

General Purchasing terms of the DGH GROUP

1 General information – applicability

- (1) Our General Purchasing Terms apply exclusively; we do not recognise terms of the supplier that conflict or are divergent to our purchasing terms unless we have expressly agreed to their application in writing. Our purchasing terms also apply even if we, being aware of purchasing terms that conflict or are divergent to our own on the part of the supplier, accept the supplier's delivery without reservation.
- (2) All agreements made between ourselves and the supplier for the purpose of executing a contract must be recorded in writing in this contract/order. Oral collateral agreements are only valid if we have confirmed them in writing.
- (3) The respectively current version of our purchasing terms shall also apply to all future transactions with the supplier.
- (4) Our purchasing terms are only valid vis-à-vis entrepreneurs in the sense of sec. 310 (1) German Civil Code (BGB).

2 Offer – offer documents, order, confirmation of order

- (1) The offer submitted by the supplier is binding; it must be complete and with sufficient detail. The supplier must ensure this. In particular, additional costs resulting from failure to comply with this duty shall be charged to the supplier. The supplier is obligated to advise of solutions, which are more feasible or innovative in a technical respect.
- (2) We expect energy-efficient products/services in accordance with DIN ISO 50001:2011 or a corresponding alternative must be identified.
- (3) The supplier is obligated to accept our order in writing within a period of 2 weeks (confirmation of order) should a shorter period not be called for. Otherwise, we are entitled to revoke the appointment.
- (4) Additional expenses, which become necessary after the order is placed, shall not be approved through the existence of the order per se and must therefore be approved separately.
- (5) We reserve the rights of ownership and copyrights to images, drawings, calculations and other documents; they may not be made accessible to third parties without our express written consent. They are to be used exclusively for production on the basis of our order; once our order has been filled, they must be returned to us without further request. They must be kept confidential vis-à-vis third parties; the provision of sec. 10 (4) also applies.

3 Prices – payment terms

- (1) The price specified in the order is binding. Unless otherwise agreed, the price includes "carriage free" delivery including packaging. The return of the packaging must be agreed separately.
- (2) The price covers all tasks, which in accordance with the offer documents and drawings or catalogues of the supplier, that make up the full performance. This applies to all payments and other charges except for VAT in the legally prescribed amount.
- (3) We can only process invoices if they – in accordance with the guidelines in our order – specify the order number provided therein; the supplier is responsible for all consequences resulting from failure to comply with this obligation unless it can prove that they are not its fault.
- (4) To the extent not otherwise agreed in writing, we shall pay the agreed purchase price

within 14 days with application of a 3% discount and within 30 Tagen with application of a 2% discount or the net amount within 60 days of receiving the invoice.

The payment period shall begin as soon as the good has been duly delivered and/or the service duly rendered and following receipt of the invoice (date stamp).

- (5) We are entitled to rights of set-off and rights of retention in the statutory amount.

4 Invoices

- (1) Generally, invoices are to be sent to us by post.
- (2) Our order number and the individual order items must be specified on the invoices. The invoice cannot be processed if the corresponding information is missing.
- (3) The invoice must specify the VAT in the legally prescribed amount.

5 Delivery time

- (1) The delivery time specified in the order is binding.
- (2) The supplier undertakes to immediately notify us if circumstances arise or become known to it indicating that the agreed delivery period cannot be complied with.
- (3) In the event of a delay in delivery, we shall be entitled to the statutory claims. In particular, we shall be entitled, if an appropriate period passed without success, to compensation in lieu of performance and to rescission. If we demand compensation, the supplier has the right to prove that it is not responsible for the breach of duty.
- (4) If premature deliveries or deliveries outside of the defined periods, partial or multiple deliveries are made, they require our prior consent.

6 Transfer of risk – documents

- (1) The transfer of risk shall occur for goods and services involving assembly work at the time of acceptance; in the case of deliveries without assembly work, upon reaching the destination we specify.
- (2) The supplier is obligated to specify exactly our order number on all shipping documents and delivery notes; if it fails to do so, we shall not be responsible for any delays in processing. In particular, the supplier must ensure that the delivery documents are complete.
- (3) We are a RVS/SVS/SLVS prohibition customer.

7 Check for defects – liability for defects

- (1) We are obligated to inspect the goods within an appropriate period for any inconsistencies with respect to their quality and quantity; any report of defects is timely if it reaches the supplier within a period of 14 work days from the receipt of goods or, in the event of concealed defects, from the time they were discovered.
- (2) We are entitled to the unabridged statutory defect claims; in any case, we are entitled, at our discretion, to demand the rectification of the defect(s) or replacement delivery. The right to compensation, particularly to compensation in lieu of performance is expressly reserved.
- (3) We are entitled to rectify defects ourselves at the cost of the supplier in the event of imminent danger or urgent necessity.
- (4) The period of limitation amounts to 24 months from the transfer of risk.

8 Product liability – release – liability insurance cover

- (1) If the supplier is responsible for a product defect, it is obligated to release us to this extent from third-party claims for compensation at first request as the cause is attributed to its sphere of control and organisation and it is itself liable in relation to third parties.

- (2) Within the scope of its liability for cases of damage in the sense of (1), the supplier is also obligated to reimburse any expenses in accordance with sec. 683, 670 BGB or in accordance with sec. 830, 840, 426 BGB, which result out of or in connection with a recall performed by us. We will notify the supplier – to the extent possible and reasonable – regarding the scope and object of the planned recall measures. Other statutory claims shall remain unaffected.
- (3) The supplier undertakes to maintain product liability insurance with lump-sum coverage of € 10 million per case of personal injury/damage to property/financial loss; if we are entitled to further claims for compensation, they shall remain unaffected.
- (4) The supplier shall hereby guarantee that it will comply with its obligations imposed by the German Minimum Wage Act (Mindestlohngesetz). The supplier hereby offers the assurance that it, for its part, has obligated its suppliers and contractors accordingly to comply with obligations arising from the Mindestlohngesetz. If DGH Heidenau GmbH & Co. KG is sued both in connection with failure to comply with obligations arising from the Mindestlohngesetz by employees of the supplier or employees of its suppliers or employees, the supplier hereby undertakes to irrevocably release DGH Heidenau GmbH & Co. KG from all claims of said employees.

9 Trademarks

- (1) The supplier shall ensure, in connection with its delivery, that no third-party rights are infringed upon within the Federal Republic of Germany.
- (2) If a third party sues us on such grounds, the supplier is obligated to release us from such claims at first written request; we are not entitled to make any agreements with the respective third party without the consent of the supplier, this includes agreeing to a settlement.
- (3) The obligation of the supplier to release us with respect to all expenses necessarily incurred for us on the basis of or in connection with legal action brought by a third party.
- (4) The period of limitation shall amount to ten years from the conclusion of the contract.

10 Retention of title – provision of parts – tools – confidentiality

- (1) If we provide parts at the supplier's location, we shall retain ownership thereof. The supplier shall process or transform them on our behalf. If our reserved goods are processed with other items not belonging to us, we shall obtain co-ownership in the resulting product in the proportion of the value of our good (purchase price plus VAT in the legally prescribed amount) to the other items processed at the time of processing.
- (2) If the product provided to us is unseparably mixed with items not belonging to us, we shall obtain co-ownership of the new item in the proportion of the value of the reserved good (purchase price plus VAT in the legally prescribed amount) to the other mixed objects at the time of mixing. If mixing occurs such that the item of the supplier is to be considered the main item, it must be agreed that the supplier shall transfer co-ownership proportionally; the supplier shall retain sole ownership or co-ownership on our behalf.
- (3) We shall retain the ownership of tools; the supplier is obligated to only use the tools to manufacture the goods we ordered. The supplier is obligated, at its own cost, to insure the tools belonging to us at the original value against fire and water damage as well as theft. At the same time, the supplier shall, effective immediately, assign all claims for compensation arising from this insurance; we shall in turn accept the assignment of these claims. The supplier is obligated to perform any required maintenance and inspection work as well as any upkeep and repair work at its own cost and in a timely manner. It must immediately report any disturbances; if it culpably fails to do so, the claims for compensation shall remain unaffected.
- (4) The supplier is obligated to keep all images, drawings, calculations, other documents and information it receives strictly confidential. They may only be disclosed to third parties with our express consent. The non-disclosure obligation also applies after this agreement has been executed; it expires when and to the extent

the manufacturing expertise contained in the images, drawings, calculations and other documents has become common knowledge.

- (5) If the security interest, to which we are entitled as per para. (1) and/or (2), exceeds the purchase price of all our reserved goods not yet paid by more than 10%, we are obligated, at the request of the supplier, to release the security interests at our discretion.

11 Supplementary provisions – closing provisions – applicable law

- (1) If our purchasing terms do not contain any provisions, the German Civil Code shall apply.
- (2) If individual provisions are invalid or if there is a gap or omission, this shall not affect the validity of the remaining provisions.
- (3) Goods and services are exclusively subject to German law. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) dated 11 April 1980 shall be excluded.

12 Legal venue – place of performance

- (1) If the supplier is a businessman, Dresden shall be the legal venue; however, we are entitled to sue the supplier
in its jurisdiction of domicile.
- (2) If not otherwise stated in the order, our headquarters shall be the place of performance.