall apply accordingly if Seller is an entrepreneur within the meaning of Section 14 German Civil Code. However, we shall have the right in any case to raise a claim at the place of performance of the delivery obligations according to these AEB or based on an individual agreement that takes priority, or at the general place of jurisdiction of Seller. Statutory provisions with priority, in particular concerning exclusive responsibility, shall not be affected.

As of: 30 June 2018