

# GENERAL TERMS AND CONDITIONS OF PURCHASE

## Bischof + Klein SE & Co. KG

### 1. Scope of the Terms and Conditions of Purchase

- 1.1 The General Terms and Conditions of Purchase ('**GTCP**') of Bischof + Klein SE & Co. KG, Rahestrasse 47, 49525 Lengerich, Germany ('**B+K**') shall apply exclusively. By accepting an order, the Seller acknowledges the binding nature of these GTCP.
- 1.2 Should the Seller use conflicting, deviating or supplementary terms and conditions, their applicability vis-à-vis B+K shall be excluded, even if B+K does not expressly object to them. All references by the Seller to the validity of its general terms and conditions of purchase and delivery (e.g. in offers) are hereby expressly objected to. These GTCP shall also apply to all future transactions with the Seller.
- 1.3 In addition to these GTCP, the Delivery Conditions of B+K shall apply in their current version at the time of the respective order from B+K. This document can be accessed at <https://www.bk-international.com>. By accepting an order, the Seller acknowledges the binding nature of these Delivery Conditions.

### 2. Conclusion of the agreement

- 2.1 Orders placed by B+K shall only be binding if they are submitted to the Seller in writing. Verbal or telephone orders (including instant messaging services [SMS]), as well as supplements and amendments to orders, must be made in writing to be valid.
- 2.2 B+K's orders constitute offers to conclude purchase contracts and must be accepted by the Seller in writing within 10 working days of receipt by way of order confirmation. If an order is not accepted within this period, B+K shall be entitled to revoke it in writing. An order confirmation received at a later date or whose content deviates from the order shall be deemed a new offer and must be accepted by B+K in writing. B+K's silence shall not be deemed acceptance of an order confirmation deviating in content under any circumstances.

### 3. Dispatch, packaging, transfer of risk

- 3.1 Deliveries shall be made carriage paid (unless the Parties agree otherwise in individual cases). The risk of accidental loss or deterioration of the goods shall, therefore, be borne by the Seller until their delivery to B+K.
- 3.2 The Seller shall select a cost effective and suitable form of packaging and dispatch for each item, insofar as B+K does not make any specifications regarding the type of packaging and dispatch. In the event of culpable non-compliance with this obligation, all costs incurred, such as replacement for damaged goods, additional freight, disposal and the like, shall be borne by the Seller.

### 4. Deliveries

- 4.1 Agreed Delivery Dates shall be deemed to have been met if the goods have been received at the delivery address at the time specified in the delivery contract or in the delivery call-off or otherwise agreed in writing between the Parties (**'Delivery Date'**).
- 4.2 In the event of non-compliance with agreed Delivery Dates, B+K reserves the right to set a reasonable grace period and, after its expiry, to withdraw from the contract by means of a written declaration and to claim damages in accordance with the statutory provisions.
- 4.3 If the Seller, for whatever reason, is unlikely to be able to meet the Delivery Date, it must inform B+K of this in writing without delay, stating the reason and the probable duration. Furthermore, the Seller shall immediately submit to B+K a plan of measures to restore full delivery capacity.
- 4.4 The Seller shall enclose a delivery note with each delivery, stating the relevant order number. If this requirement is not met for reasons for which the Seller is responsible, the Seller shall bear the resulting delays in processing.
- 4.5 In the event that force majeure, such as outbreak of war, riots, terrorist attacks, cyber attacks, epidemics/pandemics (such as Covid-19), natural disasters, strikes, lockouts, official measures and other unforeseeable, unavoidable and serious events beyond the control of B+K and for which B+K is not responsible, should result in a delivery not being accepted/delivered, B+K shall be released from the respective acceptance obligation for the

duration of such disruption and for a reasonable time thereafter, and to the extent of its impact. In this case, B+K may adjust existing obligations to the changed circumstances in good faith. This may mean that B+K waives the remaining deliveries in whole or in part after the disruption has been remedied or demands the continuation of the deliveries. If the end of such a disruption is not foreseeable or if the disruption lasts for more than two months, each party shall be entitled to withdraw from the affected delivery contract (or its parts not yet fulfilled) or to declare termination without notice.

- 4.6 The Seller undertakes to take all necessary and reasonable measures to ensure that the goods reach the Buyer in accordance with the contract. If the Seller becomes aware of specific circumstances or events that will or could lead to non-compliance with a Delivery Date or quantity (hereinafter '**Critical Supply Situation**'), the Seller shall take all necessary and reasonable remedial measures and inform the Buyer without delay. Upon specific request by B+K, the Seller shall also inform B+K of any abstract risks that could lead to a Critical Supply Situation and indicate hedging and contingency plans.
- 4.7 B+K shall not be obliged to accept early deliveries, excess deliveries or non-agreed partial deliveries . The Seller shall bear the risk of loss for goods delivered before the Delivery Date. B+K shall be entitled to return any excess deliveries at the Seller's expense; the Seller shall bear all packaging, processing , sorting and transport costs. B+K shall be entitled at the risk and expense of the Seller to store all goods delivered before the applicable Delivery Date in accordance with Clause 4.1 or excess deliveries until the due Delivery Date .

If B+K accepts early deliveries or excess deliveries on this basis, B+K shall, nevertheless, not be obliged to make payment earlier than on the due date in accordance with the scheduled Delivery Date.

- 4.8 In the event of delayed deliveries for reasons for which the Seller is responsible, and without prejudice to all other rights of B+K, B+K shall be entitled to demand a contractual penalty in the amount of 0.2% of the delivery value of the delayed delivery for each calendar day of delay, but no more than 5% of the total value of the delivery. This accrued contractual penalty shall be offset against any otherwise asserted damage caused by delay.

## 5. Terms of payment

- 5.1 Invoicing by the Seller shall always be in euros or in the currency specified in the order. B+K shall fulfil its payment obligations exclusively in euros. Value added tax shall be shown separately on the invoice as a percentage and amount.
- 5.2 The price for the delivery shown in each order (order confirmation) shall be a fixed price and shall apply as delivery carriage paid. It shall include packaging, freight, cartage, insurance, customs formalities and customs duties as well as other such costs, unless special provision is made in the delivery contract.
- 5.3 Payment of the invoice amounts shall be made by transfer to a bank or post office bank account of B+K's choice within 14 days with a 3% discount or within 30 days net, unless otherwise agreed. These periods shall commence upon the date of receipt of the invoice by B+K, but not before the goods have been delivered. In the event of acceptance of premature deliveries or services, the deadlines shall be based on the agreed Delivery Date. The postmark or the date of receipt by the bank commissioned with the transfer shall be decisive for timely payment. If the payment date falls on a weekend or public holiday, payment shall be made on the next working day. Fees for international payment transactions shall be borne by the Seller.
- 5.4 Unless a credit note/clearing procedure has been agreed with the Seller, invoices may only be processed and checked by B+K if they are received by B+K separately from the delivery of goods, comply with the requirements of Section 14 of the German Value Added Tax Act (*Umsatzsteuergesetz, UStG*) and contain the order number and the item number specified in the order. The Seller shall be responsible for all consequences resulting from any failure to comply with this obligation, provided that it is at fault.
- 5.5 The Seller shall not have the right to adjust prices and charge additional costs of any kind without the prior express written consent of B+K. Late delivery of invoices or goods and the delivery of defective goods shall entitle B+K to withhold payments accordingly.
- 5.6 Ownership of the delivered goods shall pass to B+K upon full payment of the purchase price. Any prolonged or expanded retention of title (*verlängerter oder erweiterter Eigentumsvorbehalt*) to the delivered goods by the Seller is excluded.

5.7 In the event of default in payment (*Zahlungsverzug*), B+K shall owe default interest in the amount of 5 percentage points above the base interest rate, pursuant to Section 247 of the German Civil Code (*Bürgerliches Gesetzbuch, BGB*).

## 6. Quality

6.1 The Seller warrants that its deliveries are suitable for the intended use and that they are of perfect quality with regard to the materials used and workmanship. Unless otherwise agreed by the Parties, the Seller shall observe the latest state of the art of science and technology in the development and manufacture of the goods and comply with all quality standards and legal requirements applicable to the goods.

6.2 The Seller shall ensure that the goods delivered by it comply with all relevant requirements for placing them on the market in the European Union and the European Economic Area. It must provide proof of conformity to B+K on request by submitting suitable documents.

## 7. Liability for defects

7.1 In the event of defects, B+K shall be entitled to the statutory claims without restriction.

7.2 B+K must notify the Seller immediately of any defects in the delivery as soon as they are discovered in the normal course of business. In this respect, the Seller waives the objection of delayed notification of defects.

7.3 In the event of a breach by the Seller of its obligations under Section 7.1, B+K's rights (in particular to subsequent performance (*Nacherfüllung*), withdrawal (*Rücktritt*), reduction (*Minderung*), compensation for damages or reimbursement of expenses (*Schadens- oder Aufwendungsersatz*) shall be determined in accordance with the statutory provisions.

7.4 The warranty period is 36 months from the date of delivery of the goods to B+K.

7.5 B+K shall be entitled to remedy defects itself at the Seller's expense, insofar as it is no longer possible to give the Seller the opportunity for rectification due to particular urgency and insofar as the Seller is not entitled to refuse rectification pursuant to Section 439 (4) of the German Civil Code (*Bürgerliches Gesetzbuch, BGB*).

7.6 The acceptance of deliveries or the payment of the agreed price shall not be deemed to be an acknowledgement of proper delivery.

## 8. Product liability and insurance

8.1 In the event that a claim is made against B+K on the basis of product liability, the Seller shall be obliged to indemnify B+K against such claims and the resulting damage and expenses (including legal costs) if and to the extent that the damage was caused by a defect in the goods delivered by the Seller. In cases of fault-based liability, however, this shall only apply if the Seller is at fault. If the cause of the damage lies within the Seller's sphere of responsibility, the Seller shall bear the burden of proof in this respect. In the event of contributory cause and/or fault on the part of B+K, Section 254 of the German Civil Code (*Bürgerliches Gesetzbuch, BGB*) shall apply.

8.2 The Seller undertakes to ensure appropriate insurance coverage (in particular public liability and product liability insurance) for its obligations under the contract. The Seller shall provide B+K with a corresponding certificate from the insurer on request.

8.3 The Seller shall be liable for its representatives or subcontractors/sub suppliers to the same extent as for its own conduct.

## 9. Property rights

9.1 The Seller warrants that no property rights of third parties are infringed by products supplied by it in countries of the European Union or other countries in which it manufactures the products or has them manufactured.

9.2 If the Seller violates this obligation, it shall indemnify the Buyer and its customers at the Buyer's first request against any third-party claims arising from such actual or alleged infringements of property rights, and shall bear all costs and expenses incurred by the Buyer in this respect, in particular legal prosecution and defence costs on the one hand, and costs resulting from compliance with a possible obligation to cease and desist on the other hand. This shall not apply insofar as the Seller proves that it is neither responsible for the infringement of property rights nor should have been aware of the infringement at the time of delivery if it had exercised due commercial prudence.

9.3 The Parties are obliged to inform each other without delay of any risks of infringement and alleged cases of infringement which become known to them and shall, within a reasonable scope, counter any such infringement claims by mutual agreement.

## 10. Confidentiality

10.1 The Seller shall be obliged to keep all commercial and technical details confidential that are not public knowledge and which become known to it as a result of the business relationship with B+K.

10.2 The Seller undertakes to oblige sub-suppliers to maintain confidentiality to the same extent. It may only use the confidential information B+K provides it for the intended purpose.

10.3 The duty of confidentiality shall continue for a period of 5 years beyond the termination of the supply relationship. After termination of the supply relationship, the Seller undertakes to hand over to B+K all confidential information received, insofar as it has physical form or is stored on electronic storage media.

10.4 The Seller may not use the confidential information or the existence of the business relationship with the Buyer for marketing and/or advertising purposes. This is only permitted with the express written consent of B+K.

## 11. Compliance

11.1 The Seller shall ensure that it conducts its business in compliance with all applicable laws and regulations (referred to jointly as the '**Laws**'). This applies in particular to all Laws relating to (i) bribery and corruption, (ii) export and import of products including customs and foreign trade law, (iii) antitrust and competition law, (iv) taxation, (v) labour and employment, (vi) health and safety and (vii) environmental protection.

11.2 The Seller shall also ensure that its employees and other representatives have sufficient knowledge of the Laws, including through an adequate and effective internal compliance programme and regular training, and that it takes and will take all necessary steps to ensure that its employees and representatives comply with the Laws in their business-related activities.

- 11.3 Insofar as it supplies goods in whose value chain potentially negative impacts on human rights are to be feared, the Seller undertakes to establish human rights due diligence processes in its company (e.g. a risk management system) and to take systematic and appropriate due diligence measures in connection with human rights on this basis. The requirements of the UN Guiding Principles for Business and Human Rights (hereinafter referred to as the '**UN Global Compact Guiding Principles**') as well as the relevant OECD Guidelines and Principles are authoritative in this regard. In accordance with the UN Global Compact Guiding Principles, the Seller shall design the appropriateness and scope of these measures according to the size and turnover of its company, the type of goods and the origin of the goods and the raw materials contained therein, and in particular according to the associated risks.
- 11.4 The Partner shall inform B+K about any identified risks and/or mitigating measures on its own initiative and shall also provide B+K with documentation of its due diligence measures upon request.
- 11.5 The Seller shall make reasonable efforts to ensure compliance by its subsuppliers with the obligations contained in this Section 11.
- 11.6 B+K reserves the right to inspect in a reasonable manner whether the Seller is complying with the requirements under this Section 11. The Seller undertakes to permit such inspection or audit in its area at the request of B+K and to provide all reasonable assistance in this respect, including the viewing of documents of the Seller which B+K reasonably deems necessary for the inspection. B+K may use the information and findings from such verifications or audits to fulfil its legal obligations such as reporting obligations.
- 11.7 The Seller undertakes to notify B+K in writing without delay of any circumstances which indicate that a violation of Laws in connection with the Seller's business has taken place or may have taken place. The same applies to possible violations of the UN Global Compact Guiding Principles by the Seller or third parties in the value chain. If official proceedings are initiated at or against the Seller due to possible violations of Laws or measures are taken which may affect the contractual relationship with B+K, the Seller shall inform B+K of this without delay and coordinate its steps with B+K insofar as this is possible and does not

conflict with the Seller's mandatory legal obligations. The Seller shall provide the authorities with all reasonable cooperation and assistance upon request by B+K.

- 11.8 B+K shall be entitled to withdraw from contracts with the Seller if there is reason to believe that the Seller does not meet the requirements under this Section 11 in a material respect. However, the right of withdrawal shall only exist if the Seller has not eliminated the reason for withdrawal in question within four weeks of receipt of a written request from B+K or cannot provide evidence of elimination. In the case of continuing obligations, a corresponding right of termination for good cause exists without expiry of a notice period.

## 12. Customs and export control regulations

- 12.1 In the case of deliveries and services from a country outside Germany that is a member of the EU, the Seller must give its EU VAT identification number.
- 12.2 Imported goods must be delivered duty paid. The Seller shall be obliged to provide any declarations and information required under Regulation (EC) No. 1207/2001 at its own expense, to permit inspections by the customs authorities and to provide any official confirmations required.
- 12.3 The Seller warrants that it will comply with all legal requirements for the export, re-export and/or resale of goods, services and/or technical data ('**Export Control Regulations**') of the European Union and all Member States of the European Union and the European Free Trade Association.
- 12.4 The Seller warrants that it will not export goods, services and/or technical data to any country where such export would be in breach of the Export Control Regulations. In the event that export to a particular country requires a government export license or other approval, the Seller warrants that it will obtain such license/approval prior to export.
- 12.5 The above provisions shall apply mutatis mutandis to the statutory Export Control Regulations of the United States of America (USA).
- 12.6 The Seller shall ensure that it only uses such suppliers (and that they also only use such [further] suppliers) who also comply with the regulations described above.

### 13. General provisions

13.1 Without prejudice to Section 354a of the German Commercial Code (*Handelsgesetzbuch, HGB*), the Seller may not assign any rights or obligations under the contract, whether in whole or in part, without B+K's prior written consent.

13.2 The Seller shall only be entitled to offset against claims of B+K if the counterclaim of the Seller is undisputed or has been established in law.

The Seller may only exercise its right of retention against B+K if the Seller's counterclaim on which it bases its right of retention is based on the same contract and is undisputed or has been established in law.

13.3 If the Seller ceases to perform, or if insolvency proceedings are initiated in respect of its assets, B+K shall be entitled to withdraw from the contract for the part not fulfilled.

13.4 The place of performance (*Erfüllungsort*) for payments shall be Lengerich, Westphalia. The place of performance (*Erfüllungsort*) for deliveries and services shall be the place to which the goods/services are to be delivered or provided.

13.5 The law of the Federal Republic of Germany shall apply to these Terms and Conditions of Purchase and the entire legal relationship between B+K and the Seller, to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 (CISG).

13.6 The place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship shall be Münster, Westphalia. However, B+K shall also be entitled to sue the Seller at any other place of jurisdiction.

13.7 Any amendments and supplements to the contract and/or these GTCP as well as ancillary or side agreements must be made in writing. This shall also apply to any amendment of this written form requirement.

### 14. Final provisions

Should any provision of these Terms and Conditions of Purchase be found to be invalid, unlawful or unenforceable, such provision shall be deemed modified or limited to the extent

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necessary to make it a valid, lawful and enforceable provision. If no such modification or limitation is possible, the invalidity of one or more of the provisions hereof shall not affect the validity of the remaining provisions or the validity of the contract.

As of: February 2022