

## 1. Scope

1.1 The following Terms and Conditions shall exclusively apply to all our orders, assignments and concluded contracts – hereinafter named "orders" - pertaining to the purchase of goods as well as work performances and services – hereinafter named "deliveries" -. We hereby explicitly object to all and any supplier terms and condition deviating from or in contradiction to these Terms and Conditions. They shall not be binding upon us. Our Terms and Conditions of Purchasing shall also exclusively apply if we in particular cases fail to object to inclusion of our supplier's terms and conditions or if we accept supplier's deliveries without any reservations while being aware of supplier terms and condition deviating from or in contradiction to these Terms and Conditions. Our Terms and Conditions of Purchasing shall apply only to businesses (§14 BGB [German civil code]) and/or registered merchants.

1.2 These Terms and Conditions of Purchasing shall also apply to any future business transactions with the supplier even if they are not explicitly agreed again.

1.3 The ineffectiveness or unfeasibility of a particular clause of these Terms and Conditions of Purchasing shall not have any effect upon the effectiveness of the remaining clauses. The parties will agree on a clause to replace the ineffective or unfeasible clause which in business terms comes closest to what the ineffective or unfeasible clause had originally intended.

## 2. Conclusion of contract

2.1 All agreements between us and the suppliers and all orders shall be binding upon us only if they have been fixed in writing. We must also confirm in writing all alterations, amendments and ancillary agreement before, during or after contract conclusion. Any waiver of the written form must also be in writing. Transmission per telefax, e-mail or remote data communication shall be equivalent to written form.

2.2 If the supplier fails to accept in writing our order within two (2) weeks after receipt, we are entitled to cancel the order. Delivery call-offs shall be binding if the supplier fails to object within three (3) workdays after their receipt. Alterations of, amendments to and deviations from our orders are effective only if explicit and separate reference is made to these and we explicitly approve of these.

2.3 We may insist upon changes to the delivery item also after conclusion of contract provided such request can be reasonably expected of the supplier. As pertains to the contract changes, both sides will adequately take the effects into consideration, particularly in terms of higher or reduced costs as well as delivery schedule.

2.4 No compensation will be paid for visits or the preparation of quotations, projects, etc..

2.5 The supplier will treat conclusion of the contract as confidential and may refer to business relations to the orderer in advertisement material only if the latter has previously approved of such in writing.

## 3. Prices and terms of payment

3.1 The prices stated in the orders are fixed prices and are not subject to any supplemental claims of any kind. The prices include delivery DDP (Incoterms 2020) as well as packaging, adequate transport insurance to be taken out by the supplier and all other costs arising in context with delivery unless explicitly agreed differently in writing. The statutory value-added tax must be itemized separately; otherwise it shall be considered as included in the price.

3.2 If the supplier is responsible for installation, assembly or start-up and no different written agreement has been made, the supplier will bear all required accessory charges e.g. travel expenses and provision of tools.

3.3 We can process any invoices only if these are sent to us by separate standard mail or e-mail. Collective invoices are admissible only if we have previously agreed in writing. The invoices will feature the order number stated in our order sheet, the order date, and the supplier code as well as our article number, all distinctly highlighted.

3.4 Invoices will be made out in euros; payments will exclusively be made in euros. Supplier will provide us with his banking particulars, the correct IBAN and BIC as well as VAT identification number.

3.5 We may elect to make payments by bank transfer or by check, after the delivery has been formally accepted and an auditable invoice as well as all required documents pertaining to the delivery have been provided. If previously agreed upon, we may also settle the invoice with the credit memo procedure in compliance with the applicable tax laws. Unless explicitly agreed differently in writing, we will pay within 14 days with a 3% discount or net within 30 days.

3.6 Without our prior written consent, the supplier may not entirely or partially transfer his claims against us or dispose of these otherwise.

3.7 We are entitled to offsetting and retention rights as provided by applicable law

## 4. Delivery schedules and conditions, packaging

4.1 The dates stated in the purchase order or agreed otherwise are binding and will be strictly observed. The supplier will immediately notify us in writing of any potential delays or failure to observe deadlines and schedules of which he becomes aware; such notification will state the reasons and possible duration of the schedule deviation.

4.2 Partial deliveries, surplus or short shipments as well as delivery ahead of schedule are admissible only if we explicitly consented to such. However, claims to payment will arise at the earliest at the delivery date originally agreed.

4.3 The obligation to take back packaging shall be based upon statutory requirements. If the orderer as an exception is charged separately for packaging, he shall be entitled to send packaging material in good condition back to the supplier freight paid for a refund. Eco-friendly packaging material shall be used. Our packaging guidelines for suppliers can be viewed on the homepage [www.staiger.de/suppliers](http://www.staiger.de/suppliers). The guidelines defines our standard requirements for packaging.

4.4 Unless agreed upon differently, a delivery note and a specific test report acc. to EN 10204 or an equivalent internationally accepted test certificate stating the specifications agreed with the supplier will be enclosed to the delivery. The entire initial sample test documentation will be enclosed to initial consignments, particularly those with sample status.

4.5 In the event of delivery delays, we are entitled to request payment of a contractual penalty of 1% per started week of delay, however no more than a total of 10% of the contract value; the supplier shall be entitled to prove to us that there was no damage at all or that the damage was significantly lower. Assertion of further claims to compensation for damages is reserved. We are obligated to declare the reservation of contractual penalty at the latest at the time we pay the invoice following in time upon the delayed delivery.

4.6 Any events caused by Force Majeure, which render impossible or significantly impede delivery by our supplier or acceptance or use of the shipment at our plant or by our customers, will appropriately postpone our obligation of acceptance in compliance with our actual need. If we or our suppliers suffer any events caused by Force Majeure, we are, at our sole discretion, also entitled to withdraw from the contract entirely or partially.

## 5. Place of fulfillment, passage of risk, acquisition of ownership

5.1 Place of fulfillment shall be the site stated in the purchase order to which the goods shall be delivered or at which the work performances and services are to be provided. Our legal place of business shall be place of fulfillment for our payments.

5.2 The delivery/service will be made/provided for supplier's account and at his risk properly packed for transport free place of delivery to/at the address we stated. The risk of accidental loss or accidental deterioration of the shipment, even if we have agreed to cover the freight costs, shall pass to us only at the time of acceptance by us or our assigned forwarding company at the agreed place of fulfillment or after final acceptance of the delivery, whichever date is later.

5.3 We acquire ownership rights to the goods without the supplier having any retention rights at the time risk passes at the place of fulfillment or with transfer to our assigned forwarding company.

5.4 For delivery of machines and installations, risks pass over only after the final acceptance at the place of fulfillment.

## 6. Liability for defects and other liability

6.1 We will inspect the delivered goods for identity and quantity as well as visible transport damages only on the basis of the transport documentation. As soon as we have determined defects in delivery in the course of regular business operations, we will notify the supplier within an appropriate period of at least five (5) workdays after their discovery. In this respect the supplier will waive any entitlements to plea of delayed notice of defects. We retain the right to charge a processing fee of €40 in the event of any complaints.

6.2 Unless agreed differently in this item, the supplier shall be liable according to statutory regulations, in particular for defects in delivery, without such liability on the merits and to the extent being restricted or excluded, and in this respect holds us harmless against third-party claims.

6.3 We are principally entitled to choose the type of supplementary performance. The supplier may refuse type of supplementary performance we choose only if it is associated with unreasonably high costs.

6.4 If the supplier upon our request to remedy a defect fails to begin immediately with such remedy of defect, we are, in particular to avert immediate danger or avoid extensive damage, entitled to remove the determined defects ourselves at the supplier's expense or to have these remedied by third parties without being required to first fix a grace period.

6.5 Unless agreed upon differently or if statutory regulations provide for longer terms, claims for material defects will lapse 24 months after the end product is sold to our customer, however no later than 36 months after delivery to us. For work performance, the period of limitation shall be 36 months after written final acceptance. If the delivery according to its usual use is used for a building structure and if the delivery caused its defectiveness, the statute of limitation shall come into effect only after five years. Any further statutory rights and entitlements shall remain unaffected.

6.6 In the event of any defects of title, the supplier will also hold us harmless against any third-party claims. The period of limitation for any defects in title including any exemption claims as in sentence 1 shall be 10 years.

6.7 If faulty delivery leads to Incoming inspections exceeding usual intensity and frequency, the supplier shall bear the ensuing costs.

## 7. Product liability

7.1 The supplier will hold us harmless against any third-party claims from or in context with any personal or property damages if and to the extent the cause lies within the supplier's scope of responsibility and control. In this context, the supplier shall also be obligated to refund to us all expenditures in compliance with statutory regulations on agency without specific authorization which we incur from or in context with any recall actions or other such measure which we might stage.

7.2 The supplier agrees to take out and maintain an extended product liability and recall cost insurance with an insured sum each of at least EUR 2,500,000 all-inclusive (two million five hundred thousand) per personal or property damage. However, our claims shall not be restricted to the amount of coverage.

## 8. Attention to copyrights and regulations

8.1 The supplier assures that his deliveries and their use are not in violation of industrial property rights or other third-party rights and that they are not in violation of any legal or administrative regulations irrespective of their particular nature. The supplier agrees at our request to make all relevant IMD-System data available at no cost.

8.2 The supplier agrees to hold us harmless against all claims which third parties might assert against us due to or in context with the delivery or its use. Paragraph 6.7 sentence 2 applies.

8.3 The supplier's indemnity bond applies also to all expenses which we incur from or in context with claims a third party might assert against us.

8.4 When delivering machinery and installations, the supplier will enclose a hazard analysis acc. to DIN EN 14121-1 in compliance with EC machinery directive 2006/42/EC at no cost, provided the machinery and installations to be delivered fall under this EC machinery directive.

8.5 The supplier is obligated to maintain a so-called Proof of Origin for the contract items, i.e. the supplier must provide us in due time with the required declarations on the origin of the contractual objects in terms of commercial and preferential law and also notify us immediately and without further request of any change in origin. If appropriate, the contractor shall provide evidence of his stated information in respect of origin of the contractual products by means of an information sheet confirmed by his customs office. If the supplier fails to fulfill this obligation, he shall be liable for all and any damages arising.

8.6 Third parties are responsible for compliance with the relevant occupational health and safety regulations (German Occupational Safety Act - ArbSchG) and the German trade associations' accident prevention regulations (BGV) when carrying out the provision of services on our business premises. Suppliers who fail to comply with this obligation shall be liable for all damages arising out of such failure.

## 9. Reservation of ownership, tools, material made available

9.1 We retain ownership rights to the goods we make available (e.g. parts, components, semi-finished goods).

9.2 Reservation of ownership shall also apply to goods resulting from the processing, mixing or combining of our goods in their full amount, whereas these processes are performed on our part so that we are considered as manufacturer. If third party ownership rights stay in effect after processing, mixing or combining with goods from those parties, we shall acquire joint ownership at a ratio of the objective value of those goods

9.3 Tools made available to the supplier as well as tools manufactured by the supplier himself or ordered at a third party on our behalf, to the costs of which we have contributed, shall remain our property or shall pass into our ownership upon manufacturing and/or acquisition by the supplier, they must be stored separately and must be clearly marked as our property

9.4 The supplier shall hold our tools in secure custody on our behalf at no charge, insure them adequately and furnish evidence of insurance cover at our request. The supplier shall use the tools exclusively for the purpose of manufacturing parts for us, unless otherwise agreed upon.

9.5 The supplier at his own cost shall ensure proper maintenance and repair of the tools we provide to him. At the time the contract expires, the supplier shall surrender the tools without delay at our request; the supplier is not entitled to any retention rights. Upon surrender, the tools must be in apparent good order and condition corresponding to their earlier use. Costs of repair during the tool's service life shall be borne by the supplier. The supplier may under no circumstances scrap the tools without our prior written approval.

## 10. Quality assurance

10.1 The contractor undertakes to maintain a quality management system during the whole period of the contractual relationship in conformity with the requirements of the standard DIN EN ISO 9001 and/or DIN EN ISO 13485 and to monitor this at regular intervals by means of internal audit. In the event of any deviation, he shall immediately undertake the necessary measures such that the flawless quality of all consignments to us is guaranteed. We have the right to inspect the supplier's quality assurance system at all times following prior notification of our inspection. At our request, the contractor shall allow us to review his certification and audit records and shall grant us access to all test records and documentation undertaken in respect of the deliveries.

10.2 If a quality assurance agreement has been concluded with the supplier, this is part of all orders and agreements between the supplier and us. The current version is available for review at [www.staiger.de](http://www.staiger.de).

## 11. Secrecy, records

11.1 The supplier agrees to refrain from disclosing to third parties and to treat confidentially all information, drawings, models, tools, technical records, processing documentation, software and other technical or business-related know-how as well work results achieved in context therewith (hereinafter named "confidential information" which we disclose to him or which he obtains through us. He may use these at his own site exclusively for the purposes of assuring delivery to us and they may be made accessible only to those persons who need to know this confidential information in context with the business relation and who have been obligated to maintain secrecy in compliance with this regulation. This

applies also over and beyond the duration of the business relation if the supplier cannot provide evidence that he was already familiar with the confidential information at the time of its disclosure or that it was already in the public domain or came into the public domain through no fault of the supplier.

11.2 Any documents (e.g. drawings, figures, test specifications), samples, models etc. we make available to the supplier during the business relationship will remain in our ownership and must be surrendered to us on our request at any time, no later than at the end of the business relationship (including any copies, extracts and replicas), or by our choice must be destroyed at supplier's cost. The supplier has no right of retention thereto.

11.3 The disclosure of confidential information and any possible transmission of documents, samples or models shall not establish any supplier entitlements to industrial property rights, know-how or copyrights and constitutes no prior publication and no right of prior use according to the Patent and Utility Model Law.

## 12. Compliance

12.1 Supplier guarantees not to deal with or otherwise cooperate with any terrorist, terrorist organizations or any criminal individuals, entities or anti-constitutional organizations. Supplier will in particular establish reasonable organizational measures to implement the EC regulations No. 2580/2001 and 881/2002 as well as other respective requirements under US or international laws and regulations, in particular adequate software systems. As soon as goods have left our facilities, supplier alone shall be responsible for the aforesaid compliance and will indemnify us for all and any claims or related costs, including reasonable attorney or consultant fees or administrative penalties and/or damages resulting from the violation of the respective laws and regulations by the supplier, his affiliates, employees, officers and/or any of his agents.

12.2 Supplier acknowledges that we as a manufacturer of products are a downstream user as defined in the EC directive 1907/2006 ("REACH") and supplier warrants to comply with any and all obligations REACH imposes on supplier, or which – with regard to REACH – are necessary

to sell, process or trade goods within the EC, particularly including: (a) necessary pre-registration, registration or authorization of chemical substances or preparations, (b) implementation of internal organizational measures to document REACH compliance, (c) coverage of any use(s) of chemicals or preparations in the goods (as well as in any packaging materials) specified by us or any of our customers towards the supplier within (a) and (b), (d) information without delay whether a substance or preparation which has been pre-registered will not be finally registered or authorized within the respective transition period and (e) no sale of any good containing prohibited Substances of Very High Concern (SVHC) ((a) to (e) together "REACH Conformity").

Supplier acknowledges that any breach of a REACH Conformity is in terms of the applicable laws assumed to result in a defect of the respective substance, preparation or other good and supplier will hold us harmless against, and will defend and indemnify us against and will support at suppliers expense any respective proceedings regarding any and all claims, liabilities, expenses and damages caused by the Supplier as a result of breaching the aforesaid REACH Conformity.

12.3 The Supplier shall comply with the requirements of EU Directive 2011/65/EU in force at the date of delivery (together with any additions and annexes) and fulfil all of its obligations under the Directive.

## 13. Applicable law, place of jurisdiction

13.1 The business relations with our suppliers shall be exclusively governed by the laws of the Federal Republic of Germany to the exclusion of its private international law as far as it refers to the applicability of another legal system. The UN Convention on the International Sale of Goods (C.I.S.G.) and other international conventions on uniform law on the sale of goods shall explicitly not apply.

13.2 For all claims from business relations with our suppliers, in particular the contract or its validity, the place of jurisdiction shall be Erlgheim. We shall, however, at our own discretion be entitled to bring legal action against the supplier in any other general or special legal venue.

13.3 If a supplier's place of business is located outside Germany, we shall be entitled to have all claims, disputes or differences arising out of or in context with business relations to the supplier finally settled under the rules of arbitration of the Swiss Chambers' Arbitration Institution. The version of the

arbitration rules in effect at the time the notice of arbitration is delivered shall be in effect. The place of arbitration shall be Zurich, Switzerland. The arbitration proceedings shall be conducted in German. The award rendered by the arbitrator(s) shall be final and binding upon the parties concerned.

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Staiger GmbH & Co. KG