

General Terms and Conditions of Purchase

HÄNDLE GmbH Maschinen und Anlagenbau
(as per 01/2020)

1. Conclusion of Contract

1.1 These General Terms and Conditions of Purchase shall apply for all purchase orders and contracts of sale of goods and/or services, irrespective of whether they are individual orders or are concluded on the basis of framework agreements. Divergent general terms and conditions of Supplier shall not apply unless they are expressly confirmed by HÄNDLE in writing. Acceptance of Supplier's deliveries or services shall not mean acceptance of Supplier's general terms and conditions.

1.2 Purchase orders and other agreements made in connection with the conclusion of a contract shall be made or confirmed by HÄNDLE in writing. Statements made by fax and/or e-mail shall be equivalent to statements made/sent in writing.

1.3 HÄNDLE expects within short time the binding written acceptance of a purchase order without deviations thereof, after receipt of a purchase order for commodities within three working days. The confirmation must contain HÄNDLE's order number and other order information referred to in the purchase order.

1.4 Supplier's modifications of or additions to the contents of the order shall only be binding if confirmed by HÄNDLE in writing.

2. Offers, Purchase Order, Items provided by HÄNDLE, Intellectual property rights of documents

2.1 The preparation of offers or the creation of estimates by the Supplier is free of charge for HÄNDLE. This also applies to inspections, plans or other services provided by the Supplier for the preparation or adaptations of offers or estimates.

2.2 All Information, illustrations, drawings, calculations and other documents provided to the Supplier for the purpose of execution – also in electronic form – shall be considered as trade secrets. HÄNDLE retains ownership of these documents, and intellectual property rights holders their protected rights. This also applies to models, templates, samples, tools, devices, and other items provided to Supplier by HÄNDLE.

2.3 Supplier shall be forbidden to permit third parties either to inspect or to use such items as defined in para 2.2, or to supply parts manufactured according to these items to third parties without HÄNDLE's prior written consent. This shall also apply to parts which Supplier has developed according to HÄNDLE's specifications or with substantial participation on the part of HÄNDLE. Such companies and persons as are involved in the sale of HÄNDLE's products shall also be regarded as third parties within the meaning of this provision.

2.4 Supplier shall keep the items provided to Supplier by HÄNDLE in an orderly manner/shall use them purposely and shall adequately insure them against any damage, e.g. due to fire, water and theft. Irrespective of this, Supplier shall be

obligated to return these items to HÄNDLE when so requested or, after termination of the contractual cooperation, without being requested.

3. Prices, Terms of Delivery, Shipment, Proofs

3.1 Prices shall be fixed prices in the specified currency and shall be understood to be exclusive of value added tax including packaging free at HÄNDLE's factory. Subsequent price increases must be confirmed by HÄNDLE in writing. Should the development of the market make it necessary to lower the prices agreed upon with Supplier, HÄNDLE shall take up negotiations with Supplier concerning a reduction of Supplier's prices.

3.2 As a rule, deliveries are effected "DAP named place of destination, Incoterms® 2020" as long as a declaration of acceptance by HÄNDLE is not contractually agreed or legally required by the type of performance owed to HÄNDLE.

3.3 In cases where "ex works" pricing has been agreed deviating from para 3.2, Supplier shall organize shipment at the lowest cost, unless HÄNDLE has prescribed a particular mode of shipment. Supplier shall pay costs of freight in advance. HÄNDLE does not provide prepayment of freight charges. Extra costs due to failure to observe a shipment instruction and for express shipment in order to meet deadlines shall be borne by Supplier. A delivery note on which, like on all other shipping documents, the order references stated in the purchase order are to be given shall be attached to each shipment.

3.4 Supplier shall pack, mark and dispatch each consignment in keeping with the requirements of the provisions of the law applicable at the time of shipment, especially those for foreign trade, while taking into account the mode and route of transport. If EU preferential agreements are to be considered for the delivery, Supplier shall provide the corresponding proof of the preference, such as declaration of origin or movement certificate of the goods. Otherwise, the Supplier will specify us the non-preferential origin of the delivered goods.

3.5 Suppliers obligation for the delivery of goods especially is to comply with the actual RoHS-EU-Directive for the use/prohibition or restriction of certain dangerous substances and provide us on demand a written declaration of conformity thereof.

3.6 If the goods to deliver or components thereof are subject to the EU-REACH-Directive, the Supplier shall ensure that all materials contained in the goods are pre-registered, registered or approved and - if relevant – that other requirements arising thereof, such as the submission of a safety data sheet, must be fulfilled. The submission of this must be made at the latest with the invoice and is a prerequisite for the further tests and the due date of the payment.

3.7 Machines, equipment or plants that fall under mandatory law shall be marked "CE" and shall meet the special safety requirements applicable in accordance with EU law as well as the current implementation regulations and specific technical standards into domestic law need to be fulfilled. In particular, the risk analyses required in relevant guidelines must be carried out

and the documentations must be issued and handed over by the Supplier being part of the delivery.

3.8 HÄNDLE has taken out transport insurance if "ex works" deliveries have been agreed at Suppliers place of business. No reimbursement shall be paid for additional insurance on transport taken out by Supplier. HÄNDLE is a self-insurer. The return of the packaging requires an individual agreement.

4. Invoicing, Terms of Payment

4.1 The invoice shall be sent to HÄNDLE in a single copy not before the due date of payments. The invoice shall not be included with the shipment. The invoice must contain the order number and the order date, additional HÄNDLE-specific data (account coding), HÄNDLE's ID number, place of unloading, number and date of the delivery note, quantity of goods or services invoiced as well as the country of origin of the parts delivered and shall comply with the relevant statutory invoicing requirements according to the relevant statutory invoicing requirements according to the national value-added tax legislations to which the deliveries/services being invoiced are subject.

4.2 Payment and discount deadlines shall commence upon receipt of an auditable invoice but not before complete and faultless delivery or acceptance, if agreed, or if services to be rendered contingent on success are owed. HÄNDLE shall make payment with 3 % discount within 10 working days after onset of these conditions or, optionally, net without discount within 30 working days. If payment is delayed because invoices do not contain the details required in the specific order for invoices, the payment and discount periods will be postponed according to the time required for clarification.

4.3 The Supplier is only permitted to assert offset rights and retention rights that are undisputed claims or claims legally established by court judgement.

5. Rights of third Parties, Intellectual property rights, Retention of title

5.1 Supplier shall ensure that HÄNDLE does not violate intellectual property rights of third parties when using the goods and services in accordance with the contract and shall grant HÄNDLE an unrestricted right of use and exploitation for the contractual purposes. Supplier shall indemnify HÄNDLE from all and any claims made against HÄNDLE due to violation of intellectual property rights, provided Supplier is responsible for the violation. License fees, expenses or costs incurred by HÄNDLE for the avoidance or remedy of violations of intellectual property rights shall be borne in such cases by Supplier. HÄNDLE shall inform Supplier accordingly in case of such a claim.

5.2 HÄNDLE contradicts all provisions concerning retention of title above and beyond the simple retention of title. They shall require prior written consent by HÄNDLE in each individual case. Should it nevertheless transpire that sub-suppliers present claims relating to property rights, co-property rights, rights of lien or

levies of execution to HÄNDLE, HÄNDLE shall claim against Supplier for all and any damage thus caused.

6. Delivery Time

6.1 Supplier must comply with the agreed delivery dates and deadlines or acceptance dates for services to be proved in advance. Under the respective agreement they are effective. Part-deliveries or part-services shall require the prior consent of HÄNDLE and will be accepted only in exceptional cases. Supplier shall be obligated to request from HÄNDLE the documents and other items to be provided by HÄNDLE for the execution of the purchase order in such good time so as to be able to meet the agreed delivery dates, deadlines and acceptance dates for services to be proved by HÄNDLE in advance.

6.2 As soon as Supplier recognizes that Supplier cannot or can only partially meet the contractual obligations on time, Supplier must notify HÄNDLE immediately in writing stating the reasons for this and the expected duration of the delay. This shall not affect the claims to which HÄNDLE is entitled by law in case of delayed performance.

7. Passing of the Risk/Notice of Defects

7.1 The passing of the risk to HÄNDLE in the case of deliveries shall take place when these have arrived at the delivery address stated in the purchase order. In case of delivery with erection or assembly or other contractual obligations for which acceptance is agreed, as well as in the case of works performed (within the meaning of "Werkvertragsrecht" by law), the passing of the risk to HÄNDLE shall take place when a formal acceptance has taken place.

7.2 Where the commercial inspection and notification obligation applies as per section 377 HGB, HÄNDLE shall notify Supplier of externally visible defects of deliveries no later than within 10 working days after delivery, other defects immediately after their discovery.

8. Rights in the Case of Defects, Statutory Limitation

8.1 Supplier shall assume the responsibility that all deliveries/services are free from defects and conform to the state of the art, the generally recognized technical regulations relating to safety and occupational health issued by authorities and professional associations, and to the currently valid environmental protection regulations. Machines, equipment and plant must bear a CE mark.

8.2 In case of failure to conform to characteristics of state and agreed guarantees, HÄNDLE shall be entitled to the statutory warranties. This provision shall not affect guarantee claims (within the meaning of "Garantie" by law) above and beyond the statutory rights in the case of defects.

8.3 In the case of rights based on defects HÄNDLE shall be entitled to demand as it chooses subsequent performance by subsequent improvement, delivery of a substitute, or remanufacture, as well as compensation for any damage

according to the provisions of the law. Supplier must bear the expenses necessary for this as well as reinstallation and removal costs incurred to HÄNDLE, if a part, supplied by Supplier to incorporate or attach it to other goods, is defective. If, in the case of defective parts, an exchange from HÄNDLE's stock of replacement parts is made in consultation with Supplier, Supplier must reimburse the costs of replacing the replacement part. If the place of performance of its delivery is abroad, Supplier must bear in addition the customs and border crossing costs incurred.

8.4 If the subsequent performance does not take place within a reasonable deadline, fails or if the deadline was dispensable, HÄNDLE shall be entitled to withdraw from the contract, to claim damages in lieu of performance, replacement of wasted expenses or reduction of price as provided for by law.

8.5 If Supplier fails to fulfill its obligations for subsequent performance within a reasonable deadline set by HÄNDLE without having the right to refuse subsequent performance, HÄNDLE shall be entitled to remedy or to have the defects remedied by third parties at Supplier's expense and risk in case of danger of major damage and if Supplier was unable to be reached. This shall not affect Supplier's obligation to remedy defects in such cases.

8.6 HÄNDLE shall hold defective parts which are the subject of complaint ready for inspection by Supplier. These shall be sent back to Supplier at Supplier's request and at Supplier's expense and risk. They shall remain the property of HÄNDLE until HÄNDLE has received replacement delivery or credit for the part.

8.7 The period of limitation for claims based on defects shall be 36 months if no longer period of limitation is provided for by law. The period of limitation shall commence upon arrival of the delivery at the place of performance or upon acceptance if agreed or provided for by law.

9. General Liability, Product liability, Insurance

9.1 Supplier shall be liable as per the statutory provisions, for whatever legal reason. Supplier shall be liable under law especially for all and any damage causing product liability due to faultiness of its final or part-product. In particular, Supplier shall indemnify HÄNDLE from claims arising from non-contractual product liability, to the extent that liability is based on a defect contained in the goods delivered by the Supplier, the cause of which is attributable to its sphere of management and organization, and if the Supplier itself is liable in relation to others. The damage to be replaced also shall include the costs of a preventive recall campaign provided this is legally necessary in view of the dangers emanating from the product/ part-product. HÄNDLE shall inform Supplier immediately of the implementation of such campaigns.

9.2 Supplier undertakes to take out insurance to an adequate amount against all risks arising from product liability including the risk of recall and shall prove this to HÄNDLE on request by submitting its insurance policy.

10. Force Majeure

If, after conclusion of the contract, external events occur which were not foreseeable and which HÄNDLE was unable to prevent and which impair the fulfillment of the contract, HÄNDLE shall be entitled to postpone agreed deadlines by the duration of the impairment, provided HÄNDLE is not responsible for the impairment. If such impairments last over a period of more than three months, each party to the contract shall have the right to withdraw from the contract in whole or in part or, in case of a continuing obligation, to terminate the contract with immediate effect. The respective declaration must be made in writing.

11. Use of external Personnel

11.1 The Supplier must ensure that personal used by the Supplier for its services in our premises or the premises of our customers, complies with the safety instructions transmitted to him and – if relevant – the safety sheets, relevant for the respective premises, and comply with all relevant work safety and environmental regulations. Hazardous substances may only be used after prior approval of the named contact persons, if the use of the material has been agreed before and is marked properly.

11.2 The Supplier must ensure that the employees used by the Supplier or its subcontractors to perform Suppliers contracts with HÄNDLE receive the relevant minimum wage as fixed in mandatory law or, if the services are subject to the scope of European or German Employee Assignment law (AEntG) and, if relevant, the respective mandatory law of other countries, receive the mandatory economic conditions for their work, depending on the respective working time of each employee.

11.3 The Supplier shall also comply with other tariff and legal conditions concerning the payment of contributions to social security carriers, employers liability insurance associations and other institutions of the collective bargaining agreement parties and shall assure by verification that chosen subcontractors comply with the current requirements as a result of such obligations.

11.4 Insofar claims against HÄNDLE have brought forward and are justified as a result of Supplier's culpable failure to meet the obligations as per Clauses 11.2 und 11.3, the Supplier shall indemnify HÄNDLE against such justified claims or must replace the damage resulting out of this to HÄNDLE.

11.5 Supplier refrains from any kind of illegal employment or an undertaking with third parties which leads to illegal employment.

12. Confidentiality, Data Protection

12.1 Supplier undertakes to keep secret all internal company information, documents, know-how and planned business projects of HÄNDLE which come to its knowledge as a result of the contractual cooperation with HÄNDLE. This obligation shall continue to exist even after completion of the contract unless HÄNDLE places them in the public domain. Supplier also undertakes to comply with the statutory provisions of the German "Gesetz zum Schutz von Geschäftsgeheimnissen (GeschGehG)"

12.2 To the extent permitted by the provisions of EU General Data Protection Regulation (GDPR) and the German "Datenschutzgesetz", HÄNDLE is entitled to save and process the data, especially Personal Data received in connection with business transactions. You will find more details under www.haendle.com/haendle/Datenschutz.

12.3 All Personal Data received or achieved in the process of business transactions for communication matters, Supplier shall use exclusively for such purposes as far as permitted by the rules of GDPR and the German "Datenschutzgesetz".

13. Place of Performance, Venue, Applicable Law

13.1 Place of performance for all deliveries and services shall be HÄNDLE's factory in Mühlacker, Germany, or such other place as specified in the purchase order.

13.2 The venue for both parties shall be Karlsruhe, Germany, if Supplier is a merchant within the meaning of the German Commercial Code (HGB). HÄNDLE shall also be entitled to optionally file suit against Supplier at Supplier's general venue.

13.3 The law of the Federal Republic of Germany shall apply. Application of the United Nations Convention on the International Sale of Goods of April 11, 1980 (UN CISG) shall be excluded.