



General Terms and Conditions of Purchase Orders

To be used in all contractual relationships between KELLER GmbH (hereinafter referred to as "Buyer") and companies (hereinafter referred to as "Supplier") for the delivery of products or services, or both.

1. Applicable conditions

- 1.1 The legal relationship between Supplier and Buyer shall exclusively be based on the following Terms and Conditions of Purchase.
- 1.2 Any conflicting terms and conditions of the Supplier are hereby expressly rejected.
- 1.3 The unconditional acceptance of products or services, or both, (hereinafter uniformly referred to as the "subject matter of the contract") or the payment without reservation by the Buyer shall in no case imply the acceptance of the Supplier's General Terms and Conditions.
- 1.4 These Terms and Conditions of Purchase are also applicable to all future business with the Supplier.

2. Conclusion and Scope of Contract

- 2.1 The Buyer declares to order on the basis of these terms and conditions (purchase order). The Supplier shall declare acceptance of the purchase order without reservation within 5 working days (order confirmation), otherwise the Buyer shall no longer be bound by its purchase order.
- 2.2 If the Buyer's purchase order is based on a binding offer from the Supplier, the Buyer declares its acceptance with this order on the basis of these terms and conditions.
- 2.3 By delivering the contractual items, the Supplier declares its acceptance of these terms and conditions, unless otherwise agreed in writing.
- 2.4 Oral modifications after the conclusion of the contract require the written confirmation of the Buyer.
- 2.5 The Supplier must examine the Buyer's requirements and must warn the Buyer immediately in writing prior to the provision of the services if any obstacles are given that might impede the proper fulfilment of the contract.
- 2.6 The Supplier warrants that the delivered contractual items are free from defects, comply with the requirements and with the Buyer's intended purpose assumed according to the contract and possess the assured properties. The Supplier guarantees a complete outgoing goods inspection in order to supply a zero-defect quality.
- 2.7 The place of delivery and the place of final use of the subject matter of the contract may differ. The place specified in the Buyer's purchase order shall be decisive.
- 2.8 The Buyer may request reasonable modifications to the scope of delivery with regard to construction and execution. The consequences thereof, in particular with respect to additional or reduced costs as well as delivery dates, shall be regulated appropriately and by mutual agreement.

3. Prices, payment

- 3.1 The prices agreed upon are fixed prices. The prices are quoted DDU within the European Union (EU). However, outside the EU, the prices are agreed to be DDP (INCOTERMS 2020). The prices include packaging and they are exclusive of the statutory value added tax.
- 3.2 Cost estimates, offers, or both, shall be legally binding and free of charge unless otherwise agreed upon in writing. If the Supplier has assumed to carry out the assembly or the installation, he shall bear all necessary ancillary expenses unless otherwise agreed.

- 3.3 Unless otherwise agreed, the Buyer pays either within 60 days without deduction or within 14 days minus a cash discount of 3 %, upon receipt of invoice and upon delivery or fulfilment, respectively, of the subject matter of the contract (term of payment). The payment is made subject to subsequent invoice verification.

- 3.4 In the event of acceptance of premature deliveries, the payment term shall be based on the originally agreed delivery date.

4. Delivery, Time limits, default in delivery, execution by substitution, contractual penalty

- 4.1 Agreed dates and time limits are legally binding. Relevant for the observance of the date of delivery or the delivery period is the receipt of the subject matter of the contract including complete documentation at the agreed place of delivery.
- 4.2 The Supplier shall make the subject matter of the contract available in good time, taking into account the usual time for loading and shipping. In addition, the Supplier shall coordinate with the Buyer's freight forwarder in cases where no DDP/DDU/CFR/CPT has been agreed.
- 4.3 Partial deliveries are not permitted unless the Buyer has expressly agreed to them.
- 4.4 If agreed deadlines are culpably not met, the Supplier is responsible for a delay. The statutory provisions shall apply unless otherwise agreed below.
- 4.5 The unconditional acceptance of a delayed delivery or service does not constitute a waiver of the claims for compensation to which the Buyer is entitled on account of the delayed delivery or service.
- 4.6 If the Supplier anticipates difficulties that could prevent it from delivering on time or in the agreed quality, it must immediately notify the Buyer in writing, stating the reasons.
- 4.7 In the event of a delay, the Buyer shall set a reasonable deadline for subsequent delivery (grace period). Notwithstanding the foregoing, the Supplier shall compensate the Buyer for any damage resulting from the delayed delivery.
- 4.8 If, in the event of a delay, a reasonable grace period set by the Buyer is not complied with, the Buyer shall be entitled to order the delayed contractual item itself on behalf of and at the risk of the Supplier or to commission third parties to do so. All associated costs and expenses shall be borne by the Supplier. Moreover, the Buyer shall be entitled to terminate the contract.
- 4.9 In emergencies, in particular to avert acute danger or avoid major damage, the Buyer may act without prior notification in accordance with point 4.8.
- 4.10 In addition, the Buyer shall be entitled to demand a contractual penalty of 1% for every calendar day or part thereof of the delay, up to a maximum of 10% of the total order value. In the event that the subject matter of the contract includes certain documents which are to be delivered on specific dates, the Buyer shall be entitled to demand a contractual penalty of EUR 500.00 for each document in default. The contractual penalty shall be offset against claims for damages.

5. Confidentiality

- 5.1 All information made accessible by the Buyer (including features to be taken from objects, documents, drawings or software handed over and other knowledge or experience) shall be kept in confidence from third parties as long as and insofar as it is not demonstrably public knowledge. They shall remain the exclusive property of the Buyer and shall only be made available in the Supplier's company to persons who must necessarily be

involved for the purpose of delivery to the Buyer and who are also obliged to maintain confidentiality. Such information may not be duplicated or used commercially - except for deliveries to the Buyer itself - without the prior written consent of the Buyer. At the Buyer's request, all information originating from the Buyer (including copies and records) and items provided on loan shall be returned to the Buyer immediately and in full, or destroyed, together with a written declaration to that effect.

- 5.2 The Buyer reserves all rights to such information (including copyrights and the right to register industrial property rights). Insofar as the Buyer has received such information from third parties, this reservation also applies for the benefit of these third parties.
- 5.3 Products which are manufactured according to documents designed by the Buyer, such as drawings, models and the like, or according to its confidential information or with his tools or copied tools, may neither be used by the Supplier itself nor offered or supplied to third parties. This shall also apply mutatis mutandis to print orders.

6. Inventions, property rights

- 6.1 The Supplier hereby grants the Buyer a free, transferable and unlimited right of use to protectable inventions within the scope of the legal relationship between the Supplier and the Buyer, in particular in the case of development services. The Supplier shall ensure organisationally that it can meet its obligation to claim and assign.
- 6.2 The Supplier is aware that the contractual items of the Buyer are used worldwide. The Supplier guarantees that all deliveries are free of third-party property rights and, in particular, that patents, licences or other third-party property rights are not infringed by the delivery and use of the delivery items. The Supplier shall indemnify and hold the Buyer harmless with regard to any claims asserted against it under this title (including legal costs). The Buyer shall be entitled to obtain the authorisation to use the relevant delivery items and services from authorised parties at the Supplier's expense.
- 6.3 The Supplier shall grant the Buyer the irrevocable right to freely dispose of the subject matter of the contract, in particular to resell it to third parties.
- 6.4 The contracting parties shall inform each other immediately of any risks of infringement and alleged cases of infringement that become known.
- 6.5 The Buyer shall have the right to use software that is part of the scope of delivery, including its documentation, with the agreed performance features in accordance with the contractual use of the subject matter of the contract. The Buyer may also make a backup copy without express agreement.

7. Packaging, delivery note, invoice, origin of goods, export declaration and export restrictions

- 7.1 The contractual items must be packaged appropriately for transport. The Supplier is solely responsible for the correctness and completeness of the accompanying documents. In the case of hazardous goods in particular, the Supplier is responsible for ensuring that both the packaging and its labelling as well as the means of transport and its labelling comply with the relevant provisions for the respective mode of transport (road, rail, inland or deep sea shipping or aviation). Any special labelling and/or preservation regulations specified in the order must be complied with.
- 7.2 A delivery note and a separate invoice must be issued to the Buyer for each consignment. They must contain the supplier number, date and number of the order, quan-

tity and article numbers of the Buyer and the Supplier, number and date of the delivery note, gross and net weights listed individually, additional data of the Buyer specified in the order (e.g. unloading point, project number) as well as the agreed price/quantity units. Each delivery must be accompanied by a packing list with an exact list of contents, stating the order number.

- 7.3 If the invoice relates to different orders, the information provided in clause 7.2 must be listed separately for each order.
- 7.4 A supplier based in the EU must provide the Buyer with the customs tariff number and, upon request and free of charge, with Certificates of origin for the contractual items. In addition, the Supplier must always clearly label contractual items not originating in the EU with "not originating in the EU" on the delivery note. A supplier not based in the EU must also inform the Buyer of the customs tariff number and the proof of preference for the respective contractual items and, upon request and free of charge, enclose a Certificate of origin with the delivery. The Supplier shall indemnify the Buyer against all costs incurred as a result of incorrect, incomplete or erroneous statements or documents of origin. In the case of non-Community orders (not within the EU, NAFTA, Mercosur, etc.), the Supplier must enclose an export declaration.
- 7.5 The Supplier is obliged to clearly inform the Buyer of any export restrictions in offers, orders and on invoices. This includes, in particular, labelling in accordance with the respective national export laws concerned, in particular German, American and Japanese export law, indication of the export list numbers (AL) concerned and indication of the American Export Control Classification Number (ECCN) in the case of contractual items that are subject to American export law.

8. Force Majeure, Transfer of risk

- 8.1 Force majeure, industrial disputes or non-culpable disruption of operations, unrest, official measures and other unavoidable events shall release the Buyer from its obligations for the duration of the events. In addition, the Buyer is entitled - without prejudice to its other rights - to withdraw from the contract in whole or in part, insofar as they result in a significant reduction in its needs and are not of insignificant duration.
- 8.2 The Supplier shall bear the risk until acceptance by the Buyer or the Buyer's authorized agent at the place to which delivery is to be made in accordance with the order (place of delivery). If the Supplier has assumed responsibility for installation, assembly and/or commissioning, the Supplier shall bear the risk until acceptance by the Buyer or its authorised representative. If a place of final use is specified in the order in addition to the place of delivery, the transfer of risk shall extend to the place of final use.

9. Warranty, Liability

- 9.1 The statutory provisions on defects of material and title (hereinafter referred to as material defects) shall apply unless otherwise stipulated below.
- 9.2 A material defect exists if the delivered contractual items do not correspond to the agreed scope of delivery.
- 9.3 Acceptance of the subject matter of the contract is subject to inspection for material defects, in particular for correctness, completeness and suitability. The Buyer shall be entitled to inspect the subject matter of the contract insofar as and as soon as this is pertinent in the ordinary course of business. Any material defects discovered shall be notified by the Buyer without delay. In this respect the Supplier shall waive objection to a

delayed notification of material defects. For quantities, weights and dimensions, the values determined by the Buyer in the event of a successful incoming goods inspection shall be decisive, subject to proof to the contrary.

- 9.4 If there is a material defect, the Supplier must remedy it. The Buyer may, at its discretion, specify either rectification of the defect or subsequent delivery. In the event of a subsequent delivery, the entire subject matter of contract must be delivered again.
- 9.5 The Buyer's claim to rectification ends 24 months after defect-free acceptance by the end customer, but no later than 36 months after acceptance of the delivery by the Buyer, unless otherwise agreed in writing. To maintain the Buyer's claims, it is sufficient if the material defect was reported within the aforementioned period.
- 9.6 If a material defect becomes apparent within the period agreed in 9.5 sentence 1 since the transfer of risk, it shall be assumed that it was already present at the time of the transfer of risk, unless this is incompatible with the nature of the item or the material defect.
- 9.7 If a rectification is to be carried out, the Buyer shall set the Supplier a reasonable deadline within which the rectification must be carried out. If the Supplier has not remedied a notified material defect within the set period, the Buyer may remedy the defect itself on behalf of and at the risk of the Supplier or commission third parties to do so. Moreover, the Buyer shall be entitled to terminate the contract.
- 9.8 In emergencies, in particular to avert acute danger or avoid major damage, the Buyer may act without prior notification in accordance with point 9.7.
- 9.9 For the duration of a rectification or subsequent delivery, the period according to 9.5 sentence 1 is suspended until the Supplier has completely fulfilled the claims for subsequent fulfilment. The period according to 9.5 sentence 1 shall begin anew for all repaired and/or redelivered contractual items.
- 9.10 The Supplier shall pay compensation for any breach of duty and the resulting damage. In addition, the Buyer may also reduce the purchase price or withdraw from the contract. Further claims remain unaffected. The Supplier shall bear all costs and expenses incurred by the Buyer pursuant to 9.1 to 9.8 as a result of defective delivery of the subject matter of the contract, in particular transport, travel, labour, material costs and/or costs for a quality control exceeding the usual scope; the same shall apply to costs which the Buyer has to reimburse to its customers.
- 9.11 If the Buyer takes back products manufactured and/or sold by the Buyer as a result of the defectiveness of the contractual item delivered by the Supplier or if the purchase price was reduced or otherwise claimed against the Buyer as a result, the Buyer reserves the right of recourse against the Supplier.
- 9.12 As long as there is a material defect, the Buyer may withhold payment.
- 9.13 In the event of defects of title, the Supplier shall also indemnify the Buyer and its customers against third-party claims. A limitation period of 10 years applies to defects of title.

10. Other liability

- 10.1 If a claim is made against the Buyer on the basis of product liability, the Supplier shall indemnify the Buyer if and to the extent that the damage was caused by a defect in the contractual item delivered by the Supplier. In the cases of liability depending upon culpability, however, this shall only apply if the Supplier is at fault. If the cause of the damage lies within the Supplier's area of respon-

sibility, the Supplier shall bear the burden of proof in this respect. In such cases, the Supplier shall bear all costs and expenses, including the costs of any legal action or recall action.

- 10.2 The Supplier undertakes to take out business and product liability insurance including product property damage and recall costs. The insurance must have at least a rating according to the following rating agencies (A.M.Best: A/A-, Fitch: AA, Moody's: Aa, Standard & Poor's: AA). The sum insured must be at least EUR 5 million for personal injury and property damage as well as for product property damage and recall costs. The insurance certificate must be presented at the request of the buyer.

11. Assignment of claims

- 11.1 Without prior written consent, which may not be unreasonably withheld, the Supplier may not assign its claims against the Buyer, offset them or have them collected by third parties.
- 11.2 The Buyer may withhold payments or declare offsetting on the basis of counterclaims.

12. Ownership, provision of tools

- 12.1 Retention of title by the Supplier requires an express separate agreement to be effective.
- 12.2 The materials and tools provided by the Buyer shall remain its property and may only be used as intended. The processing of materials and the assembly of parts shall be carried out for the Buyer. The Buyer shall be co-owner of the products manufactured using his materials in the ratio of the value of the materials provided to the value of the overall product, which shall be kept in safe custody for the Buyer by the Supplier.
- 12.3 Upon request, the Supplier shall clearly and visibly mark the Buyer's ownership of the tools provided. In addition, the Supplier is obliged to use the tools provided exclusively for the manufacture of the contractual items ordered. The Supplier shall insure the tools provided by the Buyer at replacement value against fire and water damages and theft at his own expense. The Supplier is obliged to carry out any necessary maintenance and inspection work in good time at his own expense. He shall notify the Buyer immediately of any malfunctions.
- 12.4 Upon request, the Supplier shall immediately return to the Buyer any material and/or tools provided. A right of retention is excluded.

13. Quality and documentation

- 13.1 With regard to the delivery item, the Supplier must apply state-of-the-art science and technology and comply with the safety regulations prevailing both in the country of the Buyer and in the country of the end use specified in the order, and he must comply with the technical data agreed upon. For this purpose he shall establish an appropriate quality management and provide evidence thereof.
- 13.2 The Supplier is obliged to deliver a CE declaration of conformity including the relevant documentation together with the first delivery.
- 13.3 The Supplier must record in his quality records that a production free from defects was ensured for all subject matters of the contract, stating the dates and methods of production and the persons responsible. The Supplier must keep these records for 15 years and must present them to the Buyer upon request. The Supplier has to commit his subcontractors to carry out the same procedure.

14. Safety, environmental protection, social standards and human rights (CSR)

- 14.1 Individuals who carry out work on factory premises of the Buyer or third parties in fulfilment of the contract shall observe the respective work regulations. Liability for accidents that happen to these persons on the factory premises is excluded, insofar as these were not caused by intentional or grossly negligent breach of duty by the respective legal representatives or vicarious agents.
- 14.2 Packaging should be designed in such a way that it is easily separable and recyclable, mixed containers are avoided and materials made from naturally renewable raw materials are used. Appropriate product and material information shall be provided.
- 14.3 As part of its corporate responsibility, the Supplier undertakes to comply with minimum social standards and the requirements of the German Supply Chain Act (LkSG) and the associated CSR rules when manufacturing the contractual items ordered. The Supplier, moreover, undertakes to comply with the principles of the SA 8000 standard (Social Accountability Standard); in particular with regard to the prohibition of child labour, slavery, forced labour, the violation of occupational health and safety, discrimination of any kind and inhumane working conditions, inadequate wages, the obstruction of trade unions and employee representatives, the denial of food and water and the unlawful deprivation of land and livelihoods.
- 14.4 The Supplier undertakes to comply with all local statutory environmental regulations in the manufacture of the contractual items; he shall provide suitable proof upon request.
- 14.5 The Supplier warrants to pay its employees the statutory minimum wage and also to oblige its subcontractors and their subcontractors accordingly. The Supplier declares that it is not excluded from awarding public contracts.
- 14.6 The Supplier of KELLER is required to respect and promote the principles of CSR in its business processes.
- 14.7 The Supplier undertakes to comply with the Buyer's Declaration of Principles (CSR Code of Conduct) on respect for human rights, which is available on the Buyer's website at <https://www.keller.de/Einkauf>.
- 14.8 The Supplier is prohibited from offering gifts and other benefits. Any attempt at bribery shall lead to immediate termination of the business relationship.
- 14.9 Any breach of Clauses 14.3 to 14.5 shall entitle the Buyer to rescind the contract.

15. Compliance with the requirements of EU legislation - REACH Regulation and RoHS Directive

The REACH Regulation (Registration, Evaluation, Authorisation and Restriction of Chemicals) and the RoHS Directive (Restriction of Hazardous Substances) are EU laws that regulate the use of certain hazardous chemicals in products.

- 15.1 REACH Regulation
- 15.2 Registration obligation: The Supplier must ensure that all chemical substances contained in the products he supplies in quantities exceeding one tonne per year per substance are registered in accordance with the provisions of the REACH Regulation. This means that the Supplier must provide the necessary information and documentation to ensure compliance with the registration requirements.
- 15.3 Communication of Safety Data Sheets (SDS): The Supplier must provide the current and complete Safety Data

Sheets (SDS) for all chemicals and substances contained in the supplied products. The SDSs shall provide relevant information on safe use, handling and exposure to hazardous chemicals.

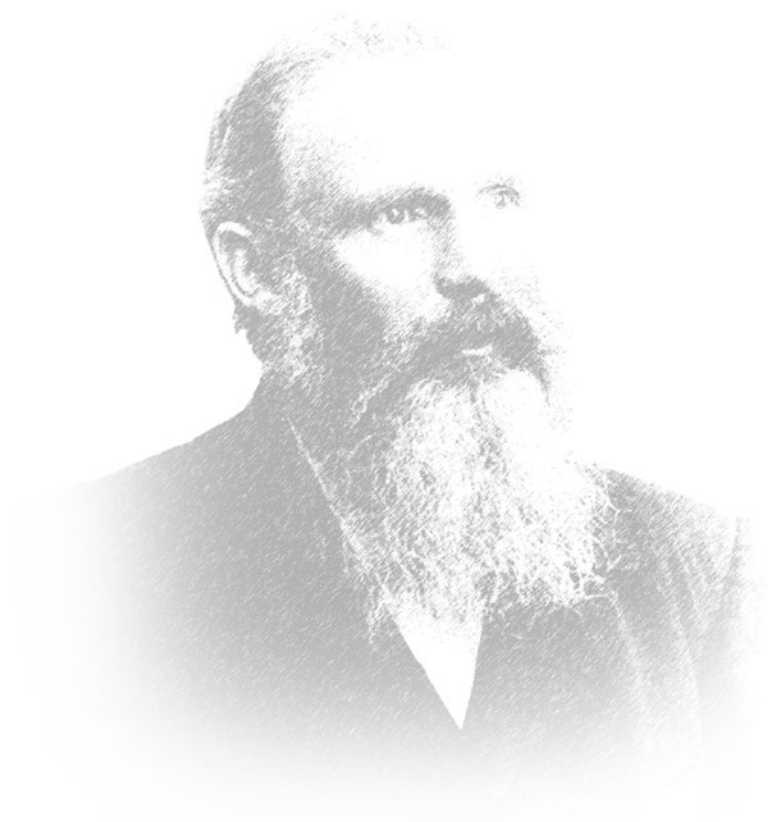
15.4 RoHS Directive

Restriction of hazardous substances: The Supplier must ensure that the products he supplies comply with the restrictions set out in the RoHS Directive. This directive sets limits for certain hazardous substances in electrical and electronic equipment, including lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls (PBB) and polybrominated diphenyl ethers (PBDE). The Supplier must ensure that these substances are not present in concentrations above the prescribed limits in the products supplied.

Proof of conformity: The Supplier must provide evidence and certificates of compliance with the RoHS Directive for the products supplied. This can be done by test reports from accredited laboratories or other appropriate documentation proving that the products comply with the prescribed restrictions.

16. Final Provisions

- 16.1 Contracts, orders and order confirmations must be in writing. This requirement may be waived by prior written agreement.
- 16.2 If required, the Supplier shall set up a consignment warehouse at the request of the Buyer. In this case, the contracting parties shall conclude a separate contract on this.
- 16.3 In all legal disputes arising directly or indirectly from contractual relationships, the Buyer shall be entitled to sue the Supplier at its discretion at the Supplier's registered office or at the Buyer's registered office or at the place of fulfilment.
- 16.4 The contractual relations shall be governed by the law of the Buyer's domicile to the exclusion of any conflict of laws and the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- 16.5 If insolvency proceedings are initiated in respect of the Supplier or its assets, or judicial or extra-judicial composition proceedings are applied for, the Buyer shall be entitled to withdraw from the contract for the part not performed.
- 16.6 Should any provision of these Terms and Conditions of Purchase and the further agreements made be or become invalid, the validity of the Terms and Conditions of Purchase in other respects shall not be affected. The contracting parties shall be obliged to replace the invalid provision by a provision which comes as close as possible to it in terms of economic success.



High-tech solutions from tradition

KELLER

Creating Solutions

KELLER HCW GmbH · Carl-Keller-Str. 2-10 · D-49479 Ibbenbüren · Germany
☎ +49 (0) 5451 85-0 · 📠 +49 (0) 5451 85310 · ✉ info@keller.de · 🏠 www.keller.de

KELLER A DIVISION OF GROUPE *LEGRIS* INDUSTRIES