

Conditions of Purchase of MIWE Michael Wenz GmbH

1. General aspects (scope)

1.1 The following Conditions of Purchase apply to all business relations between MIWE Michael Wenz GmbH (hereinafter referred to as MIWE) and the supplier. The version valid at the time the contract is concluded shall be authoritative in each case.

1.2 Suppliers are merchants. Merchants within the meaning of these Conditions of Purchase are natural or legal persons or partnerships with legal capacity with whom a business relationship is entered into, and who act in the exercising of their commercial or independent professional activity.

1.3 Deviating provisions of the supplier are herewith contradicted. Deviating, conflicting or supplementary terms shall only be acknowledged if they have been explicitly agreed in writing. Agreements made with the supplier in individual cases (including collateral agreements, supplements and amendments) shall take precedence over these Conditions of Purchase in all cases.

1.4. The language of the contract shall be German.

2. Orders and confirmations of orders; conclusion of the contract

2.1 Orders and confirmations of orders as well as their amendments and supplements must be made in writing. Orders and confirmations of orders as well as changes and additions to them may also be made by fax or email.

2.2 The contract is concluded when the supplier accepts the order of MIWE on the basis of a confirmation of order.

2.3 If the confirmation of order deviates from the order, MIWE shall only be bound if MIWE has not objected to the deviation in writing within 3 days following the receipt of the confirmation of order. Objections can also be made by fax or email. MIWE may waive the written confirmation of order of the contractor if a written agreement has been made to that effect.

2.4 All information provided by MIWE in the order as well as all information provided in offers, brochures, product descriptions, catalogues and order confirmations of the supplier shall be considered as guaranteed. In particular, compliance with deadlines and adherence to delivery times shall be considered guaranteed.

2.5 MIWE shall be bound by the order for a maximum of 3 days after the respective order is placed. If MIWE does not receive a confirmation of order from the supplier within this period, MIWE has the right to revoke the order. The revocation can also be made by fax or email.

2.6 MIWE may, within the bounds of reasonableness for the supplier, demand changes to the design and the execution of the delivery item. The effects of such changes, in particular with regard to additional and reduced costs as well as delivery dates, are to be regulated appropriately by mutual agreement.

3. Delivery times and delays

3.1 Agreed dates and deadlines are binding. The receipt of the goods by MIWE shall be decisive for compliance with the delivery date or the delivery deadline. In the case of deliveries involving installation or assembly as well as services, their acceptance shall be decisive. If "ex works" delivery has not been agreed, the supplier must make the goods available in good time, taking into account the usual times for loading and dispatch.

3.2 If the agreed deadlines are not met due to circumstances for which the supplier is responsible, MIWE must be informed immediately and its decision obtained. In this case

MIWE is entitled, without prejudice to further legal claims, to withdraw from the contract at its discretion, to procure replacements from third parties and/or to claim damages for non-performance. In particular, the supplier is obliged to compensate MIWE for the damage caused by the delay. The supplier shall reimburse MIWE for any and all additional costs resulting from delayed deliveries or services. Acceptance of the delayed delivery or service shall not constitute a relinquishment by MIWE of its entitlement to claim compensation.

3.3 MIWE is also entitled, in accordance with the statutory provisions, to place the supplier in default. After the expiry of the deadline, MIWE may additionally assert the rights to which it is legally entitled.

3.4 An unavailability proviso on the part of the supplier shall not be accepted.

4. Contractual penalty

4.1 If the supplier enters into default on the delivery deadlines under item 3, the supplier shall pay a contractual penalty of 0.2% of the net invoice total for each working day beyond the missed deadline.

4.2 If the supplier enters into default with an agreed intermediate deadline (in the event that an order is subdivided into partial deliveries), the supplier shall pay a contractual penalty to the amount of 0.2% of the net invoice total attributable to the partial quantities to be completed and delivered by the relevant intermediate deadline or each working day of delay for which the supplier is responsible, but no more than 3% of the net invoice amount of the corresponding partial performance.

4.3 The sum total of the contractual penalties shall be limited to a maximum of 5% of the net invoice total. MIWE shall be entitled to assert further claims for damage due to default, including contractual penalties arising on its part, taking into account the contractual penalty owed in this respect.

4.4 A contractual penalty that arises for an intermediate deadline shall be credited to any contractual penalties that arise later for other intermediate deadlines or the date of completion.

4.5 The contractual penalty may be asserted up to the final payment, even if it is not expressly reserved at the time of acceptance.

4.6 The arrangement on contractual penalties shall also apply to new or amended contractual deadlines.

5. Transfer of risk and delivery

5.1 Unless agreed otherwise in writing, the supplier shall deliver to "our receiving plant" (Incoterms 2010) in accordance with DDP for both cross-border as well as in non-cross-border traffic. These costs are included in the price.

5.2 The transfer of risk shall take place upon the transfer of the sold goods to MIWE at the place of receipt designated by MIWE and/or to the recipient, as designated by MIWE. In the case of deliveries involving installation or assembly as well as services, the transfer of risk shall only take place upon acceptance.

5.3 Each delivery must be accompanied by a packing slip or delivery note stating the contents and the full order identification (order number, article number and order item). Different articles must be packed and labelled separately.

5.4 The packaging of the delivered goods must be agreed with MIWE. The supplier is obliged to comply with the agreed packaging units and labelling. In individual cases, changes must be agreed with MIWE and approved. In general, goods must be packaged such that transport-, storage and ageing damage can be

excluded with certainty. The supplier shall be liable for subsequent costs caused by deficient packaging. If a packaging regulation has been agreed upon, it is to be complied with.

6. Quality assurance, inspection for defects and warranty

6.1 If a separate quality assurance agreement (QAA) has been concluded between MIWE and the supplier, the provisions of that QAA shall apply. They shall be supplemented by the following provisions. If no separate quality assurance agreement has been concluded between MIWE and the suppliers, the following provisions alone shall apply.

6.2 If the supplier finds that the actual condition differs from the target condition, the supplier shall inform MIWE immediately and suggest planned countermeasures or replacement deliveries. The supplier undertakes to start checking product quality during production. If the product parts change, MIWE shall be entitled to request initial samples and initial sample reports free of charge.

6.3 MIWE shall immediately notify the supplier in writing of any defects in the delivery as soon as they are discovered in the ordinary course of business. In this respect, the supplier waives its right to the objection of delayed notification of defects in accordance with section 377 *HGB* [German Commercial Code]. Acceptance shall be conditional on an examination for correctness and suitability. The examination shall take place in the ordinary course of business. The supplier shall be liable for defects in the goods or services, regardless of whether they are evident immediately or not until later, for the duration of the warranty periods pursuant to 6.7.

6.4. MIWE shall be entitled to bring statutory warranty claims in full. MIWE shall be entitled to require, at its discretion, the supplier either to remedy the defects or deliver a new item. MIWE reserves the right to compensation, including but not limited to the right to compensation in lieu of performance.

6.5 After consultation with the supplier, MIWE shall be entitled to remedy the defects itself if there is an imminent danger or particular urgency. In such a case, a grace period need not be set. The costs shall be borne by the supplier.

6.6 If the supplier does not remedy the defect or make a new delivery or service within a reasonable period to be set by MIWE, or if the supplier declares itself unable to remedy the defect or make a new delivery or service within a reasonable period, MIWE shall be entitled to withdraw from the contract in whole or in part without paying compensation, or - to demand a reduction in the price, - to remedy the defect or make a new delivery itself or have the defect remedied or have a new delivery made at the expense of the supplier, and/or - to claim damages for non-performance. Damages shall include but are not limited to those costs which, as a result of defective delivery, necessitate an overall inspection exceeding the usual incoming goods inspection and the associated expenses.

6.7. The warranty period shall be 24 months, starting from the transfer of risk pursuant to 5. If deliveries are made to places where MIWE performs contracts outside of its plants or workshops, the warranty period shall commence upon acceptance by the customer of MIWE. The statutory provisions shall also apply.

6.8 For parts of the delivery that are repaired within the limitation period for claims for defects by MIWE, the limitation period shall start from the beginning again at the time at which the supplier has completely fulfilled the claims for rectification / replacement.

6.9 If MIWE incurs costs as a result of the defective delivery of the contractual item, including but not limited to transport, infrastructure, labour or material costs, the supplier shall reimburse such costs. The supplier shall bear the costs and risk of the return of defective delivery items.

7. Prices and terms of payment

7.1. The prices agreed are binding.

7.2. Unless otherwise agreed, MIWE shall receive a discount of 3 % if payment is made within 14 days of receipt of invoice and due date. If payment is made within 30 days of receipt of the invoice and the due date, MIWE shall pay the amount in full.

7.3. All prices are exclusive of applicable statutory VAT.

7.4. If goods are to be delivered directly from the supplier to a customer of MIWE, MIWE must always be notified of this prior dispatch. All relevant transport data, such as the form of transport, the type of packaging, marking, number of packages, gross and net weight and customs invoices, packing lists, etc. included in the consignment must be communicated to MIWE no later than the day of dispatch. In this case, notwithstanding the rules in the above provisions, a further prerequisite for payment becoming due shall be receipt of proof of delivery sent to MIWE by the supplier.

7.5. The payment period for the deduction of discount shall commence as soon as the delivery or service has been provided on time and in full and the correctly issued invoice has been received. The deduction of a discount shall also be permissible if MIWE is offsetting or withholding a reasonable amount of payment on the grounds of defects. The payment period shall commence after the defects have been completely remedied.

7.6. Payment of the invoice does not mean that the delivery is recognised as being in accordance with the contract or free of defects.

7.7. Invoices shall specify

- the tax number or the VAT ID number;
- the delivery note number or delivery date;
- the order code or the contact person, and
- the billing address and the plant that placed the order

If and for as long as this information is missing, invoices shall not be payable and cannot be processed.

7.8. If invoices have repeatedly to be returned as a result of failure to provide information pursuant to 7.7., MIWE shall be entitled to charge an administrative fee of € 20.

8. Material supplies, tools and moulds

8.1. Materials provided and all tools, samples, models, profiles, drawings, standard sheets, print templates, calculations, illustrations, gauges, software and other documents provided by MIWE shall remain the property of MIWE and are to be stored, labelled and managed separately free of charge. They may only be used for orders from MIWE. MIWE reserves all rights to such items. They are to be returned to MIWE automatically at the end of the contract, or immediately at the request of MIWE. In the event of loss or impairment of value, the supplier shall provide compensation. This shall also apply to the invoiced transfer of order-related material.

8.2. Processing or transformation of the material is for MIWE. MIWE shall immediately become the direct owner of the new or transformed object. Should this not be possible for legal reasons, MIWE and the supplier hereby agree that MIWE shall become the owner of the new object at all points in processing or transformation. The supplier shall store the new item free of charge for MIWE with the diligence of a prudent businessman.

9. Availability of spare parts

9.1. The supplier shall, by means of a separate guarantee, guarantee to MIWE that the mechanical parts of its delivery shall be available for 20 years and the electrical and electronic parts for 10 years; comparable and/or compatible solutions shall be possible.

9.2. If production is discontinued, the supplier shall inform MIWE at least 3 months in advance with an advance notice.

10. Performance of work / insurance cover / liability of MIWE

10.1. When performing contractual work on the premises of MIWE or third parties, the supplier shall observe the provisions of the applicable plant regulations and the existing regulations for entering and leaving the facilities.

10.2. MIWE shall not be liable for injury to life, limb or health unless said injury results from a negligent breach of duty on the part of MIWE or a wilful or negligent breach of duty on the part of a legal representative or vicarious agent of MIWE.

10.3. MIWE shall not be liable for other loss unless said loss results from a grossly negligent breach of duty on the part of MIWE or a wilful or grossly negligent breach of duty on the part of a legal representative or vicarious agent of MIWE.

10.4. The supplier shall provide sufficient insurance cover for the work to be performed, including but not limited to worldwide and unlimited business liability insurance. This must be presented to MIWE upon request.

11. Product liability and insurance coverage

11.1. In the event of a claim against MIWE by the end customer on the basis of product or producer liability due to a defective product of the supplier, the supplier shall indemnify MIWE against liability and against claims of third parties.

11.2. The supplier shall in particular have a duty to reimburse MIWE for any costs and expenses it incurs in this respect, including but not limited to the costs incurred in recalls.

11.3. The supplier shall maintain worldwide and unlimited insurance cover for product liability and document said insurance at the request of MIWE.

12. Industrial property rights

12.1. The supplier shall guarantee by means of a separate guarantee that its deliveries do not affect the rights of third parties, and shall indemnify MIWE in this respect against claims by third parties upon the first written request.

12.2. MIWE shall not be entitled to conclude, with the third party and without the consent of the supplier, agreements including but not limited to settlements of such claims.

12.3. The supplier's obligation to indemnify relates to all expenses necessarily incurred by MIWE arising from or in connection with claims by a third party.

13. Data protection

13.1. The supplier and MIWE are aware of and hereby agree to the fact that the personal data required for processing the order is to be stored by the supplier and MIWE on data carriers. The supplier and MIWE hereby agree to the collection, processing and use of their personal data. The personal data stored shall of course be

treated as confidential by the supplier and MIWE. Collection, processing and use of the personal data of the supplier and by MIWE shall be carried out in compliance with our data protection declaration pursuant to the German Federal Data Protection Act (BDSG) and the German Telemedia Act (TMG).

13.2. The supplier and MIWE shall be entitled to withdraw consent at any time with effect for the future. In such a case, the supplier and MIWE shall have a duty to delete the personal data immediately.

14. Energy

MIWE has introduced an energy management system pursuant to DIN EN ISO 50003:2014. Energy use, consumption and efficiency are therefore relevant procurement criteria for MIWE. Where purchasing options are of equal merit, preference shall be given to the source of supply that is more advantageous from an energy point of view.

15. Confidentiality

15.1. If a separate non-disclosure agreement has been concluded between the supplier and MIWE, the provisions therein shall apply. They shall be supplemented by the following provisions. If no separate non-disclosure agreement has been concluded between MIWE and the suppliers, the following provisions alone shall apply.

15.2. The supplier undertakes to maintain strict confidentiality vis-à-vis third parties with regard to all confidential information of which it become aware within the scope of its cooperation with MIWE. This does not apply to information whose public disclosure MIWE has expressly agreed to in advance.

15.3. The duty of confidentiality shall also apply to all employees and agents of the contracting party, regardless of the type and legal structure of the partnership.

15.4. The confidentiality obligations shall remain in force both during performance and after termination.

15.5. The duty of confidentiality shall not apply if the information in question demonstrably - is or has become generally known or becomes generally known without the involvement of or fault on the part of the contracting party or - has been or is lawfully obtained by a third party.

15.6. Any publication or disclosure to third parties of information regarding the collaboration with MIWE shall require the prior written consent of MIWE.

16. Compliance

16.1 The supplier has an obligation to refrain from any activities that may result in criminal liability due to fraud or embezzlement, insolvency offences, anti-competitive offences, granting of undue advantages or corruption of any persons in its employment or of third parties.

16.2. The supplier undertakes to work and act in compliance with the standards of the UN Global

Compact and BSCI Code of Conduct. This mandatory requirement shall also extend to any subcontractors and suppliers and to all business units/companies of the supplier.

16.3. In the event of any breach of the above, MIWE shall have the right to abandon all negotiations and to withdraw from or terminate without notice all contracts with the supplier.

16.4 The supplier shall allow MIWE to conduct audits to verify whether the standards and requirements of the Code of Conduct are being met. An audit shall be announced in good time and no later than 2 days in advance.

17. Assignment of claims

Supplier claims against MIWE may only be assigned with the written consent of MIWE.

18. Place of performance, place of jurisdiction, applicable law, miscellaneous

18.1. The place of performance for deliveries and services shall be the place of receipt designated by MIWE, and for payments Arnstein. The supplier invoice shall be issued to the plant placing the MIWE order in each case.

18.2. The court of jurisdiction with regard to both place and subject matter shall be the Regional Court of Würzburg [*Landgericht Würzburg*].

18.3. The law of the Federal Republic of Germany shall apply; conflict of laws provisions and the United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply.

18.4. The requirement for the written form may only be waived in writing. Oral supplementary agreements shall not be valid.

18.5. If any provision is or becomes ineffective in whole or in part, this shall not affect the validity of the remaining provisions. The remaining provisions shall continue to apply.