

General Standard-Metallwerke GmbH Conditions of Purchase

1. Scope of Applicability

- 1.1 The General Conditions of Purchase have applicability for all purchases, work performances and other services that the service provider provides for Standard-Metallwerke GmbH under explicit exclusion of all general terms and conditions of the contractual partner and subject to any deviating written agreements. This also has validity for future business concluded between the contractual partner and Standard-Metallwerke GmbH. Furthermore, any general terms and conditions of the contractual partner that deviate from these General Conditions of Purchase shall only become a constituent part of the contract with the explicit written consent of Standard-Metallwerke GmbH. Neither silence nor the acceptance of a delivery or performance by Standard-Metallwerke GmbH can be deemed to be a recognition of contradictory terms of the contractual partner.
- 1.2 Only the following provisions and laws have supplementary applicability to these General Conditions of Purchase: the currently valid version of the INCOTERMS of the International Chamber of Commerce in Paris, the German commercial code, and the German civil code in that order.

2. Scope of the Order, Text Form

The written order issued by Standard-Metallwerke GmbH has decisive applicability regarding the form and extent of the delivery or performance that has been ordered by Standard-Metallwerke GmbH. Any agreements or other contractual understandings that deviate from this order are to be in writing in order for them to be valid. The written correspondence is exclusively to be entered into with the purchasing department that places the order.

3. Prices, Packaging

- 3.1 The agreed prices are fixed prices net of the statutory Value Added Tax but including customs duties or other taxes and charges. They are deemed to be free delivery address including freight and packaging costs.
- 3.2 Should it be agreed that the contractual partner is to send the goods at the expense of Standard-Metallwerke GmbH, then Standard-Metallwerke GmbH shall only bear the shipping costs to the extent that is customary in the market.
- 3.3 Should Standard-Metallwerke GmbH return packaging that is in a good condition to the contractual partner, it is to be remunerated with 4/5 of the value stated in the invoice. The return is carried out carriage paid within a reasonable period of time. Other returning instructions are to be clearly stated on the delivery note.

4. Liability for Defects, Time Limits, Quality Assurance

- 4.1 The delivery or performance are to be provided free from material defects and defects of title. They are especially to be conform with the intended purpose, the accepted rules of engineering, the pertinent legal or official provisions and any guidelines issued by the trade associations. The contractual partner ensures that the supply or performance does not infringe any third-party industrial property rights and it also holds Standard-Metallwerke GmbH harmless from any third-party claims that are asserted on the basis of such infringements of legal rights.
- 4.2 Any claims are statute-barred 3 years as from receipt of the supply or the acceptance of the performance, in as far as the law does not provide for a longer period of limitation. In the event of a warranty being agreed to separately, Standard-Metallwerke GmbH is entitled to the rights from the warranty, notwithstanding the statutory claims and such stated here. The statutory period of limitation rules have validity with regard to the assertion of warranty claims. The periods of limitation recommence after a successful supplementary performance has been completed (remediating of the defects or a replacement delivery).
- 4.3 In the event of there being justified complaints regarding defects, Standard-Metallwerke GmbH can choose whether to assert the statutory claims for defects. Returns are made by Standard-Metallwerke GmbH carriage paid at the risk of the contractual partner. The payment for a supply or performance cannot be deemed to be a recognition of a freedom from defects.
- 4.4 The contractual partner obligates itself to having a quality assurance system in place in connection with the items that are supplied or the performances that are provided for Standard-Metallwerke GmbH that is conform with the recognised rules of engineering, it especially carrying out professional production inspections, outgoing goods inspections, and acceptance inspections. The duty that Standard-Metallwerke GmbH has to inspect incoming deliveries or services as regards the existence of material defects and defects of title, is restricted to cases of obvious defects, and quality and identification deviations that can be discerned with a visual inspection of the supplied object. These incoming goods inspections are only to be conducted by Standard-Metallwerke GmbH after the goods have been

removed from the warehouse in the scope of the customary production. Standard-Metallwerke GmbH is exempted from an inspection duty should the contractual partner have included analysis certificates.

- 4.5 Should producer liability claims be asserted against Standard-Metallwerke GmbH on the ground of a defect in the goods supplied by the contractual partner, the contractual partner is to exempt Standard-Metallwerke GmbH from the producer liability that results from the defect.

5. Conduct on the Factory Premises, Secrecy

When entering the Standard-Metallwerke GmbH factory premises, the contractual partner shall observe all the existing accident prevention regulations and the supplementary instructions issued by Standard-Metallwerke GmbH. He shall obligate himself to treating all company and business secrets divulged to him, in confidence, and to not using such nor passing such on to third parties. The contractual partner is also to place its assistants under a corresponding obligation.

6. Force Majeure, Periods of Delivery

- 6.1 If and in as far as a non-acceptance, an acceptance that is not in good time or an incorrect acceptance of a delivery or performance by Standard-Metallwerke GmbH being caused by a force majeure, Standard-Metallwerke GmbH shall be relieved of its contractual obligations for the duration of the disturbance and to their extent. A force majeure is especially defined as being malfunctions, a non-adherence to a period of delivery, or a loss of other suppliers, a shortage of energy or raw materials, traffic disturbances, official orders, industrial disputes, turmoil, war, natural catastrophes, fire, flooding, etc. The aforementioned circumstances are also not the responsibility of Standard-Metallwerke GmbH, should such occur during an existing default. Should a force majeure event delay the acceptance of a delivery or performance by a period exceeding four months, Standard-Metallwerke GmbH has the right under exclusion of all other claims, to repudiate the contract with regard to the quantity or performance that is affected by the delivery disturbance.
- 6.2 Orders are to be fulfilled on the agreed date. Standard-Metallwerke GmbH is under no obligation to accept partial performances or deliveries should it not be the case that the acceptance refusal would be in bad faith in individual cases. Delays with the fulfilment of an order are to be notified by the contractual partner immediately after it determines such.

7. Ownership Structures

- 7.1 Items that Standard-Metallwerke GmbH makes available to a contractual partner in the scope of an order, remain the property of Standard-Metallwerke GmbH. A handling or processing is carried out under exclusion of the acquisition of ownership pursuant to sect. 950 of the German civil code (*BGB*), in as far as this is legally permissible. The contractual partner obligates itself to keeping items that it has received from Standard-Metallwerke GmbH for handling, clearly apart from its other stocks, in addition to attaching a visible indication of the existing property of Standard-Metallwerke GmbH to them. The contractual partner also obligates itself to treating such items with the care of a diligent businessman and to insuring them against theft and destruction.
- 7.2 In the event of there being inseparable connections, a blending, or a processing together with other items that do not belong to Standard-Metallwerke GmbH, Standard-Metallwerke GmbH has an entitlement to a co-ownership of the item in the extent of the book value of the goods supplied by Standard-Metallwerke GmbH to that of the other processed materials net of the processing costs. This has corresponding validity should Standard-Metallwerke GmbH make items available that are the property of a third-party.

- 7.3 The contractual partner is to inspect supplied items for material defects and defects in title, immediately after they have been received and then immediately inform Standard-Metallwerke GmbH of any complaints it might have. The contractual partner is only to process items that are free from defects, and it is hereby to act in an appropriate manner.

8. Payments, Cash Discount

- 8.1 Should nothing to the contrary be agreed to, Standard-Metallwerke GmbH settles invoices received between the 1st and the 15th of the month, on the 25th of the month and such received between the 16th and the 31st of the month, on the 10th of the following month, each after deduction of a 3% cash discount.
- 8.2 Payments cannot be discerned as being a recognition of the invoice.

9. Tool Costs, Means of Production, Details

- 9.1 Tools and devices that the contractual partner has purchased for the manufacturing of ordered goods, their maintenance and replacement are the responsibility of the contractual

partner. After completion of the order, Standard-Metallwerke GmbH has the right to purchase such tools and devices against payment of the cost price (taking wear into account, if appropriate).

- 9.2 Models, samples, templates, tools, etc., presentations and other information provided by Standard-Metallwerke GmbH are only to be used for third-party orders after it has received prior written approval from Standard-Metallwerke GmbH.

10. Occupational Safety and the Environment

The occupational health insurance health and safety at work regulations (German Statutory Accident Insurance (DGUV) Regulation 1), especially sect. 5 (Placement of orders) are to be observed and such are a constituent part of our order.

11. Place of Performance, Legal Venue

The place of performance and the legal venue for all contractual relationships between Standard-Metallwerke GmbH and the contractual partner is Werl/Westfalen. Standard-Metallwerke GmbH is also entitled to take legal action at the registered office of the contractual partner.

Valid as of: September 2020