

PURCHASING CONDITIONS CRAEMER GROUP

I. Scope of Application

These Purchasing Conditions, as well as the obligatory compliance with the Craemer Code of Conduct, shall apply exclusively to all orders, contracts, agreements and calls for delivery. We only recognise General Terms and Conditions of the supplier which contradict or deviate from our Purchasing Conditions if we have expressly confirmed them in writing. The acceptance of goods or services from the supplier or their payment does not imply any agreement.

II. Definitions

1. In the following, only the term “order” in the singular and plural cases will be used uniformly for the terms “contracts”, “orders”, “contracts” and “calls for delivery”.
2. These Purchasing Conditions apply to the following companies of the Craemer Group – hereinafter referred to as the Craemer Group – : Craemer GmbH, Craemer At-tendorn GmbH & Co. KG, Craemer France Sarl, Craemer Slovakia, s.r.o. Different Purchasing Conditions apply to Craemer UK Ltd and Craemer US Corporation.
3. The pronouns “we” and “us” used in the following as well as their respective declined forms, such as “our”, or adverbs such as “on our part” refer to the companies of the Craemer Group.
4. For better readability, only the masculine form is used in this text to refer to persons; nevertheless, the information refers to members of all genders.

III. Conclusion of Contract

1. Orders must be placed in writing to be valid. The same applies to verbal subsidiary agreements, deviations in quality and quantity compared to the content of the order as well as to any subsequent changes and additions. In individual cases, order standards, drawings (including tolerance specifications) and other applicable contractual documents specified by us shall be considered as binding.
2. We request written confirmation within five working days of receipt of the order. By accepting the order, the supplier acknowledges that it has informed itself about the type of execution and scope of services by assessing the existing documents. In the event of obvious errors, faults, spelling mistakes or miscalculations in the order itself or in the documents, drawings and plans submitted by us, these are not considered binding for us. The supplier shall be obliged to make us aware of such errors. The same applies in the case of missing information and documents.
3. If we do not receive a confirmation in due time, we shall be free to withdraw from the order.
4. With the acceptance of an order or by delivery, the supplier accepts our Purchasing Conditions.
5. Enquiries on our part, visits, submission of offers and/or preparation of projects by the supplier are free of charge and do not create any obligations for us.

IV. Delivery and Dispatch

1. Each delivery must be accompanied by complete shipping documents. Dispatch notices shall be

submitted in advance by e-mail. Our order numbers and, if available, our material numbers shall be indicated on all documents.

2. The agreed delivery time (delivery deadline or date) is binding. The supplier shall be in default immediately without reminder as soon as the agreed delivery date is not met.
 3. In the event of a delay in delivery, we shall be entitled without limitation to the statutory claims, including the right to withdraw from the contract and the claim for damages in lieu of performance after the fruitless expiry of a reasonable grace period.
 4. In the event of delays in delivery, we shall be entitled, after prior written warning to the supplier, to demand a contractual penalty in the amount of 0.5 %, maximum 5 %, of the respective order value for each commenced week of delay in delivery. The contractual penalty shall be set off against the damage caused by default to be compensated by the supplier
 5. Partial, excess or short deliveries are not permitted unless we have agreed to them in writing. If we have agreed to these in writing, then these types of deliveries are to be marked as such.
 6. The unconditional acceptance of a delayed delivery or service does not constitute a waiver of any claims to which we are entitled due to delayed deliveries/services.
 7. The supplier shall insure the delivery at his own expense against damage and loss during transport. The delivery shall be made free of charge at the supplier's expense to the delivery address/unloading point specified by us. If the exceptional case arises that we have to bear the costs of the delivery, the supplier is obliged to inform us in advance about the corresponding delivery details (type of packaging, size and weight of the delivery, estimated shipping costs, shipping address).
- It is then up to us to decide whether we shall organise collection ourselves or whether the dispatch shall be carried out by the supplier. In any case, the most favourable type of transport shall be selected.
8. Transfer of risk shall take place after acceptance of the goods at our receiving location.
 9. Unless otherwise agreed, packaging shall be included in the price, otherwise packaging shall be charged at cost price. The supplier shall choose the best type of packaging appropriate to the goods so that the goods are sufficiently protected against damage.
 10. The supplier is obliged to give preference to environmentally friendly solutions when selecting the type of dispatch and packaging material, without this being to our disadvantage (i.e. additional costs). The type of packaging and packaging materials shall always be selected in such a way that they can be recycled in the best possible way.
 11. The obligation to take back packaging material shall be governed by the valid statutory provisions. However, if packaging and packaging materials are invoiced which are suitable for reuse, we shall be entitled to return them to the supplier against appropriate reimbursement.

V. Force Majeure

1. Unrest (e. g. industrial disputes and operational disruptions), official measures and other unforeseeable, unavoidable and extraordinary external events shall release the affected party from its contractual obligations for the duration of the disruption. The affected party is obliged to inform the other party immediately if such an event is imminent and/or has occurred. The affected party shall do everything within reason to limit the effects of such events. It is furthermore obliged to inform the other party without delay of the end of the event.

VI. Quality and Acceptance

1. The supplier warrants that its deliveries and services comply with the required technical data, specifications, the applicable accident prevention and regulations of the VDE (German Association of Electrotechnical Electronic & Information Technologies), as well as the applicable statutory provisions. In addition, they must correspond to the state of the art. Operating equipment, machinery, etc. shall be set up in such a way that those working on or with them are protected against accidents and accident-related illnesses. The protective devices required by the accident prevention regulations shall be supplied. The supplier shall be responsible for compliance with the accident prevention and VDE regulations as well as the safety recommendations of the trade associations, trade supervisory authorities, German technical inspection association (TÜV), etc.

2. In order to ensure the quality of its deliveries, the supplier shall carry out a quality inspection suitable in terms of type and scope and provide evidence of this upon request.

3. The values determined during our incoming goods inspection and quality inspection shall be decisive for dimensions, quantities and quality.

4. The acceptance of goods shall be subject to an inspection for freedom from defects, in particular also for correctness and completeness, insofar as and as soon as this is possible in the ordinary course of business.

5. We are obliged to carry out a quantity and identity check and to inspect the contractual products for visible transport damage. We shall give notice of such defects without delay. Any further obligation to inspect and give notice of defects is excluded.

6. The supplier is obliged to submit the supplier declarations required by law correctly and completely.

7. If we or our customers are subsequently charged due to incorrect declarations of origin of our own, or if we or our customers suffer any other pecuniary disadvantage as a result and the error is based on an incorrect declaration of origin by the supplier, the supplier shall be liable for this.

8. The supplier undertakes to use environmentally friendly products and processes in their deliveries and services. This shall also apply in the event that the supplier commissions third parties.

VII. REACH Regulation

1. The supplier is responsible for ensuring that its deliveries comply with the provisions of Regulation EC No. 1907/2006 on the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH Regulation)

as amended from time to time. In particular, the supplier shall comply with its obligations to provide information under Articles 31 to 33 of the Regulation.

2. The supplier affirms that it will not deliver any products that contain any substances set out in Annex 1 to 9 of the REACH Regulation, as amended from time to time. The supplier undertakes to inform us immediately in writing if products supplied by the supplier contain substances on the so-called Candidate List in accordance with Article 59 (1, 10) of the REACH Regulation; this shall apply in particular in the event of an expansion or extension of the Candidate List. The supplier shall list individual substances by name and inform us of the percentage by mass of each substance as exactly as possible.

3. If any claim is made against us by customers, market companions or authorities due to an infringement of the REACH Regulation that may be attributed to a product of the supplier, we shall be entitled to demand that the supplier indemnifies us against these claims or compensate us for the damage we have incurred as a result.

4. The so-called obligations shall apply accordingly (with the exception of the registration obligations) notwithstanding the fact that the supplier has its head office outside the European Economic Area. In particular, the supplier must inform us if a candidate substance greater than 0.1 % is contained or substances covered by REACH may be released during normal and foreseeable use of the product.

VIII. Terms of Payment and Invoices

1. Prices include packaging, freight and other expenses.

2. Invoices are to be transmitted exclusively digitally in the form, manner and form specified by us.

3. Unless otherwise agreed, payment of the invoice shall be made within 14 days with a 3 % discount or within 30 days net after receipt of the invoice and the goods or provision of the service. In the event of acceptance of early deliveries, the payment period shall be determined by the originally agreed delivery date.

4. Payment shall be made subject to invoice verification and proper delivery.

5. We are entitled to demand a bank guarantee in any case.

IX. Guarantee

1. If the supplier has assumed a quality and/or service-life guarantee, we shall be entitled to the rights arising from the guarantee in the event of a guarantee statement, without prejudice to the statutory and contractual claims, on the terms and conditions specified in the guarantee declaration and the relevant advertising against the supplier. Paragraph 443 of the German Civil Code (BGB), new version, shall apply. The supplier shall submit the guarantee contract/certificate with the invoice at the latest. The guarantee period begins with commissioning.

X. Warranty

1. The supplier warrants that the goods and services, including presentation and labelling, comply with our specifications. Our order shall be executed professionally and properly according to the latest state of the art.

Delivered parts must correspond to the relevant drawings and comply with the material specifications.

2. The statutory provisions on material defects and deficiencies in title shall apply, unless otherwise stipulated.

3. We shall notify the supplier immediately of any defects or poor performance of the delivery as soon as they are discovered in the ordinary course of business. In the event of delivery of defective goods, the supplier shall have the right to substitute delivery, at our discretion either in the form of rectification or subsequent delivery. In urgent cases, we are entitled to carry out the rectification ourselves or to have it carried out by a third party at the supplier's expense. An urgent case shall be deemed to exist in particular if, in order to avert acute danger or to avoid major damage, it is no longer possible or unreasonable to inform the supplier of the defect and to set it a deadline for remedial action. The supplier shall be informed of such action without delay.

4. We shall in any case be entitled to the statutory warranty claims without any restriction. The warranty period shall commence upon delivery of the goods (transfer of risk), unless the scope of delivery includes assembly/commissioning work, in which case the warranty period shall commence upon acceptance of such work. In those situations where, in order to ensure constant operational readiness, we order operating equipment, machinery and similar ahead of time or to retain in stock, in such a manner that is evident to the supplier, the statutory warranty periods shall commence on the first day of use at our works. A prerequisite to this is that we store the delivery items according to the rules of sound administration and, as far as possible, leave them in the original packaging of the supplier. This shall not give rise to a custodial relationship or a constructive possession of chattels based on agreement.

5. In the case of works contracts, sections 635 et seq of the German Civil Code (Bürgerliches Gesetzbuch; BGB), new version, in particular sections 637 and 638 shall apply, even if the Construction Tendering and Contract Regulations (Vergabe- und Vertragsordnung für Bauleistungen; VOB) have been agreed. The provisions of section 478 of the German Civil Code (BGB), new version, shall apply in full between Craemer and the supplier.

6. In the event of deficiencies in title, the supplier shall indemnify us against any existing claims of third parties, unless it is not responsible for the defect of title.

7. In the event of subsequent delivery, the warranty period shall begin again from delivery of the goods. In the event of rectification, the warranty period shall recommence with respect to the rectified scope upon complete fulfilment of the rectification obligation. This shall not apply insofar as the supplier has expressly and appropriately reserved the right to carry out the repair only as a gesture of goodwill, to avoid disputes or in the interest of the continuation of the supply relationship.

8. If we incur costs as a result of the defective delivery or other breach of duty, we incur costs, in particular transport costs, material costs, labour costs, replacement costs and costs for an incoming goods inspection exceeding the usual scope, the supplier shall reimburse us for these costs.

XI. Product Liability

1. In the event that claims are asserted against us on the basis of product liability or similar, strict and non-mandatory liability principles under foreign law, the supplier shall indemnify us against such claims by third parties insofar as the damage was caused by a defect in the delivered goods. The principles of section 254 of the German Civil Code (BGB) shall apply mutatis mutandis to the compensation of damages between us and the supplier. This shall also apply in the event of a direct claim against the supplier. If the cause of the damage lies within the supplier's area of responsibility, the supplier must prove that it is not at fault. With regard to these claims, the supplier waives the defence of limitation as long as we ourselves can be held liable.

2. In the cases of paragraph 1, the supplier shall bear all associated costs and expenses. Otherwise the legal provisions shall apply.

3. If we and/or the customer are obliged to recall and/or bear the costs of the recall due to a defect for which the supplier's goods were the cause, the supplier shall be obliged to bear the costs or indemnify us. This shall only apply if the supplier is at fault; the principles of section 254 of the German Civil Code (BGB) shall apply accordingly. The supplier shall be informed immediately of any action or claim pursuant to sentence 1, paragraph XI.

XII. Property Rights

1. The supplier undertakes to provide the delivered goods free of third party rights (property rights).

2. The supplier undertakes to indemnify us against all claims of third parties based on the infringement of property rights.

3. Our own property rights are specified under paragraph "Ownership of Information and Materials Provided" and must be taken into account accordingly.

XIII. Services

The supplier, its employees and any third parties commissioned by it who carry out work on one of our company premises in fulfilment of an order must observe the provisions of the relevant company regulations. Liability for accidents is excluded insofar as these were not caused by intentional or grossly negligent breach of duty by our legal representatives or vicarious agents. When working on one of our company premises, the separate rules of conduct in the currently valid version are an integral part of the contract.

XIV. Ownership of Information and Materials Provided

1. All commercial and technical information provided and made available by us shall be kept secret from third parties unless it is demonstrably in the public domain. We reserve all rights to such information.

2. Drawings, drafts, samples, specifications, internal company data, tools and special tools, equipment, models, devices, equipment, materials, etc., which we have provided to the supplier for the purpose of submitting an offer or executing an order, shall remain our property in all cases. Our property must be stored with due care and diligence as a prudent businessman and may only be used for our orders. The supplier shall be liable for any damage to our property. At our discretion, any damage shall be repaired at the supplier's expense or

the supplier may reimburse the expense of otherwise remedying the damage. The items which are manufactured with the property provided by us, according to our confidential information, with our tools or copied tools may neither be used by the supplier itself nor offered or delivered to third parties.

3. The provision and transfer of our property as referred to in paragraphs 1 and 2 shall generally be deemed to be temporary and only temporary until our orders have been completed, the further retention is no longer necessary or we demand the return. Our property shall in any case be freely returned to our premises.

4. Without our written consent, the supplier may neither assign claims against us arising from deliveries and services to third parties nor subcontract the fulfillment of our order.

5. Insofar as the purchase of parts or materials by the supplier is customary and necessary in consideration of our order, this shall not be deemed to be the awarding of a subcontract.

XV. Compliance

1. The supplier undertakes to comply with the respective statutory regulations on the treatment of employees, environmental protection, data protection and occupational safety.

2. In the event that a supplier repeatedly and/or despite a corresponding notice behaves in a manner contrary to the law and does not prove that the violation of the law has been remedied as far as possible and that reasonable precautions have been taken to avoid violations of the law in the future, we reserve the right to withdraw from existing contracts or to terminate them without notice.

3. The supplier shall allow us to carry out audits. The type and scope of audits shall be specified by us.

XVI. Final Provisions

1. Should any of the provisions be or become null and void, the validity of the remaining provisions shall not be affected thereby.

2. This contract shall exclusively be construed according to German law to the exclusion of the UN Sales Convention.

3. The place of performance shall be the place to which the goods are to be delivered according to the order or at which the service is to be rendered.

4. The place of jurisdiction for all disputes arising from the contractual relationship is the court which has jurisdiction for the respective registered office of the Craemer Group company with which the contract was concluded.

We are further entitled to sue the supplier at the court of its registered office or at the court of the place of performance.

5. All parties must treat personal data in accordance with the General Data Protection Regulation (GDPR).

6. If the supplier stops its payment, or if bankruptcy proceedings or judicial or extrajudicial composition proceedings are applied for against the supplier's assets, we shall be entitled to withdraw from the contract.