

General Conditions of Purchase
of Schiederwerk GmbH, 90451 Nuremberg

- hereafter: Schiederwerk or Customer - for use in business relations with companies within the meaning of §14 German Civil Code

1. Scope

1.1. The legal relationships between the Supplier and Schiederwerk in connection with the Supplier's deliveries are exclusively governed by these General Conditions of Purchase. Deviating sales conditions are hereby not applicable, and shall not be considered as being part of the agreement, even if Schiederwerk does not object to them after receipt. In particular, acceptance of deliveries, of services or payment shall not be considered as an approval.

1.2. In the event of the conclusion of a quality assurance agreement with the Supplier, the provisions of this quality assurance agreement shall prevail. In case of conflict between the provisions of the quality assurance agreement and these General Conditions of Purchase, the provisions from the quality assurance agreement shall prevail over the present terms and conditions.

1.3. The term "Claims for damages" in these General Conditions of Purchase includes, among other damages, claims for reimbursement of wasted expenses.

2. Conclusion of the agreement

2.1. Only the content of our written orders applies. Verbally placed orders or ancillary agreements are only valid after our written order. Framework contracts, orders, delivery schedules or other delivery contracts and their confirmation, and amendment must be made in writing. These documents can also be transmitted electronically.

2.2. If the Supplier cannot or does not want to accept our order, he is obliged to inform Schiederwerk thereof within five working days. Schiederwerk reserves the right to cancel orders if the Supplier does not confirm our order in writing within five working days of receipt.

3. Rights and documents

Schiederwerk retains without restriction its property and copyright exploitation rights on cost estimates, drawings and other documents (hereinafter: „Documents“). These Documents shall only be made accessible to third parties with the prior written consent of Schiederwerk and must be returned immediately upon request. The Supplier shall be liable for damages to Schiederwerk arising out of the breach of these obligations.

4. Confidentiality

If in the course of processing the order the Supplier receives knowledge and/or information from Schiederwerk, i.e. technical details, he shall treat them as confidential. The knowledge and information communicated shall only be used in the context of the specific order and only made available to those employees who have been involved in processing the order and who are bound by confidential obligations no less stringent than the present terms and conditions. This also applies to Subcontractors of the Supplier.

5. Changes to products, equipment, tools

5.1. Schiederwerk is entitled to change the specifications after informing the Supplier in advance and to request a corresponding technical adaptation of the products by the Supplier.

5.2. Modifications of production, in particular tool changes, use of new manufacturing processes or changes in manufacturing location or relocation of production, are only binding to us after written consent.

6. Deliveries, prices and terms of payment

6.1. The price in our order is binding and is understood to be net, plus statutory sales tax. Deliveries are free domicile/ warehouse, including the cost of freight, packaging, insurance and other ancillary costs, unless the parties have expressly agreed otherwise in writing. Price increases, for any reason, will only be considered - even in the case of long-term supply contracts - if a specific agreement has been concluded.

6.2. Unless otherwise agreed, payments are made within 14 days of receipt of the invoice with a 3% discount, or within 30 days with a 2% discount, or net within 60 days. Discount will be deducted from the invoice amount including sales tax. The deadline for payment begins upon receipt of the invoice or, if the goods arrive after the invoice, upon receipt of the goods, but in no case before the agreed goods receipt date.

6.3. In the event of a defective delivery, we are entitled to withhold payment in proportion to the value of the defective goods, until proper fulfillment of the order is made. Nevertheless, the payment shall neither be considered as an acknowledgment of proper fulfillment nor a waiver of the Supplier's liability for defects.

7. Set-off and assignment

7.1. We are fully entitled to the statutory rights of set-off and retention. The Supplier is only entitled to set off claims that are undisputed by us or that have been legally established.

7.2. The Supplier shall only be entitled to assign his claims against us with our prior written consent.

8. Packaging and shipping

Delivery and shipping are made free domicile, at the risk of the Supplier, to our business address or the delivery location specified by us. The Supplier shall support the costs for packaging, freight and insurance. All deliveries shall be packed expertly and as is customary in the industry by the Supplier, so that the packaging guarantees the protection of the delivery items up to the delivery address. To the extent that delivery is agreed on an ex-factory basis in an individual case, the Supplier must ensure the lowest shipping for Schiederwerk and the correct declaration (for the value of the goods). The Supplier shall be liable for transport damage in this case as well.

9. Transfer of risk, transfer of ownership

9.1. The risk of accidental loss and accidental deterioration of the goods is only transferred to Schiederwerk when Schiederwerk has received direct free of all restrictions and encumbrances possession.

9.2. Ownership is transferred to Schiederwerk in accordance with the statutory provisions. Schiederwerk and the Supplier expressly exclude any retention of title in any circumstances.

10. Provided parts, equipment, tools

10.1. Tools, forms, devices, samples, models, profiles, drawings, standard sheets, printed templates, gauges and other documents provided by Schiederwerk remain our property and shall not be passed on to third parties or otherwise used for the Supplier's own purposes without our express consent. They shall be taken care of and insured by the Supplier as well as secured against unauthorized inspection.

10.2. If tools, devices, operating equipment, drawings or other manufacturing equipment are manufactured by the Supplier at our expense on our behalf, it is agreed that these goods shall become our property immediately after manufacture. In the case of partial cost sharing, we acquire co-ownership according to the cost share. The Supplier is revocably entitled to carefully use and store these goods for us free of charge. The Supplier undertakes to maintain and insure these goods. We receive all copyrights to these goods for our sole use. The Supplier is not entitled to use these goods beyond the scope of the order without our consent. The Supplier must mark the goods in such a way that our property is also documented to third parties. The Supplier has no right of retention on these goods.

10.3. Material provided by Schiederwerk remains its property. It shall be marked accordingly by the Supplier and stored free of charge, separately from other materials, as would a prudent businessman.

It must be insured against fire and water damage as well as against theft, and used economically.

If our goods are combined, mixed or processed with other items that do not belong to us, we acquire joint ownership of the new items in the ratio of the goods provided to the other processed items at the time of the combination, mixing or processing.

11. Deadlines for deliveries, default, debtor default

11.1. All delivery dates and periods specified in the order or otherwise agreed are dates of arrival at Schiederwerk are binding. Deliveries are only complete when all of the ordered goods have actually arrived in full at Schiederwerk. Part deliveries are only permitted after prior agreement with Schiederwerk; any additional freight costs will be borne by the Supplier.

11.2. As soon as the Supplier becomes aware of circumstances which are likely to make timely delivery impossible, the Supplier is obliged to notify Schiederwerk immediately in writing. The occurrence of the delay in delivery remains unaffected. If the Supplier fails to notify us, Schiederwerk is entitled to demand an additional compensation for the resulting damage, even in the event of a delay in delivery for which the Supplier is not responsible.

11.3. If the Supplier is in default, Schiederwerk can assert a contractual penalty of 0.1% for each working day of the delay, but in total no more than 5% of the order value.

11.4. The legal consequences of the obligee's default do not occur if and to the extent that the Customer is prevented from accepting the delivery due to circumstances which it cannot avert despite reasonable care. The Supplier's claims to fulfillment are suspended for this period. If and to the extent that the acceptance of the contractual delivery or service is prevented, restricted or disrupted directly or indirectly by force majeure, the Customer is released from the obligation to accept and pay.

12. Emergency manufacturing right

In all cases of a foreseeable or long-term hindrance to delivery by the Supplier, including the case of an extraordinary termination of the agreement, the Supplier grants Schiederwerk or a third party named by Schiederwerk an emergency manufacturing right, i.e. the Supplier will provide Schiederwerk with the necessary tools and the necessary know-how (including Rights of use to property rights) and take all other measures, in particular personal assistance and instructions, that are necessary to continue production at the location specified by Schiederwerk. If the delivery hindrance is due to the fault of the Supplier, the right to emergency manufacturing is granted free of charge, in other cases against reimbursement of the proven expenses.

13. Material and legal defects ; Inspection and claim

13.1. The Supplier guarantees that the goods delivered and the services provided are free of material and legal defects, and have the guaranteed characteristics. The manufacture and delivery of the goods and services must comply with the relevant statutory and official regulations, in particular the generally recognized rules of technology as well as the industrial safety, accident prevention and environmental protection regulations that apply in the country of manufacture, and in Europe and Germany. The Supplier is obliged to provide information on the components of the delivered goods in a suitable form and guarantees the accuracy of the provided information (including ROHS, REACH).
13.2. The Supplier will only send goods that have been thoroughly checked and considered to be in good condition, and therefore do not require a detailed incoming inspection at Schiederwerk. Notwithstanding § 377 HGB, Schiederwerk is only obliged to inspect and raise claim about the goods as follows: upon receipt, Schiederwerk should only inspect the goods with regards to their identity and transport damages. As a result, the goods are checked exclusively in the ordinary course of business during their use in production. Identified defects as well as obvious defects must be reported by us within a period of 10 working days from the day on which we become aware of it. In this respect, the Supplier waives the right to object to late notification of defects.

13.3. Wrong or additional deliveries will *de facto* not be accepted by us under any circumstances. A special complaint is not required.

13.4. In the case of defective goods, the Supplier shall be obliged, at Schiederwerk's option, to rectify the defects or to take back the goods and deliver replacement parts. Schiederwerk can either cancel the purchase or reduce the purchase price appropriately. All costs incurred thereof shall be borne by the Supplier.

13.5. In case of costs incurred by Schiederwerk related to defects of the delivered goods, in particular transport, travel, labor or material costs, as well as costs for incoming inspection and disposal measures above the usual reasonable costs, the Supplier must reimburse us for these costs.

13.6. Claims for subsequent performance become statute-barred after 36 months from the beginning of the statutory limitation period ; the same applies to withdrawal and reduction. This period does not apply if the law prescribes longer periods in accordance with §§ 438 Paragraph 1 No. 2 (buildings and items for buildings), 479 Paragraph 1 (right of recourse) BGB, as well as in the event of intent, fraudulent concealment of the defect and non-compliance with a quality guarantee. The warranty period begins anew for repaired or replaced parts.

13.7. If the Supplier does not fulfill a claim asserted by Schiederwerk for the removal of a defect or for replacement delivery within the reasonable period set in writing by Schiederwerk, Schiederwerk is entitled to arrange for the defect to be remedied or replacement delivery to be carried out at the Supplier's expense. The same applies in all cases that do not tolerate postponement. In the case of continuous deliveries, Schiederwerk may withdraw from the order as a whole if at least two deliveries have been carried out incorrectly in whole or in part. In addition, the statutory provisions shall apply to claims for damages.

14. Product liability and quality assurance

14.1. If claims are made against Schiederwerk due to the Product Liability Act or other regulations due to a product defect, or if we suffer damage in connection with the delivery of a defective product, in particular due to the necessary recall, retrofitting, etc., the Supplier must indemnify us and compensate us for any damage if and to the extent that the damage was caused by a defect in the subject of the agreement delivered by the Supplier. In cases of fault-based liability, the fault of the Supplier has to be demonstrated. If the cause of the damage lies within the Supplier's sphere of responsibility, the Supplier shall bear the burden of proof that there is no product defect. In such cases, the Supplier shall bear all costs and expenses, including the costs of any legal action.

The Supplier is obliged to subscribe sufficient product liability insurance, to maintain it at all times and to provide evidence thereof upon request.

14.2. The Supplier shall subscribe quality assurance that is appropriate in terms of type and scope and in accordance with the latest technology, as well as documentation of all relevant data. In the event of a claim due to product liability, the Supplier is obliged to provide us with appropriate documentation and documents in order to enable evidence of the defective part.

15. Industrial property rights and copyrights

15.1. The Supplier guarantees that the intended use of the ordered goods in Germany and abroad does not violate third-party property rights. In the event of a breach of such property rights, the Supplier shall indemnify the purchaser and his customers from all possible claims that may be raised by third parties against the purchaser or his customers due to this infringement. This also applies to violations of third-party rights related to the use of parts obtained by the Supplier from sub-suppliers.

15.2. Unless otherwise agreed, the Supplier shall provide the delivered goods free of industrial property rights and third party copyrights (hereinafter: property rights). If a third party raises justified claims against the purchaser due to the infringement of property rights through deliveries made by the Supplier and used in accordance with the agreement, the Supplier shall be liable to the purchaser within the period specified in Section 13.6. as follows:

- a) The Supplier will, at his option and at his own expense, either obtain a right of use for the concerned goods, change them so that the property right is not infringed, or replace them. If this is not possible for the Supplier, under reasonable conditions, the Customer is entitled to the statutory rights of withdrawal or reduction in price.
- b) The Supplier's obligation to pay compensation is based on Section 13.
- c) The above-mentioned obligations of the Supplier only exist if the purchaser immediately informs the Supplier in writing of the claims asserted by the third party and does not acknowledge a violation. The Supplier reserves the right to take all defense measures and settlement negotiations. If the Customer stops using the delivered goods to reduce the damage or for other significant reasons, he shall notice to the third party that the cessation of use does not entail an acknowledgment of an infringement of property rights.

16. Use of Subcontractors

16.1. Without the prior written consent of the Customer, the Supplier is not entitled to transfer the provision of services in whole or in part to third parties (subcontractors and sub-suppliers, hereinafter referred to as "Subcontractors").

16.2. If the purchaser has given his consent, the Supplier must impose on the Subcontractors all obligations that he himself has towards the purchaser during the provision of the service and ensure compliance with them. The overall responsibility for the services transferred by the Supplier to the Subcontractors remains with the Supplier towards the purchaser.

16.3. If the Supplier commissions a Subcontractors or third party to perform the service without the prior written consent of the Customer, the Customer has the right to terminate the agreement for good cause, to withdraw from the agreement and/ or to demand compensation.

17. Other claims for damages

Other claims for damages by the purchaser, regardless of the legal basis, in particular due to a breach of obligations arising from the contractual relationship, remain unaffected by the above provisions.

18. Place of jurisdiction and applicable law

18.1. The sole place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship shall be the registered office of Schiederwerk.

18.2. The business relationship of the parties, as well as all questions concerning the validity, interpretation or performance of any of the terms or provisions of this agreement, or of any rights or obligations of the parties hereto, shall be governed by and resolved in accordance with the laws of Germany, excluding its conflict of laws provision, excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG).

19. Binding nature of the agreement

The agreement remains binding in its remaining parts even if individual provisions are legally ineffective. To this extent, the parties undertake to replace the ineffective provision with one that comes as close as possible to the ineffective provision in legal and economic terms. This does not apply if adherence to the agreement would represent unreasonable hardship for one of the parties.

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20. Data protection

20.1. Schiederwerk collects, processes, transmits and uses data within the framework of the statutory data protection regulations. In this regard, Schiederwerk refers to its data protection declaration used on our website: www.schiederwerk.de

20.2. Schiederwerk stores the Supplier data that are necessary for business transactions and forwards them to service providers commissioned by them to the extent necessary for such purpose.

20.3. If the Supplier has questions about the collection, processing or use of his personal data, he can contact Schiederwerk using the email address given in the data protection declaration. The same applies to information about data, its correction, objection or deletion of data as well as the revocation of any consent given or objection to a specific use of data.

21. Warranty and liability

21. The Supplier guarantees that the products comply with
- REACH regulation (Regulation (EC) No. 1907/2006) in the version applicable to deliveries, in particular due to the changes made by Regulation (EU) 2018/675, and
 - and RoHS Directive (Directive 2011/65 / EU) and its implementation in German law (Electrical and Electronic Equipment Substance Regulation) in the version applicable at the time of delivery (and in particular Directive 2015/863 / EU).

The Supplier must therefore also submit declarations of conformity for all products in accordance with REACH regulation and RoHS Directive in the version applicable at the time of delivery.

The Supplier acknowledges that Schiederwerk's customers may be subject to the Dodd – Frank Wall Street Reform and Consumer Protection Act and in particular Section 1502 thereof. The Supplier therefore also guarantees that the delivered goods do not contain any conflict minerals (gold, wolframite, cassiterite and coltan) which are used to finance the armed conflict in the Democratic Republic of the Congo or a neighboring country.

2. The Supplier implements the orders from Schiederwerk in accordance with the principles set out in the OECD "Convention on Combating Bribery of Foreign Public Officials in International Business Transactions", which was adopted on November 21, 1997 and came into force on February 15, 1999.

Accordingly, the Supplier warrants and represents to Schiederwerk that :

- a) in the execution of all orders of Schiederwerk, it has not made or will not make any payment, loan or gift of money or any other thing of value, directly or indirectly, to or for the benefit of an official or employee of a government or political party or any of their leaders or candidates ; and
- b) neither he nor any of his owners, managers or employees directly involved in the execution of the order is an officer or employee of a government or political party of the country in which the order is to be executed ; and
- c) with regard to obtaining or executing orders or contracts of Schiederwerk, not to make gifts or consideration of any kind to anyone as an inducement or reward for the execution of orders or contracts of Schiederwerk.

that he has not offered or accepted to offer or accept a gift or consideration of any kind to any person as an inducement or reward for performing or refraining from performing any act, or has indicated or will indicate an attitude in favour of or to the detriment of any person with regard to obtaining or performing orders or contracts of Schiederwerk.

22. Code of Conduct

The Supplier shall execute this order in accordance with the principles specified in the 'Code of Business Conduct' of Groupe Legris Industries, which are available at <http://www.legris-industries.com/>.