

General Purchasing Terms and Conditions

of Waldorf Technik GmbH (last revised: January 2022)

1. Scope/Order placement

- 1.1. The legal relationships between the supplier and Waldorf Technik GmbH (referred to here throughout as "Waldorf Technik") are governed by these Terms and Conditions. Amendments and additions require written form [section 126 German Civil Code (*BGB*)]. General Terms and Conditions of the supplier do not apply – even if they merely supplement these Terms and Conditions – unless Waldorf Technik has expressly agreed to them.
- 1.2. Contracts define the delivery item and the conditions and are binding if they are issued in text form or electronically by Waldorf Technik and confirmed by the supplier. The same applies to any amendments. The delivery item is specified by the Waldorf Technik material number referred to in the contract as well as the documentation prepared for it. A binding quantity and deadline for deliveries only arises from delivery schedules or call-off orders issued by Waldorf Technik, which can be transmitted to the supplier in text form as per section 126 b German Civil Code (*BGB*). If the supplier does not object to this promptly upon receipt, the delivery schedule or call-off order is deemed to have been accepted by the supplier without the need for an order confirmation.
- 1.3. The supplier may engage subcontractors for the performance of its obligations only after prior written consent by Waldorf Technik. The supplier must inform Waldorf Technik in text form about any intention to engage subcontractors in due time before a contract between the supplier and subcontractors is concluded. In such a case, the supplier will be liable for the fault of its subcontractors in the same way as it is liable for its own fault.
- 1.4. Changes to the product or adaptations in the supplier's production which lead to a change in the specification of the drawings or quality standards or otherwise have an impact on the operational safety and function of the Waldorf Technik products are only permissible with the prior written consent of Waldorf Technik and will only be compensated for if this has been agreed in writing in advance. The calculation of hours worked will only be acknowledged on the basis of working hours signed for by Waldorf Technik or its representatives.
- 1.5. If the supplier considers modified or additional services to be necessary or services requested by Waldorf Technik not to be included in the scope of the contract, the supplier must submit a supplementary offer in text form calculated based on the price of the contract without being requested to do so and without undue delay; any shortfall in performance under the contract must be taken into account in this regard. The supplementary offer must include all technical, financial and construction time-related consequences of the deviating performance. The preparation of supplementary offers is free of charge for Waldorf Technik. Consent to deviating performance will be given by issuing a supplementary order in writing. Performance periods or deadlines will only be affected by changes in performance if this has been expressly agreed.

2. Delivery and performance deadlines

- 2.1. Delivery will be made on the dates specified in schedule agreement releases, individual orders and call-off orders. Compliance with the deadlines is a material contractual duty. All of the delivery deadlines stated by Waldorf Technik are to be regarded as binding.
- 2.2. The date of receipt at the Waldorf Technik plant being supplied or at the contractually agreed place of delivery determines compliance with the deadline/period.
- 2.3. Orders are placed DAP (Incoterms 2020) at the specified delivery address. If delivery DAP has not been agreed, the supplier must make the goods available in due time, taking into account the standard time for loading and shipment, and notify the agreed carrier/parcel service for collection.

3. Delay in delivery

- If the agreed delivery deadline is not met due to a circumstance for which the supplier is responsible, the supplier is required to compensate Waldorf Technik for the damage caused by the delay. Acceptance of the delayed delivery or performance does not indicate a waiver of further claims arising from the delay. Foreseeable delays in delivery must be reported to Waldorf Technik in text form without undue delay irrespective of this.
- 3.1. In the event of delivery earlier than agreed, Waldorf Technik may return the goods at the supplier's expense. If an early delivery is not returned, it will be stored at Waldorf Technik at the expense and risk of the supplier until the delivery deadline. Where early deliveries are accepted, the due date for payment of the purchase price will be calculated on the basis of the agreed delivery deadline.
 - 3.2. In the event of a delay in delivery, a contractual penalty of 1.0 % per calendar week or part thereof, up to a maximum of 5 % of the total order value of the delivery or performance, will be due and payable in addition to any further damages. In all other respects, section 341 German Civil Code (*BGB*) applies.

4. Terms of payment and payment deadlines

- 4.1. Payment will be made upon individual agreement. If early delivery was accepted, the due date depends on the originally agreed delivery date.
- 4.2. If the goods supplied are defective, Waldorf Technik may withhold payment on a pro rata basis pending proper performance.
- 4.3. In the case of ongoing deliveries, Waldorf Technik is entitled, even if a separate invoice is issued for each individual delivery, to combine the payment at the end of each week without losing the right to the agreed discount.
- 4.4. The invoice must be sent to Waldorf Technik via email to rechnungen@waldorf-technik.de. It must contain the number and date of the contract, the purchase order, VAT identification number in the case of cross-border deliveries within the EU, unloading point, number and date of the delivery note and quantity of the invoiced goods. The invoice must refer to one delivery note only. Waldorf Technik is entitled to set off claims of the supplier against claims of Waldorf Technik or of companies affiliated with Waldorf Technik under corporate group law. Assignments of the supplier's claim to third parties are only permitted with the written consent of Waldorf Technik. Consent will not be withheld without good cause. Waldorf Technik reserves the right to make payments in checks, bills of exchange or acceptances.

5. Incoming goods inspection, quality assurance, parts requiring documentation

- 5.1. The values determined by Waldorf Technik in the incoming goods inspection are decisive regarding quantities, measurements and weights. Acceptance is subject to inspection for correctness and suitability and otherwise in accordance with the quality requirements of Waldorf Technik. The inspection staff and the domestic and foreign authorities are entitled to inspect the quality of the material and/or the manufacturing process of the delivery items during working hours at the supplier's plant.
- 5.2. Payment of the purchase price does not constitute acknowledgment that the delivery is free of defects and complies with the requirements.
- 5.3. The supplier is required to comply with the state of the art, the safety regulations and the technical data required for its delivery, and to constantly check the quality of its products.
- 5.4. Initial sampling will be performed in accordance with the requirements of the specifications submitted by Waldorf Technik. The inspection documents must be kept for ten years and handed over to Waldorf Technik upon request at any time. The supplier must place its sub-suppliers under obligation to the same extent and within the limits of the law.

6. Notification of defects

Waldorf Technik will notify the supplier of obvious defects in the delivery within 14 days after delivery and of hidden defects within 14 days after they have been identified.

7. Freight, packaging, insurance and transfer of risk

Unless otherwise agreed in writing, deliveries will be made DAP (Incoterms 2020) to the specified delivery address, including packaging and freight. The risk of shipment is borne by the supplier.

8. Liability for defects

The supplier will be liable for material defects and defects in title of the delivery items in accordance with the statutory provisions, unless otherwise stipulated below:

- 8.1. Material defects: If defective goods are delivered, the supplier will first be given the opportunity to remedy the defect by repair or subsequent delivery before the start of production (processing or installation), unless this is unreasonable for Waldorf Technik. If the supplier is unable to do so within a reasonable period of time set for it or if the supplier fails to do so promptly, Waldorf Technik will be entitled to repair the delivery item itself at the supplier's expense, to have this done by a third party or to withdraw from the contract in this respect and to return the goods at the supplier's risk. The supplier will bear any costs thereby incurred. If the same goods are repeatedly delivered defective, Waldorf Technik is entitled to withdraw from the contract after providing a written warning with respect to the unfulfilled scope of delivery. This will have no effect on further-reaching statutory claims.

Waldorf Technik must provide the parts the supplier needs to replace without undue delay upon request and at the supplier's expense. Defects in title: The supplier will be liable for ensuring that the intellectual property rights of third parties (e.g. rights to work results) are not infringed. If using the delivery item should violate intellectual property rights of third parties, the supplier will indemnify Waldorf Technik from all claims if the supplier is at fault. This will have no effect on further-reaching statutory claims.

Upon request, the supplier will inform Waldorf Technik about the use of published and unpublished personal and licensed intellectual property rights and

- applications for intellectual property rights in the delivery item.
- 8.2. Limitation period: Claims due to defects become statute-barred 30 months after delivery of the final product to the end customer, but at the latest 36 months after delivery to Waldorf Technik, unless there is a longer statutory period. Recourse claims of Waldorf Technik against the supplier due to material defects pursuant to sections 445a, 445b, 478 German Civil Code (*BGB*) remain unaffected.
- 8.3. In all other respects, the warranty will be governed by the statutory provisions.
- 9. Liability**
Unless otherwise agreed, the supplier is required to compensate Waldorf Technik for any damage directly or indirectly caused by a defective delivery, by violation of official safety regulations or for any other legal reasons attributable to the supplier, as follows:
The supplier will be liable in accordance with the statutory provisions.
If claims are asserted against Waldorf Technik by third parties, the supplier will indemnify Waldorf Technik in the internal relationship as long and insofar as the supplier would be liable towards Waldorf Technik. Section 254 German Civil Code (*BGB*) will apply accordingly. The supplier will be liable for measures taken by Waldorf Technik to prevent damage (e.g. special inspections, recalls) insofar as the damage associated with such measure is attributable to the supplier. In this respect, the supplier will be given the opportunity to investigate the event of damage.
- 10. Means of production/material orders/parts developed by Waldorf Technik**
- 10.1. Means of production such as models, samples, formers, tools, jigs, drawings and the like, which have been provided to the supplier by Waldorf Technik or have been manufactured by the supplier according to Waldorf Technik' specifications and at Waldorf Technik' expense, as well as material and auxiliary means provided free of charge to the supplier for processing or treatment within the scope of an order, will remain the property of Waldorf Technik and may not be passed on to third parties in any way or otherwise made available for use or used for third parties without written consent, even after the end of the contract. Furthermore, these means of production are to be made available to Waldorf Technik free of charge and in flawless condition after the end of the contract. Waldorf Technik may take over the means of production which were paid by Waldorf Technik on a pro rata basis at the end of the delivery at the current market value of the supplier's share.
- 10.2. Delivery items developed by Waldorf Technik (e.g. manufactured according to Waldorf Technik specifications or drawings) and/or bearing the Waldorf Technik trademark and/or Waldorf Technik part number may be sold by the supplier to Waldorf Technik only. Direct deliveries to third parties are generally excluded. The supplier further undertakes not to offer such parts in catalogs or other advertising or sales documents. If the supplier breaches the aforementioned obligations, Waldorf Technik is entitled to withdraw from the contract and to demand the surrender of the goods obtained from the breach of contract or compensation for the damage incurred.
- 10.3. The supplier must store the material for Waldorf Technik with the diligence of a prudent businessman and is required to inform Waldorf Technik without undue delay if garnishments or other security measures could affect the property of Waldorf Technik. If there are deviations in the means of production provided, e.g. between sample and drawing, Waldorf Technik is required to specify the deviations before the start of production.
- 10.4. If the supplier itself provides development services within the scope of an order, these are included in the purchase price and the exclusive property and right of use will be transferred to Waldorf Technik.
- 11. Confidentiality, data privacy and reverse engineering**
The contractual partners undertake to treat as business secrets all commercial and technical details which are not in the public domain and which become known to them as a result of the business relationship. Drawings, models, templates and samples as well as similar items and software may not be provided or made accessible to third parties. The supplier may not use the existence of the business relationship for the purposes of advertising or publicity without the consent of Waldorf Technik. Subcontractors must be bound by this provision accordingly. Waldorf Technik is entitled to process the personal data received in the course of the business relationship within the meaning of the German Federal Data Protection Act (*BDSG*). Reverse engineering with regard to means of production delivered by Waldorf Technik or other items or services provided to the supplier within the meaning of section 3 German Trade Secrets Act (*GeschGehG*) is prohibited.
- 12. Foreign workers, compliance**
- 12.1. If Waldorf Technik becomes aware of serious violations of occupational health and safety, Waldorf Technik is entitled to withdraw from the contract if the supplier does not remedy reported violations without undue delay.
- 12.2. In this case, Waldorf Technik is further authorized to order the supplier's staff to stop working for it immediately. In this case, damage resulting from delay and consequential damage will be borne by the supplier. The same will apply if the supplier or its vicarious agents or persons otherwise attributable to it commit a competition offense, a property offense, a bribery offense or a comparable offense with respect to persons working for Waldorf Technik or persons instructed by Waldorf Technik, or if there is a reasonable suspicion of this.
- 12.3. The supplier warrants that any subcontractors it uses will comply with the applicable provisions on social insurance and wage tax liability and that any foreign employees engaged will have the required work permit.
- 13. German Minimum Wage Act**
The supplier assures Waldorf Technik that it will comply with the provisions of the German Minimum Wage Act (*MiLoG*) and monitor its compliance by its subcontractors. The German Minimum Wage Act (*MiLoG*) applies to all work performed by employees within Germany, including, for example, domestic assembly work for foreign companies and employment of foreign employees in Germany. If Waldorf Technik is held liable for the supplier's or its subcontractors' non-compliance with the German Minimum Wage Act (*MiLoG*), the supplier will indemnify Waldorf Technik. Waldorf Technik may demand that it be provided with evidence of compliance with minimum wage provisions and related documentation and reporting requirements. Waldorf Technik may further demand that any subcontractors deemed unreliable cease to be employed. Further claims and the right to terminate the contract without notice will remain unaffected.
- 14. Force majeure**
Force majeure, industrial action and other unforeseeable, unavoidable or serious events (including pandemics, in particular Covid-19) will release the contractual partners from their performance obligations for the duration of the disruption and to the extent of its effect. This will also apply if these events occur at a time when the contractual partner concerned is in default. The contractual partners are required to provide the necessary information without undue delay within the bounds of what is reasonable and to adjust their obligations to the changed circumstances in good faith.
- 15. Spare parts procurement obligation**
The supplier undertakes to continue to execute orders for spare and wear parts for at least ten years after the last delivery. Clause 8 (Liability for defects) will apply to spare parts.
- 16. Insurance**
- 16.1. The supplier will take out and maintain customary business liability insurance excluding recourse against Waldorf Technik with a minimum coverage of EUR 5 million during the entire contractual period. Upon request, Waldorf Technik must be provided with proof of insurance coverage by presentation of a certificate from the insurer.
- 16.2. Furthermore, the supplier has to take out adequate assembly insurance for all damages under co-insurance of the risk of and waiver of recourse against Waldorf Technik, its staff and suppliers involved in the performance of services at its own expense, and maintain this insurance until the complete performance of the contractually agreed services. In the event of damage, any existing fire or liability insurance policies of Waldorf Technik are subordinate to the assembly insurance. Upon request, Waldorf Technik must be provided with proof of insurance coverage by presentation of a certificate from the insurer.
- 16.3. If the supplier breaches the insurance obligations resulting from the preceding paragraphs or any other insurance obligations resulting from the contract, the supplier must put Waldorf Technik in the situation it would have been in if the contractually owed insurance coverage had been established and/or maintained.
- 17. Place of performance and applicable law**
The place of performance is the registered office of Waldorf Technik. The place of jurisdiction is Singen (Hohentwiel). However, Waldorf Technik is also entitled to appeal to the courts at the supplier's registered office. The law of the Federal Republic of Germany will apply. The application of the reference provisions of German private international law (conflict of laws) is excluded.