

General Terms and Conditions of Purchase of named companies of ABICOR BINZEL Group

§ 1 General, written form, scope of application, companies of the ABICOR BINZEL Group

- 1.1 These general terms and conditions of purchase (hereinafter: "GTCP") shall apply to all transactions of the contracting party (hereinafter: "Supplier") with a company of ABICOR BINZEL Group according to Section 1.2, unless otherwise agreed in writing. The GTCP shall only apply, if the Supplier is entrepreneur (§ 14 of the German Civil Code - BGB), a governmental entity under public law or a special governmental estate.
- 1.2 The named companies of the ABICOR BINZEL Group are:
 - Alexander Binzel Schweisstechnik GmbH & Co. KG and
 - ABICOR BINZEL Schweisstechnik Dresden GmbH & Co. KG
- 1.3 For our orders and the contracts concluded by us, these GTCP shall apply exclusively. General terms and conditions of the Supplier that conflict with or deviate from these GTCP shall only become part of the contract if and to the extent that we have expressly agreed to their applicability in writing. This requirement of consent shall apply in any case, for example even if we accept the Supplier's deliveries without reservation in the knowledge of the Supplier's general terms and conditions of business.
- 1.4 These GTCP shall apply for all - also future - Supplier services. They also extend to ancillary services as well as advice and information. They shall apply irrespective of whether separate reference is made to them in individual cases. Unless otherwise agreed, the GTCP in the version valid at the time of the Buyer's order or in any case in the version last notified to the Buyer in text form shall also apply as a framework agreement for similar future contracts without us having to refer to them again in each individual case.
- 1.5 Any regulations differing from these terms and conditions must be made in writing. Legally relevant declarations and notifications of the Supplier in relation to the contract (e.g., deadline, reminder, rescission) shall be made in written form or in text form (e.g., letter, e-mail, fax).

§ 2 Inquiries, orders, and conclusion of contract

- 2.1 We are entitled to request prices and other delivery conditions for services from the Supplier at any time. The Supplier shall thereupon submit an offer, which precisely complies with our inquiry regarding all features which are decisive for the service, in particular with regard to quantities and quality of the goods to be ordered. The submission of an offer by the Supplier is free of charge. As far as the offer deviates from our inquiry, the Supplier must expressly mark this. Our inquiries are non-binding and do not constitute an offer in the meaning of Sections 145 et seq. BGB. We are not obligated to accept such an offer from the Supplier.
- 2.2 Our order constitutes a binding offer within the meaning of Sections 145 et seq. BGB at the earliest with the submission or confirmation of the offer in text form. The Supplier shall point out obvious errors (e.g. spelling and calculation errors) and the incompleteness of the order including the order documents to us for the purpose of correction or completion before acceptance; otherwise the contract shall be deemed not to have been concluded.

§ 3 Order confirmation

- 3.1 Our orders can only be accepted within a period of two (2) weeks after the date of dispatch. A delayed acceptance is considered a new offer and requires acceptance by us.
- 3.2 Acceptance by the Supplier shall be made by written order confirmation. The receipt of this confirmation by us is decisive for the observance of the deadline.
- 3.3 The Supplier undertakes to accept the orders within five (5) working days by sending an order confirmation or to reject them by written notification.

§ 4 Deliveries

- 4.1 All specifications contained in our orders for individual and multiple deliveries are binding. This applies in particular to the price, the delivery time, the quality and quantity of the items to be delivered and the place to which the delivery is made to be. Deviations from these requirements are only permissible with our prior consent in text form.
- 4.2 In the event that the delivery date is exceeded, we shall be entitled to the statutory rights. In particular, we are entitled to set the Supplier a reasonable grace period and to rescind from the contract if the grace period expires without results. Damage claims and any claims arising from a contractual penalty/general damages agreement shall remain unaffected. The acceptance of a delayed delivery shall not constitute a waiver of any damage claims or claims arising from a contractual penalty agreement.
- 4.3 The Supplier is obligated to inform us immediately in writing, if circumstances occur or become apparent to him which are likely to jeopardize a punctual, complete and/or defect-free delivery. The delivery time can be extended by agreement with the Supplier; there is no right to an extension of the delivery time.
- 4.4 We are not obligated to accept partial deliveries.
- 4.5 Without our prior consent in text form, the Supplier shall not be entitled to have the services owed by it rendered by third parties (e.g. subcontractors).

§ 5 Supplier declarations

- 5.1 Upon request, the Supplier shall be obligated to enclose a Supplier's declaration in accordance with the respective applicable regulation of the European Union with each delivery. For framework agreements a long-term Supplier's declaration with a validity of one year shall suffice.
- 5.2 Any changes affecting the factual basis of the Supplier's declarations shall be notified to us in writing immediately and without request.
- 5.3 The Supplier shall be liable in accordance with the statutory provisions for all disadvantages incurred by us due to improper or delayed submission of a Supplier's declaration. The Supplier shall, to the extent necessary provide suitable evidence of the information he has included in the Supplier's declaration.

§ 6 Claims due to material defects; product liability

- 6.1 The Supplier is obligated to deliver the ordered goods completely, free of defects and in compliance with the agreed quality or the quality and durability guarantees declared by him. In any case, those product descriptions which - in particular by designation or reference in our order - are the subject matter of the respective contract or have been included in the contract in the same way as these GTCP shall be deemed to be an agreement on the quality. It makes no difference whether the product description comes from us, the Supplier, or the manufacturer. In the event of incomplete or defective services or non-compliance with the agreed quality or a warranty given, we shall be entitled to set a reasonable grace period within which the Supplier shall be obliged, at our discretion, to make a subsequent delivery or rectify the defect at its own expense. If this period expires unsuccessfully, we shall be entitled to assert all rights to which we are entitled by law.
- 6.2 The statutory provisions (Sections 377 et seq. of the German Commercial Code - HGB) shall apply to the commercial obligation to inspect the goods and to give notice of defects with the following proviso: Our obligation to inspect shall be limited to defects which become apparent during our incoming goods inspection under external examination including the delivery documents (e.g. transport damage, wrong and short delivery) or which are recognizable during our quality control in the random sampling procedure. As far as a delivery acceptance has been agreed, there shall be no obligation to inspect. Apart from that, it depends on the extent to which an inspection is possible in the ordinary course of business, considering the circumstances of the individual case. Our obligation to give notice of defects discovered later remains unaffected. Irrespective of our duty to inspect, our complaint (notice of defect) shall be deemed to have been made immediately and in time if it is sent within three (3) working days of discovery or, in the case of obvious defects, of delivery.
- 6.3 If the Supplier is liable to us for damages due to a defective delivery, the damages shall also include such damages which we incur because of claims by third parties to whom we have resold the goods delivered. In this case, the Supplier is obliged to indemnify us against the claims of third parties upon first request. This shall also include the expenses incurred by us from the judicial and extrajudicial defense against claims of third parties.
- 6.4 As far as the Supplier is responsible for a product damage in the meaning of the Product Liability Act, he shall be obliged to indemnify us against damage claims of third parties upon first request as far as the cause lies within his sphere of control and organization and he himself is liable in the external relationship. Within the scope of this liability, the Supplier is also obliged to reimburse any expenses arising from or in connection with a recall action carried out by us. We will inform the Supplier about the content and extent of the recall action to be taken - as soon as possible and reasonable - and give him the opportunity to comment. The statutory claims to which we are entitled shall remain unaffected.
- 6.5 The Supplier undertakes to conclude a product liability insurance with coverage for all predictable personal injury and property damage. The damage claims to which we are entitled shall remain unaffected by this.
- 6.6 The delivery or service shall be performed in such a way that the legal and official regulations as well as the safety-related and occupational medical state of the art applicable at the time of delivery for the respective company of the ABICOR BINZEL Group are fulfilled. This applies in particular to EU regulations, laws based on EU directives, the Equipment Safety Act, accident prevention regulations and other occupational health and safety regulations. If required, the CE mark must be clearly visible, the declaration of conformity or the manufacturer's declaration as well as a hazard analysis must also be supplied. The regulations to be complied with by the companies of ABICOR BINZEL Group include, in particular, but not exclusively, Regulation 1907/2006/EC (REACH Regulation) and Directives 2011/65/EU (RoHS II) 2015/863/EU (RoHS III) or their respective successors or amending Directives.

§ 7 Supplier recourse

- 7.1 We shall be entitled to our legally determined recourse claims within a supply chain (Supplier recourse pursuant to Sections 445a, 445b, 478 BGB) without restriction in addition to the claims for defects. In particular, we shall be entitled to demand from the Supplier exactly the type of subsequent performance (repair or replacement delivery) that we owe our customer in the individual case. Our statutory right of choice (Section 439 para. 1 BGB) shall not be restricted by this.
- 7.2 Before we acknowledge or fulfill a claim for defects raised by our customer (including reimbursement of expenses pursuant to Sections 445a para. 1, 439 paras. 2 and 3 BGB), we shall inform the Supplier and ask for a written statement, briefly stating the facts of the case. If a substantiated statement is not made within a reasonable period of time and if no amicable solution is brought forward, the claim for defects actually granted by us shall be deemed to be owed to our customer. In this case, the Supplier shall be responsible for providing evidence to the contrary.
- 7.3 Our claims from Supplier recourse shall also apply if the defective goods have been further processed by us or another contractor, e.g. by incorporation into another product.

§ 8 Third party rights

- 8.1 The Supplier warrants that no third-party rights, in particular no third-party industrial property rights such as patent rights, copyrights or similar rights, are infringed in connection with its delivery.
- 8.2 If claims are asserted against us by a third party due to an infringement of rights in connection with a service provided by the Supplier, the Supplier shall be obliged to indemnify us against such claims upon first written request. This includes all costs of an extrajudicial and judicial legal defense. The Supplier is obliged to provide us with all information required for a legal defense.

§ 9 Prices, invoice and terms of payment

- 9.1 The price stated in the order is binding. Unless otherwise agreed in the individual case, the price shall include all services and ancillary services of the Supplier as well as all ancillary costs (e.g. proper packaging, transport costs including any transport and liability insurance).
- 9.2 The invoice shall be sent to the address stated in the order or to the e-mail address provided. The invoices may not be enclosed with the delivery, but must be sent separately. The invoices must be formulated in such a way that they can be assigned to the order and verified without difficulty. In particular, they must correspond to the order and contain the order number indicated in our order. The Supplier shall be responsible for all consequences arising from non-compliance with the obligation according to this provision, unless he proves that he is not responsible for such consequences.
- 9.3 The respective statutory value added tax is included in the price.
- 9.4 Unless otherwise expressly agreed, we shall settle invoices on the last day of the same month in the case of goods received from 01 to 15 of a month, and on the 15th day of the following month in the case of goods received from 16 to the last day of a month, with a 3% discount or net within a maximum of 45 days after delivery and receipt of invoice.
- 9.5 We shall be entitled to rights of set-off and retention as well as the defense of non-performance of the contract to the extent provided by law. In particular, we shall be entitled to withhold payments due as long as we are still entitled to claims against the Supplier arising from incomplete or defective services. The Supplier may only set off claims against us that have been legally established or are undisputed. The same shall apply to the exertion of a right of retention.

§ 10 Secrecy

- 10.1 We reserve all property rights and copyrights to the documents, drawings, models, or similar items as well as the submitted know-how provided to the Supplier. All documents, drawings, models, or similar items provided to the Supplier for the submission of an offer or the manufacture of the delivery item may not be used by the Supplier for other purposes, reproduced or made accessible to third parties, unless this is necessary for the fulfillment of the Supplier's obligations. Their transfer to third parties requires our prior consent in any case. They shall be returned to us immediately and without being requested, as far as they are no longer required for the preparation of an offer or the performance of the service to which the Supplier has committed himself. Transferred know-how must be kept secret. The same shall apply in the event of termination of the contract. The Supplier shall treat the abovementioned documents and items and the know-how as business secrets. He shall be liable for damages resulting from a culpable violation of this obligation.
- 10.2 The abovementioned provisions shall also apply to such items, such as models and tools, which are manufactured on the basis of the documents or items provided to the Supplier. These shall become our property after payment.
- 10.3 In addition, the Supplier shall be obliged to treat as business secrets all information, documents, records or items and know-how which are expressly designated by us as "confidential" or in a similar manner as business secrets or where it is clear from the circumstances that they are to be treated as business secrets. This shall not apply to such circumstances which are already generally known.
- 10.4 The Supplier shall impose corresponding obligations on its employees and all third parties it uses to fulfill its obligations.
- 10.5 The Supplier is not entitled to refer to the business relationship existing with us for advertising purposes without our express consent.
- 10.6 The results of the work which arise for the first time at the Supplier in the event of the performance of the deliveries and services commissioned by us, irrespective of whether or not they are protectable (e.g. as a patent or utility model), shall become our property without the need for a separate transfer. The Supplier shall inform us of such results at an early stage.

§ 11 Materials or parts provided

- 11.1 If we provide materials or parts to the Supplier, these shall remain our property. They may only be used for the fulfillment of our order. Such items shall - as long as they are not processed - be stored separately at the Supplier's expense and insured to a reasonable extent against destruction and loss. Any processing, mixing or combination (further processing) of provided items by the Supplier shall be carried out for us. The same shall apply in the event of further processing of the delivered goods by us, so that we shall be deemed to be the manufacturer and shall acquire the ownership of the product at the latest upon further processing in accordance with the statutory provisions.
- 11.2 The transfer of ownership of the goods to us shall be unconditional and without regard to the payment of the price. If, however, we accept an offer of the Supplier for transfer of ownership conditional on payment of the purchase price in an individual case, the Supplier's retention of title shall expire at the latest upon payment of the purchase price for the goods delivered. We shall remain authorized to resell the goods in the ordinary course of business even prior to payment of the purchase price with advance assignment of the claim arising therefrom (alternatively, the simple reservation of title and the one extended to the resale shall apply). This excludes all other forms of retention of title, in particular the extended retention of title, the passed-on retention of title and the retention of title extended to further processing.
- 11.3 In all cases of processing, transformation and/or mixing, the Supplier shall keep the objects subsequently in our (co-) ownership for us and objects belonging to him or third parties separate and at his expense.
- 11.4 The Supplier shall inform us immediately of any execution measures taken by third parties against these items so that we have the opportunity to defend our rights in accordance with Section 771 of the German Code of Civil Procedure (ZPO). If costs of the legal defense pursuant to Section 771 ZPO cannot be obtained from third parties, the Supplier shall reimburse us for such costs.

§ 12 Tools

- 12.1 If, after our order, the costs of acquiring tools are borne exclusively by us, we shall acquire ownership of these tools as soon as the Supplier obtains possession of the tools. In cases where the Supplier does not maintain its own tool shop, the Supplier shall hand over our terms and conditions to its subcontractor with the proviso that we receive a copy with written confirmation of compliance with these terms and conditions. The Supplier shall carefully store the tools for us and treat them with care. The tools may only be used to fulfill the Supplier's obligations towards us. In particular, the Supplier is undertaken to transfer tools to a subcontractor only with our express written consent if this is necessary for the fulfillment of its obligations.
- 12.2 As far as we have acquired the ownership of the tools, we are entitled to exercise the power of disposal of these tools at any time without giving reasons.
- 12.3 The Supplier is undertaken to insure the tools owned by us adequately against accidental loss at his own expense.
- 12.4 Section 10.3 shall apply accordingly.

§ 13 Shipping regulations; transfer of risk

- 13.1 Unless otherwise agreed, all deliveries shall be delivered free of charge.
- 13.2 If the place of destination is not specified and nothing else has been agreed, the delivery shall be delivered to our respective registered office. The respective place of destination is also the place of performance for the delivery and any subsequent performance (obligation to deliver). The risk of accidental loss and accidental deterioration of the item shall pass to us upon handover at the place of performance.
- 13.3 Forwarders and parcel services may only be commissioned with the delivery with our express consent.
- 13.4 When shipping goods, the relevant regulations of the respective freight company must be observed and the most favorable shipping options for us must be adhered to.
- 13.5 Letters, dispatch notes, invoices, etc. must always contain all details that allow assignment to our order without difficulty. In the case of several orders, each order must be treated separately in correspondence.
- 13.6 On the consignment note or the section of the express goods or postal parcel address, all information must be noted, which will allow assignment to an order without difficulty.
- 13.7 For each individual shipment of each order, the Supplier shall attach a delivery note (packing list) to the shipment. The delivery notes must correspond textually to an invoice in accordance with these GTCP. The invoice shall not be deemed to be a delivery note.
- 13.8 The Supplier shall be liable for any costs and damages incurred by us as a result of the Supplier's culpable failure to comply with shipping instructions. This also includes costs and damages incurred by us if shipments can only be accepted late due to the failure to meet the specifications for shipment.

§ 14 Assemblies in our factory

- 14.1 If the Supplier's services include work in our premises, we shall not be liable for such damage suffered by the Supplier, the persons used by the Supplier to perform its obligation or the property of the Supplier or third parties used to perform the obligation. Excluded from this are claims arising from injury to life, body, or health if we are responsible for these damages and other damages based on an intentional or grossly negligent breach of duty. A breach of duty on our part is equivalent to a breach of duty by a legal representative or a vicarious agent. Also excluded is the breach of cardinal obligations.
- 14.2 The Supplier is obliged to comply with the applicable safety regulations when present in our premises.

§ 15 Limitation

- 15.1 The mutual claims of the contracting parties shall become time-barred in accordance with the statutory provisions, unless otherwise stipulated below.
- 15.2 Deviating from Section 438 para. 1 no. 3 BGB, the general limitation period for claims for defects shall be three (3) years from the transfer of risk. As far as an acceptance has been agreed, the limitation period starts with the acceptance. The 3-year limitation period shall apply mutatis mutandis to claims arising from defects of title, whereby the statutory limitation period for claims in rem of third parties for surrender of goods (Section 438 para. 1 no. 1 BGB) shall remain unaffected; claims arising from defects of title shall in no case become time-barred as long as the third party can still assert the right against us - in particular in the absence of a limitation period.
- 15.3 The limitation periods of the sales law including the extension above shall apply - to the extent permitted by law - to all contractual claims for defects. As far as we are also entitled to non-contractual claims for damages due to a defect, the regular statutory limitation period (Sections 195, 199 BGB) shall apply, unless the application of the limitation periods of the sales law leads to a longer limitation period in individual cases.

§ 16 Final provisions

- 16.1 The place of performance for the provision of all services under this contract shall be Buseck/Alten-Buseck for Alexander Binzel Schweisstechnik GmbH & Co. KG and Dresden for ABICOR BINZEL Schweisstechnik Dresden GmbH & Co. KG.
- 16.2 The exclusive place of jurisdiction for all legal disputes shall be Buseck/Alten-Buseck for Alexander Binzel Schweisstechnik GmbH & Co. KG and Dresden for ABICOR BINZEL Schweisstechnik Dresden GmbH & Co. KG.
- 16.3 All legal relations arising in connection with the entering into, performance or termination of this contract shall be governed by the substantive law of the Federal Republic of Germany, excluding the UN Convention on Contracts for the International Sale of Goods. This shall also apply if they are based on tort or other legal grounds.