

General Terms and Conditions of Purchase of Elprog GmbH

Sec. 1 General/Scope

- (1) Our Terms and Conditions of Purchase shall apply exclusively; we do not accept any suppliers' deviating terms and conditions and such terms and conditions to the contrary, except where we would have explicitly accepted their applicability in writing. Our Terms and Conditions shall also apply, even where we accept the supplier's deliveries without reservation, in full knowledge of supplier's deviating terms and conditions or supplier's terms and conditions to the contrary.
- (2) All agreements entered into between us and the supplier for the purpose of performing this contract, are set out in writing in this agreement.
- (3) Our Terms and Conditions of Purchase shall not apply except with respect to entrepreneurs within the meaning of sec. 310 (1) BGB (German Civil Code).
- (4) Our Terms and Conditions of Purchase shall also apply to all and any future business transactions with the supplier.

Sec. 2 Offer – Offer Documents

- (1) The supplier shall be under an obligation to accept our order within a period of one week following receipt.
- (2) We reserve ownership and copyright to any and all images, drawings, calculations and other documents; they shall not be made accessible to third parties without our explicit written consent. They shall be used exclusively for the delivery and production respectively by virtue of our order; after completion of the order, they shall be returned to us without further request. They shall be kept secret from third parties; insofar the provision set out in sec. 12 shall apply complementarily.

Sec. 3 Conflict Minerals

The supplier undertakes to deliver the supply item in compliance with the provisions of EU-Regulation EU 2017/821. Please find further indications regarding this EU-Regulation on the internet under [conflict minerals](http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R0821&from=EN) (<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R0821&from=EN>). The supplier undertakes to identify “conflict minerals” (tin, gold, tantalum, tungsten) in his supply chain and by taking appropriate measures, to ensure, that the supply item does not contain any conflict minerals within the meaning of EU-Regulation. In case of an infringement of the EU-Regulation, the supplier undertakes to indemnify us and hold us harmless from any and all financial and other third party claims resulting thereof, in particular from claims for damages – on any legal ground whatsoever – and shall pay compensation to us for any damage resulting thereof.

Sec. 4 REACH – Regulation

The supplier shall be responsible for the supply item to fully comply with the provisions of the Regulation (EC) No. 1907/2006 (REACH-Regulation) on the registration, evaluation, authorization and restriction of chemical substances. Please find further indications hereto on the internet under [Reach-Information](https://www.baua.de/EN/Service/Publications/Guidance/REACH-Info-06e.pdf?__blob=publicationFile&v=6)(https://www.baua.de/EN/Service/Publications/Guidance/REACH-Info-06e.pdf?__blob=publicationFile&v=6).

The supplier shall warrant that the substances contained in his products, to the extent required under the provisions of the REACH-Regulation, are preregistered and are registered after the expiration of the transitional periods respectively, provided that the respective substance is not exempt for registration. The supplier ensures that the information requirements according to the current list of candidates (latest version on the internet under [candidate list](https://echa.europa.eu/de/candidate-list-table) <https://echa.europa.eu/de/candidate-list-table>), currently 235 SHVC, as of 14 June 2023, are adhered to.

The supplier undertakes to provide to us the safety data sheets in accordance with the provisions of the REACH-Regulation and the required information pursuant to Art. 32 and Art. 33 of the REACH-Regulation respectively immediately upon conclusion of the contract and without any further request. In the event of breaches of any of the aforementioned duties by him, the supplier explicitly undertakes to indemnify us and hold us harmless from any and all financial and other third party claims, in particular from claims for damages, on any legal ground whatsoever, and undertakes to pay compensation to us for any damage resulting thereof.

Sec. 5 Restrictions of Hazardous Substances (RoHS)/ElektroStoffV (Ordinance on the Restriction of Use of certain Hazardous Substances in electrical and electronic Equipment)

The supplier represents and warrants that the supply item or parts thereof fully comply with the requirements of the Directive 2011/65/EU (RoHS II) with effective date of 21 July 2011 and of all following states of this Directive as well as with the national rules laid down in implementing this Directive within the European Union, in Germany this being the Ordinance on the Restriction of Use of certain Hazardous Substances in electrical and electronic Equipment (ElektroStoffV), and that it is fully suited for RoHS-compliant manufacturing processes. The supplier shall, in due time, notify us about the earliest deliverability date of RoHS-compliant products under the contract. In the event, that the supplier breaches any of the aforementioned duties, he undertakes to indemnify us and hold us harmless from any and all financial and other third party claims, in particular from claims for damages, on any legal ground whatsoever they exist, and undertakes to pay compensation to us for any damage resulting from such breach of duty.

Sec. 6 Prices/Terms of Payment

- (1) The price quoted in the order shall be binding. In the absence of any stipulations to the contrary, the prices are quoted DDP (Delivery, Duty Paid according INCOTERMS® 2020) on the basis of our production facility in Benediktbeuern and, where so agreed upon, a differing place of delivery respectively, packing included.
- (2) The statutory VAT is included in the price.
- (3) We cannot process invoices, except where – in accordance with the specifications given in our invoice – they do state the order number indicated therein; the supplier shall be liable for all and any consequences resulting from failing to comply with this obligation, to the extent that he does not prove that he is not responsible for such failure to comply.
- (4) In the absence of any stipulations to the contrary, we do pay the purchase price within 14 days, counting as of delivery and receipt of invoice, with an early payment discount of 2% or within 60 days following receipt of invoice, net.
- (5) Where we default in payment we shall owe a default interest amounting to five percentage points above the basic rate of interest pursuant to sec. 247 BGB (German Civil Code).
- (6) We shall be entitled to set-off and to retention to the extent stipulated by law.

Sec. 7 Time of Delivery

- (1) The time of delivery specified in the order shall be binding. Delivery times always relate to the receipt of the goods at our production facility in Benediktbeuern or the particular place of destination.
- (2) The supplier shall be under an obligation to notify us in writing without undue delay of any circumstances arising or of circumstances becoming discernible to him, from which one can conclude, that the stipulated delivery time cannot be met.
- (3) In the event of a default in delivery, we shall be entitled to full statutory claims. In particular, after fruitless expiry of a reasonable deadline, we shall be entitled to claim damages in lieu of performance and to withdraw from the contract. Where we claim damages, the supplier shall be entitled to prove to us, that he is not responsible for such breach of duty.
- (4) After giving prior written warning to the supplier, we shall, for every full week of default in delivery, be entitled to claim a contractual penalty amounting to 0.5%, however, not exceeding 5% of the stipulated net purchase price of the goods affected by the default. We shall be entitled to claim the contractual penalty in addition to performance; the contractual penalty shall be credited against any damage caused by default to be compensated by the supplier. We undertake assert reservation of the right to the contractual penalty with the supplier within 10 days at the latest, counting as of receipt of the delayed delivery.

Sec 8 Passing of Risk/Documents

- (1) The delivery of the goods shall, in the absence of any stipulations to the contrary, be made DDP (Delivery, Duty Paid according INCOTERMS® 2020) free domicile, based on our production facility in Benediktbeuern and, where so agreed upon, a differing place of delivery respectively.

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- (2) The supplier shall be under an obligation to exactly indicate our order number on all shipping documents and all delivery notes; where he fails to do so, we shall not be responsible for any processing delays resulting thereof.

Sec. 9 Inspection for Defects / Liability for Defects

- (1) We shall be under an obligation to inspect the goods in due time for any deviation in quality and quantity; giving notice of defects shall be in time, if it received by the supplier within 5 working days counted as of reception of the goods, or, in case of hidden defects, within 5 working days as of discovery thereof.
- (2) We shall be entitled to full statutory warranty claims; we shall in any case, at our option, be entitled to claim remedy of defects or delivery of a new thing from the supplier. The right to claim damages, in particular to claim damages in lieu of performance, shall explicitly be reserved.
- (3) We shall be entitled to remedy defects ourselves at the supplier's expense, if the supplier is in default of cure.
- (4) The period of limitation shall be 36 months, counting as of the passing of risk, to the extent the mandatory provisions of sec. 478, 479 BGB (German Civil Code) do not apply.
- (5) This shall be without prejudice to the application of the provisions of sec. 478, 479 BGB in the event of a purchase of consumer goods.

Sec. 10 Product Liability – Indemnification – Liability Insurance Protection

- (1) To the extent that the supplier bears responsibility for damages caused by a defective product he shall, upon written request, be under an obligation to indemnify us and hold us harmless from third party damage claims to the extent that the cause was set in his sphere of control and organisation and that he himself is liable in relation to third parties.
- (2) Under his own liability for events of damage within the meaning of subsec. 1, the supplier shall also be under an obligation to reimburse to us any expenses resulting from or in connection with any legitimate recall campaign we carried out lawfully. We will – to the extent possible and reasonable – notify the supplier ahead of the content and scope of such recall campaign and will give him the opportunity to comment.
- (3) The supplier undertakes to maintain product liability insurance with blanket cover of € 5 Mill. [Euro] per personal injury/damage to property; this shall be without prejudice to any further damages we are entitled to.

Sec. 11 Protective Rights

- (1) The supplier shall warrant, that, in connection with his delivery, no third party rights are infringed in the Federal Republic of Germany.
- (2) Where we are held liable on such account by any third party, the supplier shall, upon written request, be under an obligation to indemnify us and hold us harmless from such claims. Where third parties claim damages, the supplier's right to prove that he is not responsible for the infringement of the third party rights shall be reserved.
- (3) Without the supplier's consent, we shall not be entitled to reach any agreement with the third party, in particular to conclude any settlement.
- (4) The supplier's obligation to indemnify us and to hold us harmless shall apply to all expenses, which we necessarily incur from or in connection with being held liable by a third party.
- (5) The period of limitation shall be 36 months, counting as of the passing of risk.

Sec. 12 Secrecy

The supplier shall be under an obligation to keep secret all pictures, drawings, calculations and other documents and information. They shall not be disclosed to third parties except with our explicit consent. The duty of confidentiality shall continue to apply following the completion of this contract. It shall however cease, if and to the extent that the production know-how contained in the pictures, drawings, calculations and other documents ceded, has become commonly known or if it has demonstrably already been known to the supplier at the time of the notification under sent. 1.

Sec. 13 Venue/Place of Performance/Applicable Law

- (1) Where the supplier is a merchant, our place of business shall be in 82515 Wolfratshausen. We shall however be entitled to sue the supplier at his general venue.
- (2) Where nothing to the contrary ensues from the order, our place of business shall be the place of performance.
- (3) The laws of the Federal Republic of Germany shall apply; the application of the UN Convention for the International Sale of Goods shall be barred.