

General Terms of Purchase of coneon GmbH, Herborn, Germany

§ 1 General

- (1) These Terms of Purchase are the only applicable terms; we do not recognise any terms of the Supplier that contradict or deviate from these Terms of Purchase unless we have expressly consented to their validity in writing.
- (2) These Terms of Purchase will also apply to all future dealings with the Supplier. Any individual agreements made with the Supplier in particular cases will prevail over these General Terms of Purchase.
- (3) German is the language of the contract. The contract is governed by German law. The provisions of the UN Convention on Contracts for the International Sale of Goods do not apply. The place of jurisdiction for all disputes arising from this contract is the place of business of coneon GmbH in Herborn, Germany if the Supplier is a trader registered in the German Commercial Register, a legal entity under public law or a public-law special fund. The same applies if the Supplier has no place of general jurisdiction in Germany or, after formation of the contract, moves its place of business abroad or if its place of business is unknown upon commencement of proceedings.

§ 2 Orders

- (1) Orders will be made exclusively on the basis of these Terms of Purchase unless, in special cases, deviating agreements are confirmed in writing.
- (2) Deliveries that are not the subject of any written order will not be recognised. The Supplier must, before accepting any order, notify us of any obvious errors, including typing errors, miscalculations or omissions in the order or associated documents so that the details can be corrected or completed accordingly.

§ 3 Duty to disclose information and monitoring rights

- (1) The Supplier is required to notify us promptly prior to any changes to manufacturing processes, materials or procured parts for products and prior to any changes to services, any relocation of production sites and any changes to the processes or systems for testing the material or to any quality assurance measures, so that checks can be carried out to establish whether such changes may have a detrimental effect on the product. We are further entitled to object to any improper practices on the part of the Supplier and to reject any defective parts, substances or materials.
- (2) coneon GmbH may, after setting a reasonable deadline, withdraw from the contract if the Supplier refuses or significantly obstructs viewings, disclosure of information, tests or monitoring for reasons lacking relevance or substance. In the event of any culpable breach of such obligations, the Supplier will make good all our loss.

§ 4 Production documents and confidentiality

- (1) Any models, samples, drafts, plans, projects, drawings, other resources or documents made available to the Supplier or prepared on our instructions will remain the property of coneon GmbH, must be kept confidential and must not be used, reproduced or at all divulged by the Supplier for any purposes other than the performance of the order.

- (2) Matters of copyright are governed by § 17 of these Terms of Purchase.
- (3) This also applies in respect of any items passed by the Supplier to subcontractors and any items which the Supplier has been commissioned to process. The Supplier will in such cases be liable for any damage, deterioration, destruction or loss, even where the fault lies not with the Supplier but with its subcontractors.
- (4) Where we provide documents and resources, the Supplier must always carry out its own independent checks as to their usability, particularly with regard to the latest scientific and technological developments as well as technical feasibility and fitness for purpose, and notify us of any possible corrections without delay. Failure to do so will render the Supplier liable for errors in our documents as well as for its own mistakes. Remuneration or reimbursement of expenses for visits or the preparation of projects, plans and suchlike will not be granted by us in cases where no order is placed. Any agreements to the contrary must be in writing.

§ 5 Changes to deliverables

- (1) coneon GmbH can require changes to deliverables even after formation of the contract provided that the Supplier can reasonably be expected to accommodate such change. Both parties must have due regard to the implications of any such variation of contract, particularly in respect of any increases or decreases in costs as well as delivery deadlines.
- (2) Deviations from the order and any variation thereof are otherwise valid only if the Supplier expressly gives notice of such deviations and these have been confirmed by us in writing.

§ 6 Shipping, packaging

- (1) Unless otherwise agreed in writing, deliveries will be made, carriage-paid, to the specified recipient address and will include packaging and transportation as well as customs clearance and the related duties. In the case of purchases that are concluded via intermediate carriers or from a particular shipping point, all expenses and freight up to handover to the main carrier will be paid by the Supplier.
- (2) Shipping will be at the Supplier's risk. The risk of any deterioration, including accidental destruction, will be borne by the Supplier until delivery at the specified shipping address.
- (3) The requirement to take back packaging is as prescribed by statute. Goods must be packaged so as to avoid damage during transit. If, by special agreement, a charge is made for packaging, the full amount of such charge must be credited where the packaging is returned carriage paid. Unless otherwise agreed, the CE mark must be clearly displayed; the declaration of conformity and risk analysis must also be supplied where appropriate.
- (4) Every consignment must be accompanied by a delivery note stating the following details: coneon GmbH order number, order item, exact description of goods, dimensions, gross/net weight, material/EDP number, plant where delivery is made (if applicable).
- (5) Any required certificates of conformity must also be included in the consignment. coneon GmbH reserves the right to decline acceptance of consignments with incomplete delivery papers and to return these at the Supplier's expense. If delegating the order to a subcontractor, the Supplier is responsible for the subcontractor's compliance with such shipping requirements. The subcontractor must name its client in all documents.

§ 7 Transfer of risk, place of performance

- (1) The Supplier bears the risk until the goods have arrived at the place of delivery specified by us in the order and have been fully unloaded at the point of delivery together with associated parts.
- (2) The place of destination in each case is also the place of performance. If no place of destination is expressly agreed, our registered office will be considered the place of performance.

§ 8 Reservation of ownership

Ownership of the goods passes to us immediately once they have been handed over and paid for. We do not recognise any other reserved ownership rights of the Supplier.

§ 9 Pricing and billing

- (1) Prices that have been quoted to us by the Supplier and/or agreed with us are fixed prices exclusive of value added tax. Prices include the fees for all deliveries and services assigned to the Supplier (including any required certificates, drawings, valuations etc. in German and English) as well as all incidental costs (for such matters as transportation, insurance, customs and packaging) and will be taken to include carriage to the unloading point specified by us. Fees for deliveries or services that are not included in a contract will be payable by us only if we gave the Supplier corresponding instructions prior to its delivery or performance of the service.
- (2) Where billing is based on quantities, measurements and weights, the values ascertained by us during the incoming goods inspection will be definitive. Invoices may be issued only after completion of the delivery or service. Any partial invoices require our prior written consent.

§ 10 Partial, incomplete and surplus deliveries

- (1) Partial deliveries do not constitute performance of the contract, unless approved by us. Acceptance of a partial delivery does not constitute such approval.
- (2) Where an incomplete delivery falls short by up to 5% of the quantity ordered, we are entitled to accept the delivery and cancel the rest of the order. We reserve the right to return surplus deliveries at the Supplier's expense.

§ 11 Delivery deadlines, contractual penalty

- (1) The delivery deadline we set in the order is binding. The Supplier is required to keep to the agreed delivery date.
- (2) Once any delays become apparent to the Supplier, the Supplier must notify us accordingly, giving reasons for such delay as well as an indication of the expected length of such delay. If an agreed deadline, for whatever reason, cannot be met by the Supplier, we are entitled, after giving sufficient warning and without prejudice to any further statutory rights, to opt to withdraw from the contract and procure a substitute delivery from a third party and/or to claim compensation for non-performance.
- (3) The Supplier must make good any additional costs incurred as a result of delayed deliveries or services. Acceptance of any delayed delivery or service does not constitute a waiver of rights to compensation. Any omission on the part of coneon GmbH to supply necessary documents may be a defence for the Supplier only if the Supplier has sent a written reminder requesting such documents and has not received such documents within a reasonable period.
- (4) Force majeure events and industrial disputes will, for the duration of the disruption and to the extent of their effect, release the parties from their duties to perform. The parties are required, as far as reasonably possible, to provide the necessary information without delay and to adjust their obligations in line with the changed circumstances in accordance with the principles of good faith. coneon GmbH will be released from its obligation to accept the ordered goods or service in whole or in part and, accordingly, may withdraw from the contract if, as a result of delays caused by the force majeure event or industrial action and in view of commercial considerations, the delivery or service is no longer useful.
- (5) Where delivery is made earlier than agreed, coneon GmbH reserves the right to return the goods at the Supplier's expense. Where goods delivered early are not returned, they will be stored by us until the delivery deadline at the Supplier's expense and risk. In the event of early delivery,

coneon GmbH further reserves the right to make payment no sooner than on the agreed due date.

- (6) If the Supplier defaults in meeting one or more of the agreed deadlines/grace periods, the Supplier must pay us a contractual penalty of 0.1% of the net contract price for each working day beyond expiry of the deadline/grace period. The contractual penalty is capped at 5% of the net contract price, even where more than one deadline/grace period is missed. Payment of the contractual penalty does not release the Supplier from its obligation to perform its contractual duties nor from any further obligations to compensate for loss and particularly for loss arising from the delay.

§ 12 Origin of goods, preferences, international trade rules

- (1) For all items delivered, the Supplier is required to present a long-term supplier declaration confirming the preferential origin status of the goods.
- (2) The Supplier will be liable for all loss resulting from failure to comply with this obligation or from errors in the issuing of declarations.
- (3) The Supplier is required to check its products to ascertain whether, in international trade, such products are subject to prohibitions, restrictions and/or licencing requirements, particularly under German, European and US export and customs legislation as well as under the export and customs legislation of the country of the products' origin, and to inform us in writing accordingly. For this purpose, the Supplier will clearly provide the following information for each item in its quotations, order confirmations, invoices and all documents accompanying the goods: HS-Code, country of origin of the goods and their main components, including technology and software; where applicable, the necessary export list number in accordance with Annex AL to the German Foreign Trade Regulation [*Außenwirtschaftsverordnung*], the EU Dual-Use Regulation or a comparable item from a relevant export list; for US goods, the ECCN (Export Control Classification Number) in accordance with the US Export Administration Regulations (EAR) and confirmation as to whether the goods have been transported through the USA, manufactured or stored in the USA or produced with the help of American technology.
- (4) The Supplier is further required to inform us without delay of any changes to the above information, particularly in respect of foreign trade licencing requirements affecting the items delivered to us.
- (5) In the event of non-compliance with such obligations, the Supplier will be liable to compensate us for any loss we may consequently incur, including demands for foreign import duties, fines and suchlike.
- (6) If requested to do so, the Supplier will, at no additional cost, issue a certificate of origin for the delivered items.
- (7) The Supplier is required to comply with the obligations of an authorised economic operator (AEO).

§ 13 Warranty

- (1) Any defects in the quality of the goods or in the legal title to the goods (including incorrect or incomplete delivery, improper assembly or defective instructions for assembly or operation) and any other breaches of duty by the Supplier will be subject to statutory provisions unless otherwise stipulated below.
- (2) The commercial duties to inspect and report defects are as defined by statute (§§ 377, 381 of the German Commercial Code [*Handelsgesetzbuch*]), with the proviso that the duty to inspect goods is limited to defects that, during the incoming goods inspection, are obvious upon a visual examination of the goods and delivery papers (e.g. damage in transit, incorrect or incomplete delivery).

- (3) The Supplier is required to carry out its own outgoing goods inspection and to document such inspection for us.
- (4) The duty to inspect goods does not apply where an acceptance procedure has been agreed.
- (5) In any other case, the duty to inspect depends on whether such inspection is feasible in view of the circumstances of the individual case and in accordance with normal business practice. The duty to report defects that are later discovered remains unaffected.
- (6) In urgent cases, coneon GmbH is entitled, at the Supplier's expense, to replace or rectify defective parts and to repair the damage caused.
- (7) In the event of re-delivery or remedial work, the limitation period in respect of liability for defects in the quality of the relevant parts will begin anew.
- (8) coneon GmbH's rights of recourse against the Supplier in respect of claims concerning defects in quality under §§ 478, 479 of the German Civil Code [*Bürgerliches Gesetzbuch*] remain unaffected. By acknowledging receipt of delivered items and accepting or approving submitted drawings, coneon GmbH does not waive its rights in respect of liability for defects in quality or any other rights.
- (9) The Supplier can have no objection to the reporting of defects at a later date. Defects can be reported at any time during the warranty period.
- (10) The Supplier must, at its own cost and risk, rectify defects by, at our option, repairing, replacing and/or re-delivering the items within a short but reasonable period. In the case of repairs, the Supplier must have regard to our legitimate interests.
- (11) Whilst the general preference is to rectify defects or replace defective items, the options/remedies of reducing the price or cancelling the order remain at our reasonable discretion.
- (12) If the Supplier does not promptly comply with its obligation, we are entitled, subject to a reasonable grace period, to take the necessary measures to rectify the defects at the Supplier's expense. This is without prejudice to the Supplier's other obligations.
- (13) In the event of repairs and/or replacement, the warranty period for the goods or services in question begins anew. Furthermore, the warranty period begins anew for the entire delivery and service package if the defect in question significantly restricts or impedes functionality or use. Further, the warranty period will be extended accordingly if interrupted by downtimes caused by the Supplier or resulting from defects.
- (14) The burden of proof for showing that there was no defect during the warranty period lies with the Supplier.
- (15) The Supplier is responsible for ensuring that the goods and services are fit for the purpose that was or ought to have been known to the Supplier. The Supplier is required to resolve any doubts about the intended purpose by making enquiries with us or to notify us promptly if any item is not fit to be used for a particular purpose.
- (16) The Supplier is liable under statutory provisions for any loss caused by the Supplier or by persons for whom the Supplier is accountable. The Supplier is responsible for its subcontractors, its own suppliers and for itself, no matter how much influence any such party has on the delivery and performance of services. The Supplier must indemnify us against any claims brought by third parties as a result of defective deliveries. The same generally applies in respect of any claims brought against us by third parties as a result of culpable actions and/or omissions by the Supplier or persons for whom the Supplier is accountable.
- (17) The Supplier is further required to assist us as far as possible in any legal dispute with third parties.
- (18) Where we are entitled to compensation, our entitlement will, irrespective of the degree of the Supplier's culpability, extend to compensation for loss of profit and for all (consequential) loss that we have had to make good to the end customer.

§ 14 Statutory requirements and documentation, quality tests

- (1) The Supplier must follow technical specifications, sound engineering practices, EU machinery directives and safety procedures. The same applies to quality assurance agreements or procedures that have been specially agreed with us.
- (2) Specifications relating to technical data and test procedures do not release the Supplier from its obligation to deliver items that are free of defects, compliant with the contract and in good working order.
- (3) In the case of items that have been specially earmarked in technical documentation or by special agreement, the Supplier must also keep a special log of when, how and by whom the items were checked for the features that are to be documented and what results were produced by the required quality tests. The test documents must be retained in accordance with statutory requirements and presented to us if necessary. A longer retention period can be agreed between the parties, e.g. in a quality assurance agreement. The Supplier must require the same level of compliance from suppliers further up the chain as far as legally possible.
- (4) The Supplier must continuously monitor the quality and, where appropriate, inform us of any ways of improving quality.
The nature and scope of the quality test must be agreed by the parties. The Supplier is expected to apply customary and production-specific testing methods and keep us informed of ways of improving quality.
- (5) The Supplier must regard the order and associated work as a trade secret and therefore must treat the same as strictly confidential. In the event of a breach of this duty - whether due to minor or gross negligence - the Supplier will be liable for all loss suffered by coneon GmbH as a result of the breach of this obligation. In such cases, the Supplier has the burden of proving that no such breach of duty occurred.

§ 15 Statutory minimum wage, law on posting of workers, prohibition of illegal employment, compliance, sustainability standards

- (1) The Supplier must ensure that the employees engaged by the Supplier or its subcontractors or personnel service providers for the performance of supply contracts with coneon GmbH receive the statutory minimum wage in accordance with the German Minimum Wage Act [*Mindestlohngesetz*] or, if the services performed fall within the scope of the German Posted Workers Act [*Arbeitnehmer-Entsendegesetz*], then such employees must receive the industry-specific minimum wage prescribed in each case. The Supplier must also ensure compliance with mandatory duties to pay contributions to social insurance organisations, trade associations and other bodies, including joint bodies representing parties to collective agreements referred to in § 8 of the German Posted Workers Act. When choosing its subcontractors or personnel service providers, the Supplier will check for fulfilment of the preconditions set out in this § 15.
- (2) In cases where an employee of the Supplier or an employee of a subcontractor engaged by the Supplier, at any level, or of a personnel service provider has legitimately brought a claim against us as a guarantor to pay the statutory minimum wage or the industry-specific minimum wage, or where one of the bodies representing parties to collective agreements referred to in § 8 of the German Posted Workers Act has required us to pay contributions, the Supplier will indemnify coneon GmbH against such claims.
- (3) The Supplier will also be liable to us for all loss incurred by us as a result of a culpable breach of the duties in this § 15.
- (4) Illegal employment of any kind must be avoided.
- (5) coneon GmbH has made compliance one of its central company values. We therefore expect the Supplier, as part of its business activities, to assist us and join us in observing the relevant provisions of national legislation. This particularly applies to legal requirements concerning occupational health and safety, employee protection, respect for

human rights, the prohibition of child labour, penalties for any kind of corruption or granting of undue advantages as well as environmental protection etc. coneon GmbH further expects the Supplier to communicate such principles and requirements to its subcontractors and to encourage them also to comply with such laws.

§ 16 Product liability

- (1) The Supplier indemnifies us against all claims arising from statutory product liability that are attributable to a defect in the product delivered by the Supplier.
- (2) The Supplier is also liable for any loss we suffer where, as a result of a mistake by the Supplier, we have to take reasonable precautionary measures to avoid extra-contractual liability.
- (3) The Supplier must take out sufficient insurance to cover any product liability claims against the Supplier and, if so requested, the Supplier must present to us a copy of the policy as proof of such insurance.
- (4) Where product liability incidents result in litigation, the Supplier must promptly hand over all relevant evidence and assist us to the best of its ability and compensate us for the reasonable costs of such litigation.

§ 17 Intellectual property rights

- (1) The Supplier indemnifies coneon GmbH and customers of coneon GmbH against claims by third parties arising from any violations of intellectual property rights in respect of delivered items, including all documents, illustrations, technical papers and intellectual property provided by the Supplier, and the Supplier will bear all costs incurred by us in this connection.
- (2) Where intellectual property rights have been violated, the Supplier initially has the right to have a discussion with the owner of the protected right to ascertain the existence, scope and validity of the right and agree on a reasonable licence fee. The Supplier must keep us informed without delay.
- (3) Should such a matter result in litigation, coneon GmbH is entitled to join the proceedings on the side of the Supplier. If the Supplier loses the case through no fault of coneon GmbH, the Supplier must compensate us for the costs of the litigation.
- (4) If the Supplier omits to have a discussion or fails in its efforts to have such discussion, coneon GmbH is entitled to obtain, at the Supplier's expense, authorisation from the owner of the right to use the goods and services in question. Any such entitlement will be capped at the amount needed to repay the purchase price and to make good the loss caused by the defect in legal title.
- (5) Where the specifications given in our drawings, models and other documents produce a work that is protected by copyright, we will be the exclusive owner of the copyright if the essential creative content of the copyright can essentially be attributed to us alone. If this is not the case and a copyright is owned by the Supplier or by the Supplier and us jointly, the Supplier is required to assign to us at no additional cost a right of joint use which is unlimited in its geographic scope and duration and which we are then entitled to use in our dealings with third parties.

§ 18 Data protection

- (1) Data concerning the client or third parties is stored and processed in our computer systems insofar as such storage and processing is necessary for the performance of the contract.
- (2) For this purpose, it is possible that said data may be transmitted to companies within our group. We strictly adhere to the requirements of the General Data Protection Regulation (GDPR).

§ 19 Change in Supplier's financial circumstances, withdrawal from contract

- (1) If the Supplier suspends its payments or if insolvency proceedings are instituted against the Supplier's assets, coneon GmbH is entitled to withdraw from the contract in whole or in part for good cause.
- (2) If the withdrawal from the contract is due to a breach of contract by the Supplier, the services performed up to that point will be invoiced at contract prices only to the extent that such services are or have been usable by coneon GmbH for the intended purpose. Any loss incurred by coneon GmbH will be taken into account when bills are settled. Accordingly, coneon GmbH is entitled to offset sums, withhold payment and exercise other rights of refusal provided by statute where the right to withdraw from a contract is exercised.
- (3) If the Supplier undergoes a significant change in its legal form, management, ownership structure or financial situation, and such change is capable of significantly impairing the results that we were expecting the contract to yield, coneon GmbH will be entitled, without being liable for any costs or loss, to cancel its order.

§ 20 Miscellaneous

We are entitled to assign to third parties our rights under the contract with the Supplier. The Supplier is not entitled to assign the order or significant parts thereof to third parties without our prior written consent. The Supplier may assign its rights under the contract but must in each case give us proper notice; this applies in the case of customary collateral assignments as well as factoring agreements.