

Terms and Conditions of Purchase of Beichler & Grünenwald GmbH

1. Scope of Application - Verbal Collateral Agreements

- 1.1 Orders placed by Beichler & Grünenwald GmbH (hereinafter "**B&G**") with the supplier (hereinafter "**SUPPLIER**") for deliveries and services (hereinafter individually or collectively "**SERVICE(S)**") are made exclusively on the basis of these Terms and Conditions of Purchase (hereinafter "**TCP**"). B&G does not recognize any conflicting, deviating or such terms and conditions of the SUPPLIER that are not specified in these TCP, unless B&G has expressly agreed to their validity in writing.

This shall also apply if B&G accepts the SERVICES without reservation in the knowledge of conflicting or deviating terms and conditions or terms and conditions not specified in these TCP, or if the SUPPLIER refers to the validity of its terms and conditions in its offer, in its order confirmation, in its invoice or otherwise in connection with the execution of the contract.

- 1.2 In the context of ongoing business relationships, these TCP shall also apply to future transactions with the SUPPLIER, without the need for express reference by B&G in each case.
- 1.3 All agreements made between the SUPPLIER and B&G for the purpose of executing a contract are set out in writing in the respective contract and in these TCP.
- 1.4 These TCP only apply to companies within the meaning of §§ 310 (1), 14 BGB (German Civil Code).

2. Offer - Order - Conclusion of Contract

- 2.1 The SUPPLIER must adhere to B&G's request for quotations; the SUPPLIER must expressly inform B&G in text form of any deviations from the quotation - in particular if the SUPPLIER cannot fulfill B&G's request in one or more points.
- 2.2 B&G's orders shall be placed exclusively in text form. Advance orders communicated verbally or by telephone shall be confirmed in text form (including by fax or e-mail).
- 2.3 The SUPPLIER shall without delay confirm acceptance of the order to B&G in text form, stating the delivery date and price and B&G's order number.
- 2.4 If the SUPPLIER provides B&G with illustrations, drawings, calculations or other product-, application- or project-related documents, B&G is entitled to reproduce these documents and make them accessible to third parties.
- 2.5 B&G may, to an extent reasonable for the SUPPLIER, demand changes to the design and execution of the SERVICES. The effects, in particular regarding additional and reduced costs and delivery dates, shall be regulated appropriately and by mutual agreement.
- 2.6 The SUPPLIER is obliged to personally check drawings, calculations, specifications and other requirements of B&G for errors and contradictions within the scope of its general and special expertise and to notify B&G immediately in text form of any concerns and to clarify them.
- 2.7 The SUPPLIER shall bear the procurement risk for the SERVICES.

3. Terms of Delivery - Dates/Deadlines - Delay - Partial Performance

- 3.1 Unless expressly agreed otherwise, delivery shall be made DDP (Delivery at Duty Paid) to the place specified in B&G's order, or, if no destination is specified in the order, DDP (Delivery at Duty Paid) 74369 Löchgau, Federal Republic of Germany (in accordance with INCOTERMS in the version applicable at the time, currently INCOTERMS 2020).
- 3.2 The dates and deadlines specified in B&G's order shall be binding. The delivery date shall be the date of receipt of the goods by B&G or the delivery address specified by B&G, in the case of SERVICES the date of acceptance.

- 3.3 As soon as circumstances become apparent to the SUPPLIER which indicate that agreed deadlines and dates cannot be met, even if the SUPPLIER is not responsible for this, the SUPPLIER must notify B&G immediately in writing, stating the reasons and the expected duration of the delay.

Neither a message nor silence in response shall constitute acceptance of a new date or affect B&G's contractual and statutory rights and claims.

- 3.4 If the SUPPLIER is in default, B&G shall be entitled to demand a lump-sum compensation for default in the amount of 0.5% of the order value of the SERVICE with which the SUPPLIER is in default for each commenced week of default, up to a maximum of 5% of the order value. Both parties shall be entitled to prove that a higher, lower or no damage has been incurred.
- 3.5 B&G does not agree to exemptions from liability and/or limitations of liability of any kind on the part of the SUPPLIER in the event of a delay in delivery.
- 3.6 In the event of early delivery, B&G reserves the right to return the goods at the SUPPLIER's expense. If no return shipment is made in the event of early delivery, B&G shall be entitled to store the products to be delivered (hereinafter "**PRODUCTS**") at B&G until the agreed delivery date at the SUPPLIER's expense and risk. In the event of early delivery, B&G reserves the right to make payment only on the agreed due date.
- 3.7 Partial services are only permitted with the express prior consent of B&G in text form.

The acceptance of partial services shall not affect B&G's contractual and statutory rights and claims.

4. Prizes

- 4.1 All prices are fixed prices for the entire contractual performance period, excluding VAT, which is to be charged separately, and are not subject to any subsequent change, unless expressly agreed otherwise. This shall also apply to unit and lump-sum prices.
- 4.2 Unless expressly agreed otherwise, the prices shall be free place of destination including the costs for shipping, packaging, transport insurance and their disposal within the framework of the statutory provisions.
- 4.3 If, by way of exception, it has been agreed that B&G shall bear the costs for shipping and/or packaging, the SUPPLIER shall choose the most favorable type of shipping and packaging, unless B&G has prescribed a special type of shipping and/or packaging.

5. Invoice - Terms of Payment

- 5.1 The SUPPLIER shall send the invoice to B&G separately, enclosing a clearly marked duplicate. The invoice must bear B&G's reference number, B&G's order number and B&G's order date; all invoices must comply with the current provisions of the German Value Added Tax Act (Umsatzsteuergesetz).
- 5.2 Unless expressly agreed otherwise, B&G shall settle invoices either within 15 days with a 3% discount or within 30 days without deduction. If the SUPPLIER's terms of payment are more favorable for B&G, these shall apply.
- 5.3 Payment and discount periods shall commence upon receipt of a proper and comprehensible invoice by B&G, but not before receipt of the delivery or provision of the SERVICES.

If documentation or similar documents are included in the scope of SERVICES, the payment and discount periods shall not run until they have been handed over to B&G in accordance with the contract.

- 5.4 The deduction of an agreed discount is also possible if B&G offsets or if B&G is entitled to withhold payments due to material defects or defects of title or for other reasons.

5.5 All payments by B&G are made subject to reservation and do not constitute acceptance or recognition of a SERVICE as being in accordance with the contract.

6. Offsetting - Retention - Assignment

6.1 In the event of defective SERVICE, B&G shall be entitled to withhold payments to a reasonable extent, unless good faith dictates otherwise.

6.2 The assignment of claims against B&G is only effective with B&G's prior written consent. § 354a HGB remains unaffected in this respect.

6.3 B&G does not agree with a restriction of the statutory offsetting options and the possibility of asserting rights of retention.

6.4 The SUPPLIER shall only be entitled to set-off rights, if its counterclaims are (a) legally established, (b) undisputed, (c) recognized by B&G or (d) in a close reciprocal relationship to B&G's claim.

6.5 The same applies to rights of retention. In addition, the SUPPLIER is only authorized to exercise a right of retention to the extent that its counterclaim is based on the same contractual relationship.

7. Dispatch - Packaging - Transfer of Risk - Involvement of Third Parties

7.1 The SUPPLIER is obliged to clearly state B&G's order number and the contents of the shipment on all shipping documents and delivery bills.

7.2 Unless expressly agreed otherwise, the SUPPLIER is obliged to pack and ship the PRODUCTS properly. In any case, the SUPPLIER must pack and ship the PRODUCTS in such a way that damage is excluded. The SUPPLIER is responsible for selecting a suitable carrier.

7.3 Unless expressly agreed otherwise, the SUPPLIER shall collect the shipping packaging of the PRODUCTS from the registered office of B&G or from the other destination specified by B&G and dispose of it at its own expense.

7.4 The risk of accidental loss and accidental deterioration of the PRODUCTS shall only pass to B&G upon proper handover of the PRODUCTS at the agreed destination. This shall apply irrespective of the INCOTERM agreed.

7.5 The SUPPLIER must inform B&G in text form if he intends to engage subcontractors.

8. Retention of Title

8.1 B&G only accepts retention of title provisions of the SUPPLIER of B&G in the form of simple retention of title - retention of title of the SUPPLIER until payment of the purchase price for the respective deliveries concerned.

All other forms of retention of title - in particular so-called extended or prolonged retention of title and group retention of title - and other security interests are excluded.

8.2 Due to the retention of title, the SUPPLIER may only demand the return of the PRODUCTS if the SUPPLIER has withdrawn from the respective contract.

9. Condition - Quality Standards - Changes

9.1 All SERVICES of the SUPPLIER must (a) comply with the specifications, drawings and other information stated in the order, (b) be state of the art, (c) comply with the statutory provisions and regulations applicable at the time of the SERVICE, (d) comply with the relevant guidelines of authorities, trade associations and professional associations, and (e) comply with the national and international standards (e.g. DIN, CEN or ISO standards) as amended from time to time and (f) be suitable for the intended use or further processing.

Additional statutory subjective and objective requirements for the SERVICES shall remain unaffected and shall apply in addition.

- 9.2 The SUPPLIER may only make changes in the execution or quality of the SERVICES compared to the agreements made or compared to previous SERVICES if prior sampling and prior approval in text form has been given by B&G
- 9.3 In cases of doubt, the SUPPLIER must inquire about the intended use or the type of further processing.

10. Outgoing Goods Inspection - Inspection and Complaint Obligations

- 10.1 The SUPPLIER shall deliver the PRODUCTS 100% inspected. In particular, the SUPPLIER is obliged to check the PRODUCTS before delivery to ensure that they comply with the specifications stated in the order and are free from defects.
- 10.2 B&G is only obliged to carry out the following checks on the PRODUCTS delivered: (a) obvious defects, (b) quantity, (c) identity and (d) transport damage.
In this respect, the SUPPLIER waives any further legal requirements - in particular according to § 377 HGB (German Commercial Code) - for the incoming goods inspection.
- 10.3 If B&G discovers defects in the course of a random sample inspection, B&G shall be entitled to reject the entire delivery or, at B&G's discretion, to inspect the entire delivery or have it inspected by third parties and to charge the SUPPLIER for the resulting inspection costs.

11. Claims for Material Defects

- 11.1 Any restriction of B&G's statutory claims for material defects is inadmissible and ineffective
- 11.2 In the case of purchase contracts and contracts for work and materials, B&G may - at B&G's discretion - demand the elimination of the defect (rectification) or the delivery of a defect-free item (subsequent delivery) within a reasonable grace period. In urgent cases (if B&G is threatened with unusually high damages or if the SUPPLIER is in default with the rectification of a defect), B&G is entitled - even if the law on sales contracts applies - to rectify defects itself or have them rectified by third parties at the expense and risk of the SUPPLIER. However, if the law on sales contracts applies, this does not apply if the SUPPLIER is not responsible for the defect. In such cases, the SUPPLIER shall reimburse B&G for the necessary costs and expenses.
- 11.3 In particular, the SUPPLIER shall bear all costs and expenses incurred in connection with the determination and rectification of defects, even if they are incurred by B&G, in particular inspection, disassembly and reassembly, labor, material, transport and other costs for subsequent delivery and rectification.
This shall also apply if the expenses increase due to the fact that the PRODUCTS have been taken to a place other than the place of performance, but not if disproportionate costs are incurred.
- 11.4 The type of supplementary performance chosen by B&G as well as the supplementary performance as such may not be refused on the grounds that it is only possible at disproportionate cost, provided that the cost of the (chosen) supplementary performance does not exceed the original purchase price of the defective PRODUCTS by more than three times.
- 11.5 Claims for material defects shall become statute-barred within 36 months from delivery of the PRODUCTS or from performance of the SERVICE, unless a longer limitation period is provided for by law or a longer limitation period has been agreed.
- 11.6 B&G does not agree to any limitation of the statutory claims for damages in the event of defects, neither with regard to the standard of fault nor with regard to the scope and amount of liability.
- 11.7 In all other respects, the statutory provisions on liability for defects shall apply. B&G reserves the right to assert further claims due to the delivery of defective goods and/or the provision of defective SERVICES.

12. Quality Assurance - Data Sheets - Product and Manufacturing Certificates

12.1 The SUPPLIER shall carry out state-of-the-art quality assurance on the basis of ISO 9001 (as amended) or any subsequent or supplementary standards and provide B&G with evidence of this upon request

The SUPPLIER agrees to conclude a corresponding Quality Assurance Agreement with B&G upon request.

12.2 The SUPPLIER undertakes to set up and maintain a system for the traceability and determination of defects and product faults which, in the event of defects and product faults, allows them to be localized and traced in terms of time and quantity.

12.3 If B&G or the customer of B&G requests the introduction, creation and management of material data sheets or other product or manufacturing certificates, the SUPPLIER undertakes, with regard to the PRODUCTS to be delivered by it, to also comply with this request and to provide B&G with all information, data and documents that B&G requires or the customer of B&G requires in order to be able to meet the expectations of B&G's customers.

12.4 At the request of B&G, the SUPPLIER is obliged to provide B&G with a sample, an initial sample test report, a sample and/or data sheets.

13. Third-Party Property Rights - Liability for Defects of Title

13.1 The SUPPLIER warrants that no third-party property rights are infringed in connection with its SERVICES. This applies to the place of manufacture and the place of delivery/service as well as to all countries to which the SUPPLIER's PRODUCTS or the B&G products in which the SUPPLIER's PRODUCTS are contained or installed are distributed or shipped.

"PROPERTY RIGHTS" within the meaning of these TCP are patents, utility models and designs, trademarks, including their respective applications, as well as copyrights.

13.2 Should B&G be held liable by third parties for such infringement, the SUPPLIER is obliged to indemnify B&G against these alleged or actual claims and costs, unless the SUPPLIER is not responsible for the breach of duty.

The SUPPLIER shall reimburse B&G for all costs, damages and expenses incurred by B&G as a result of or in connection with the claim by the third party, unless the SUPPLIER is not responsible for the breach of duty.

13. In all other respects, the provisions contained in Section 11 of this TCP shall apply mutatis mutandis to defects of title.

14. Product Liability - Recall/Service Action

14.1 The SUPPLIER is obliged to indemnify B&G against claims under producer and product liability (Produzenten- und Produkthaftung) insofar as the defect giving rise to liability is attributable to a PRODUCT delivered by the SUPPLIER and the SUPPLIER is unable to prove that the defect does not result from its manufacturing or organizational area.

14.2 The SUPPLIER must also inform B&G of the risks posed by its PRODUCT if it is not used as intended.

14.3 In the event of recall or service actions by B&G, by B&G's customers or by third parties due to defects or faults in the PRODUCTS delivered by the SUPPLIER, the SUPPLIER shall compensate B&G for all damages, costs and expenses incurred as a result of the recall or service action. This includes the damages, costs and expenses charged to B&G by B&G's customers. This does not apply if the SUPPLIER is not responsible for the defect or fault.

14.4 The SUPPLIER is obliged to take out and maintain liability insurance of an appropriate amount to cover the aforementioned risks and to provide B&G with evidence of this upon request.

Any further claims to which B&G may be entitled shall remain unaffected.

15. Limitations/Limitations of Liability

The SUPPLIER shall be liable to B&G - irrespective of the legal grounds - without limitation in accordance with the statutory provisions and these TCP. Any limitation of B&G's statutory and contractual claims (in particular from default, defect and product liability) is expressly rejected both with regard to the degree of fault and with regard to the scope and amount of liability.

16. Force Majeure

- 16.1 Cases of force majeure, i.e., unforeseen events over which B&G has no influence and for which B&G is not responsible, shall release B&G from the obligation to accept the SERVICE if the SERVICE is no longer usable for B&G due to these circumstances, taking into account economic aspects. In this case, B&G shall be entitled to withdraw from the contract. However, if B&G exercises its right of rescission, B&G shall be liable for the proven and necessary costs incurred by the SUPPLIER in connection with the performance of the contract, provided that the SUPPLIER cannot use the SERVICES otherwise and provided that B&G can be accused of a culpable breach of duty towards the SUPPLIER.
- 16.2 Cases of force majeure within the meaning of Clause 16.1 of these TCP shall also include unforeseeable and unavoidable production changes at B&G's customers.

17. Tools - Production Materials - Documents

- 17.1 Tools, production equipment, models and samples (hereinafter collectively referred to as "**TOOLS**"), as well as substances and materials provided by B&G (hereinafter collectively referred to as "**MATERIALS**"), which B&G makes available to the SUPPLIER, shall remain the property of B&G and shall only be made available to the SUPPLIER on loan

The SUPPLIER shall mark the TOOLS and the MATERIALS as property of B&G and maintain them in a serviceable condition at its own expense, in particular to care for and maintain them properly and professionally and to insure them at replacement value against fire, water damage and theft at its own expense.

- 17.2 The SUPPLIER shall be liable for all damage to and destruction of the TOOLS and the MATERIALS caused (intentionally or negligently); in such a case, the SUPPLIER shall in particular be obliged to reimburse B&G for the costs of replacing the TOOLS and the MATERIALS.
- 17.3 The provisions of this Section 17 of the TCP shall apply accordingly to tools, manufacturing equipment, models and samples which the SUPPLIER manufactures or has manufactured for the manufacture of the PRODUCTS intended for B&G and the manufacturing costs of which B&G has borne.

These tools, production facilities, models and samples are considered as "**TOOLS**" within the meaning of this TCP.

The parties hereby agree that title to all such TOOLS shall pass to B&G if and to the extent that B&G reimburses the SUPPLIER for the manufacturing costs as agreed.

- 17.4 The SUPPLIER may use the TOOLS and MATERIALS falling within the scope of this Clause 17 of these TCP exclusively in connection with the manufacture of the PRODUCTS intended for B&G.

The SUPPLIER undertakes not to make these TOOLS and MATERIALS available to third parties for inspection or for other purposes without the prior consent of B&G in text form.

- 17.5 The SUPPLIER undertakes not to make the PRODUCTS manufactured with the aid of the TOOLS available to third parties for inspection or for other purposes, neither in their raw state nor as semi-finished or finished products without the prior consent of B&G in text form.

The same applies to PRODUCTS that the SUPPLIER has developed according to B&G's specifications or with the cooperation of B&G (through tests, etc.).

- 17.6 The SUPPLIER shall (a) after fulfillment of its contractual obligations, (b) if no contract is concluded, or (c) if the contractual relationship is terminated, immediately return the TOOLS and production materials to B&G in proper condition without being requested to do so.

The SUPPLIER shall also return the TOOLS and MATERIALS to B&G in proper condition at any time upon B&G's request if B&G has a justified reason for requesting their return.

- 17.7 Any combination, processing or mixing of the MATERIALS shall always be carried out for B&G as manufacturer, but without any obligation for B&G. If the (co-)ownership expires due to combination, processing or mixing, it is hereby agreed that the (co-)ownership of the new item shall be transferred to B&G in proportion to the value of the MATERIALS to the value of the overall product. The SUPPLIER shall store the items (co-)owned by B&G free of charge.

- 17.8 All documents, plans, illustrations, calculations, drafts, manufacturing instructions, samples, drawings, etc. (hereinafter collectively referred to as "**DOCUMENTS**") that B&G provides to the SUPPLIER for the purpose of submitting an offer or otherwise for the performance of a contract and/or in connection with the performance of a contract shall remain the property of B&G and are subject to B&G's copyright.

The SUPPLIER may only use the DOCUMENTS within the scope of the fulfillment of the contract.

DOCUMENTS, including any copies made, must be returned to B&G without request and free of charge as soon as they are no longer required for the preparation of the offer and the execution of the contract.

The SUPPLIER undertakes not to reproduce the DOCUMENTS without the prior consent of B&G in text form, not to make them accessible to third parties and also to keep the content of the DOCUMENTS secret from third parties.

18. Compliance with Laws

- 18.1 The SUPPLIER shall, during the term and in the performance of the respective contract or order, comply with the applicable laws, regulations and other legal provisions and trade practices applicable to its business, in particular with regard to the development, manufacture, sale, transportation, export and certification of its PRODUCTS. This applies in particular to the statutory regulations on the safety and environmental design and processes of technical products, the generally recognized rules of technology and other regulations reflecting the state of the art at the time of the PERFORMANCE

- 18.2 Upon request by B&G, the SUPPLIER shall confirm compliance with the above laws etc. in writing to B&G.

The SUPPLIER shall compensate B&G for all damages, costs and expenses incurred by B&G as a result of the SUPPLIER's non-compliance with the above provisions; the SUPPLIER shall also indemnify B&G against any third-party claims asserted against B&G in this context. This does not apply if the SUPPLIER is not responsible for the non-compliance.

19. Export Control - Customs Declarations on the Origin of Goods

- 19.1 The SUPPLIER is obliged to inform B&G in its business documents about any authorization requirements for (re-)exports of its goods in accordance with German, European, US export and customs regulations as well as the export and customs regulations of the country of origin of its goods. For this purpose, the SUPPLIER shall provide the following information at least in its offers, order confirmations and invoices for the PRODUCTS concerned:

- the export list number according to Annex AL of the German Foreign Trade and Payments Ordinance or comparable list items of relevant export lists,

- for US goods, the ECCN (Export Control Classification Number) in accordance with the US Export Administration Regulations (EAR),
- the commercial origin of its goods and the components of its goods, including technology and software,
- whether the goods were transported through the USA, manufactured or stored in the USA, or manufactured using US technology,
- the statistical goods number (HS code) of its goods, and
- a contact person in his company to clarify any queries from B&G.

At B&G's request, the SUPPLIER is obliged to inform B&G in text form of all further foreign trade data on its goods and their components and to inform B&G immediately (before delivery of the goods concerned) in writing of all changes to the above data.

- 19.2 The SUPPLIER undertakes to issue a supplier's declaration in accordance with Regulation (EC) No. 1207/2001 on the origin of the products supplied. This also applies to newly included articles during the period of validity of the supplier's declaration. The SUPPLIER shall be liable for all disadvantages incurred by B&G due to culpable improper or late submission of the supplier's declaration. If necessary, the SUPPLIER must provide evidence of its information on the origin of the goods by means of an information sheet confirmed by its customs office.
- 19.3 If the legal requirements for the submission of a supplier's declaration do not apply, B&G shall inform the SUPPLIER and provide a corresponding justification.
- 19.4 The SUPPLIER undertakes against B&G to comply with the obligations incumbent upon it when (re-)exporting its goods in accordance with German, European, US export and customs regulations as well as the export and customs regulations of the country of origin of its goods. The SUPPLIER shall compensate B&G for all damages, costs and expenses incurred by B&G as a result of the SUPPLIER's non-compliance with the obligations under this Section 19.4 of these TCP; the SUPPLIER shall also indemnify B&G against any third-party claims asserted against B&G in this context. This does not apply if the SUPPLIER is not responsible for the non-compliance.

20. Place of Performance - Place of Jurisdiction - Applicable Law

- 20.1 Unless otherwise agreed, the place of performance for all obligations of both parties arising from the contractual relationship shall be Löchgau, Federal Republic of Germany.
- 20.2 For legal disputes that fall within the subject matter jurisdiction of the local courts (Amtsgerichte), the local court (Amtsgericht) of Besigheim and for legal disputes that fall within the subject matter jurisdiction of the regional courts (Landgerichte), the regional court (Landgericht) of Stuttgart is agreed as the place of jurisdiction.

B&G is optionally entitled to sue the SUPPLIER at its general legal place of jurisdiction.

- 20.3 German law shall apply to the exclusion of the conflict of laws provisions and the UN Convention on Contracts for the International Sale of Goods (CISG).