

## **General Terms and Conditions of Purchase**

of the  
SENNEBOGEN Corporate Group

Issued: January 2022

### **1. General – Scope of Application**

(1) These Terms and Conditions of Purchase apply to business transactions with contractors, legal entities under public law and special funds under public law (hereinafter referred to as the Supplier).

These Terms and Conditions of Purchase apply to deliveries of production material and spare parts as well as non-production-related deliveries. They also apply to services provided by the Supplier, e.g. in the form of work contracts, service contracts or agency agreements.

Insofar as the following only refers to deliveries, it also includes services; unless otherwise agreed. The same applies to such terms that refer to deliveries, such as supply agreements, delivery time.

(2) These Terms and Conditions of Purchase apply to orders placed by the following individual companies in the SENNEBOGEN Corporate Group (hereinafter referred to as just SENNEBOGEN):

- a) SENNEBOGEN MASCHINENFABRIK GmbH (SMG),  
Hebbelstraße 30, D- 94315 Straubing, Germany
- b) SENNEBOGEN MASCHINENTECHNIK GmbH & Co. KG (SMT),  
Oskar-von-Müller-Strasse 1–5, 92442 Wackersdorf, Germany
- c) SENNEBOGEN PRODUKTIONS GmbH & Co. KG (SPG)  
Hebbelstraße 30, D- 94315 Straubing, Germany
- d) SENNEBOGEN MULTI LINE GmbH & Co. KG (SML)  
Karl-Rapp-Str. 7, 92442 Wackersdorf, Germany
- e) SENNEBOGEN FERTIGUNGS GmbH & Co. KG (SFG)  
Hebbelstraße 30, D- 94315 Straubing, Germany

(3) These Terms and Conditions of Purchase apply exclusively; any Supplier terms and conditions that are contrary to or deviate from these Terms and Conditions of Purchase will not be accepted, unless SENNEBOGEN has expressly agreed to their validity in writing. These Terms and Conditions of Purchase also apply if SENNEBOGEN accepts the Supplier's delivery without reservation in the knowledge that the Supplier's terms and conditions conflict with or deviate from these Terms and Conditions of Purchase.

(4) These Terms and Conditions of Purchase also apply to all future Supplier deliveries and services to SENNEBOGEN until new Terms and Conditions of Purchase apply.

(5) All agreements made between SENNEBOGEN and the Supplier for the purpose of executing the contract, including all changes, must be set out contractually in writing. The written form is deemed to have been complied with if this is done by means of machine-generated and unsigned documents or by remote data transmission. The same applies to compliance with the electronic form.

(6) The Supplier may not assign claims against SENNEBOGEN.

(7) This contract is subject to German law with the exception of the Vienna UN Convention (CISG) of 11 April 1980. Furthermore, all other international and supranational legal systems are excluded. The negotiating language is German.

(8) Unless otherwise agreed, SENNEBOGEN's registered office is the place of performance for the Supplier's obligations and SENNEBOGEN's obligations. SENNEBOGEN's registered office is the exclusive place of jurisdiction for all present and future claims arising from the respective business relationship, including bills of exchange and check claims, insofar as the Supplier is a business person, a legal entity under public law or a special fund under public law. This place of jurisdiction also applies if the Supplier does not have a general place of jurisdiction in Germany, moves its registered office out of Germany after conclusion of the contract or its registered office or usual place of residence is not known at the time the action is brought.

### **2. Purchase Order**

(1) SENNEBOGEN reserves the right to revoke a purchase order or a delivery call-off at any time if the Supplier does not declare acceptance of the order or delivery call-off in writing within seven working days of receipt with explicit confirmation of prices and delivery time. SENNEBOGEN is not bound by any deviating prices, dates or production data unless it has expressly confirmed them.

(2) Supply agreements (orders and acceptances) and delivery call-offs as well as any amendments and additions must be made in writing within the meaning of Section 1 Para. 5. In the case of verbal or telephone explanations, these must be confirmed in writing.

(3) Deviations in quantity, quality and delivery dates compared to the text and content of the order and subsequent agreement changes are only deemed to have been agreed upon if SENNEBOGEN has expressly confirmed them in writing.

(4) Insofar as the delivery item is intended for use in one of SENNEBOGEN's plants, the Supplier must take into account the respective delivery address and invoice address.

(5) SENNEBOGEN may request changes to the design and execution of the delivery item within the bounds of reasonableness for the Supplier. The effects, in particular with regard to increased or reduced costs as well as delivery dates, must be taken into account appropriately.

### **3. Prices – Payment Terms**

(1) The price stated in the order is binding unless otherwise agreed in writing retrospectively. The clause "delivered duty paid, DDP" at the specified receiving points applies at the time of conclusion of the contract in accordance with the current Incoterms 2020. Costs in deviation from the above clause "Delivered duty paid, DDP" will only be accepted if this has been agreed in writing. The return of the packaging requires special agreement.

(2) If no prices have been agreed, the last agreed prices or the Supplier's current list prices apply with the customary deductions, whichever is lower.

The payment or discount period begins with the complete and contractual receipt of the goods or service and after receipt of the proper and verifiable invoice. All payments are subject to invoice verification. If early deliveries are accepted, the payment and discount period will be based on the agreed delivery date.

(3) Payment will be made by bank transfer on the 15th of the month following the complete and contractual delivery or service, including receipt of a proper and auditable invoice, with a 3% discount on the gross amount of the invoice, or within 60 days net.

(4) Invoices are only valid and verifiable if they are submitted in accordance with Section 5 Para. 5 and contains all the points mentioned therein. If such information is missing from the invoices and this delays processing by us in the normal course of business, the payment deadlines will be extended by the period of the delay (see Section 3 Para. 3).

(5) SENNEBOGEN is entitled to rights of set-off and retention to the extent provided by law.

(6) All payments by SENNEBOGEN are made subject to the reservation of its rights due to any defects. They do not imply any acknowledgement of performance or waiver of warranty or damages. The same applies to the receipt within the framework of goods receipt.

(7) In the event of defective delivery or service, SENNEBOGEN is entitled to withhold payment of the invoice on a pro rata basis up to three times the value of the amount expected to be required to remedy the defect until the delivery or service has been properly fulfilled. If and to the extent payments for defective deliveries/services have already been made, SENNEBOGEN is entitled to withhold other payments due up to the amount of this payment.

(8) The Supplier may only offset against SENNEBOGEN's claims with undisputed or legally established claims.

(9) SENNEBOGEN does not owe any interest on maturity. The Supplier's claim to payment of default interest remains unaffected by this. Statutory provisions apply in the event of late payment. In any case, however, the Supplier is required to issue a reminder. In the event of default in payment, SENNEBOGEN will owe default interest of 5 percentage points above the base interest rate in accordance with Section 247 of the German Civil Code (BGB).

### **4. Delivery Time**

(1) The delivery date specified in the purchase order is binding. The delivery time is deemed to have been complied with once the goods have been received at SENNEBOGEN or the place of receipt.

(2) The Supplier is obliged to inform SENNEBOGEN in writing without delay if circumstances occur or become apparent which indicate that the agreed delivery time cannot be met. This will not affect SENNEBOGEN's rights arising from any delay in delivery. The Supplier undertakes to take all necessary countermeasures at its own expense to prevent a delay and to reduce any consequences of a delay.

(3) SENNEBOGEN is not obliged to accept delivery before the delivery period expires.

(4) SENNEBOGEN is entitled to legal claims in the event of delayed delivery. In particular, SENNEBOGEN is entitled to demand damages in lieu of performance and withdrawal from the contract after non-delivery over a reasonable period of time. If SENNEBOGEN demands compensation for damages, the Supplier is also entitled to prove that it is not responsible for the breach of duty.

In the event of a delay in delivery, SENNEBOGEN is entitled to demand a contractual penalty of 0.3% of the net order value for each completed working day of delay, but no more than 5%; the right to claim further damages remains reserved. SENNEBOGEN is entitled to declare the reservation of the contractual penalty at the latest upon payment of the invoice, which follows the delayed delivery.

(5) Force majeure, industrial disputes, disruptions to operations through no fault of their own, unrest, official measures and other unavoidable events entitle SENNEBOGEN to withdraw from the contract in whole or in part – without prejudice to its other rights – insofar as they are not of insignificant duration or result in a significant reduction in its requirements. The Supplier is obliged to provide the necessary information without delay within reasonable limits and to adapt its obligations to the changed circumstances in good faith. All rights reserved in the event of delayed delivery.

#### **5. Delivery, Transfer of Risk and Ownership – Documents**

(1) In the absence of a written individual agreement between SENNEBOGEN and the Supplier, the Incoterms clause in the current version "delivered duty paid, DDP" is agreed at the specified receiving points, including the disposal costs of the packaging.

(2) Upon handover of the goods, the risk of accidental loss or accidental deterioration passes to SENNEBOGEN.

(3) Delivery is free of charge at the Supplier's expense to the address specified by SENNEBOGEN. If SENNEBOGEN has to carry the freight on the basis of a separate agreement, the Supplier must choose the mode of transport prescribed by SENNEBOGEN, otherwise the most favorable mode of transport and delivery for SENNEBOGEN.

(4) Packaging is included in the price. If, in exceptional cases, something different is agreed, the packaging must be charged at cost price. The Supplier must select the packaging specified by SENNEBOGEN and ensure that the packaging protects the goods from damage. If reusable packaging is returned, the calculated value must be credited in full.

(5) Order confirmations, delivery notes, invoices, packing slips and all correspondence relating to the execution of the order in simple form must contain:

- order number and item,
- quantity and unit of measure,
- item designation with item number and order item from SENNEBOGEN,
- remaining quantity for partial deliveries.

If the above-mentioned information is missing from the above-mentioned documents, the resulting delays in processing are not the responsibility of SENNEBOGEN.

(6) Supplier retentions of title only apply insofar as they relate to SENNEBOGEN's payment obligation for the respective delivery item to which the Supplier reserves ownership. In particular, extended or prolonged reservations of title as well as current account reservations are not permitted.

(7) The unconditional acceptance of a delayed delivery or service does not imply a waiving of SENNEBOGEN's claims for compensation due to the delayed delivery or service.

(8) In addition to the right to use software that is part of the product scope of delivery, including its documentation, SENNEBOGEN has

the right to use to the extent permitted by law (see Sections 69 a ff. of the Germany copyright law (UrhG)) the agreed performance characteristics and to the extent necessary for the contractual use of the product. SENNEBOGEN may also make a backup copy without express agreement.

(9) The Supplier is not entitled to have the service it has agreed to perform provided by third parties (e.g. subcontractors) without the prior written consent of SENNEBOGEN. The Supplier bears the procurement risk for its services, unless it is a one-off production.

(10) SENNEBOGEN is entitled to refuse to accept partial deliveries unless it has agreed to them or they are reasonable.

#### **6. Defect Investigation – Liability for Defects**

(1) If the Supplier is a business person and if sale of goods law applies, the statutory provisions (Sections 377, 381 German Civil Code (HGB)) apply to the commercial inspection and notification obligations with the following proviso:

SENNEBOGEN's obligation to inspect is limited to defects that become apparent during its incoming goods inspection by means of an external inspection, including the delivery documents, as well as during its incoming goods inspection by means of random sampling (e.g. transport damage, incorrect and short deliveries). Insofar as acceptance has been agreed, there is no obligation to inspect. In all other respects, it depends on the extent to which an investigation is feasible in the ordinary course of business, taking into account the circumstances of the individual case.

SENNEBOGEN's obligation to report defects discovered subsequently remains unaffected. In all cases, a complaint from SENNEBOGEN (notification of defects) is deemed to have been received by the Supplier without delay and in good time if it is received within ten working days of discovery of the defect.

(2) SENNEBOGEN is entitled to make full legal claims for defects; in any case, the Supplier is entitled to demand rectification of defects or delivery of a new item at its discretion. The right to compensation, in particular to compensation in lieu of performance, is expressly reserved.

(3) SENNEBOGEN is entitled to remedy the defect itself at the Supplier's expense if there is imminent danger or special urgency. In this case, the Supplier must be informed immediately – if possible in advance.

(4) The deadline for the limitation of claims for defects expires 24 months after commissioning, but no later than 36 months after transfer of risk to SENNEBOGEN.

(5) If a material defect becomes apparent within six months of commissioning, at the latest 12 months after the transfer of risk to SENNEBOGEN, it is assumed that the defect was already present at the transfer of risk, unless this assumption is incompatible with the type of item or defect.

(6) If SENNEBOGEN takes back products manufactured and/or sold by it as a result of the defectiveness of the contractual item delivered by the Supplier or if SENNEBOGEN has been reduced in relation to the purchase price or if SENNEBOGEN has been claimed against in any other way for this reason, SENNEBOGEN reserves the right to recourse against the Supplier, whereby SENNEBOGEN does not need to set a deadline otherwise required for the defect rights.

(7) In the event of subsequent performance, the Supplier will also bear the costs of removal of the defective goods and installation of the replacement delivery, without the Supplier being at fault. The same applies in the case of Para. 3.

#### **7. Product Liability – Exemption – Liability Insurance Cover**

(1) Insofar as the Supplier is responsible for product damage, it is obliged to indemnify SENNEBOGEN from third-party claims for damages insofar as the cause is within its sphere of control and organization and it is liable in the external relationship itself.

(2) Within the scope of its liability for damage cases within the meaning of Para. 1, the Supplier is also obliged to reimburse any expenses in accordance with Sections 683, 670 of the German Civil Code (BGB) and Sections 830, 840, 426 of the German Civil Code (BGB) that arise from or in connection with a recall campaign carried out by SENNEBOGEN or that arise from or in connection with another measure carried out by SENNEBOGEN to prevent damage, in particular in the form of warnings. SENNEBOGEN will inform the Supplier – as far as possible and reasonable – of the content and scope of the recall measures to be carried out and/or other measures

to prevent damage (in particular warnings) and give the Supplier the opportunity to comment. Other legal claims remain unaffected.

(3) The Supplier undertakes to maintain business liability insurance including extended product liability insurance with a cover sum of €10 million per personal injury, property damage and financial loss – flat rate; if SENNEBOGEN is entitled to further claims for damages, these remain unaffected. At SENNEBOGEN's request, the Supplier is obliged to provide evidence of the conclusion and maintenance of the public liability and product liability insurance by submitting suitable documents.

## 8. Property Rights

(1) The Supplier assumes full and independent responsibility for ensuring that the delivery and use of the ordered items does not infringe the property rights of third parties at home or abroad, and must indemnify SENNEBOGEN from all claims asserted against it arising from an infringement of property rights. In the event of infringement of third-party property rights, SENNEBOGEN is entitled to make all legal and contractual claims against the Supplier for material defects and defects of title in addition to claims for damages; this also applies to parts that the Supplier has purchased from third parties.

(2) When using third-party property rights on the basis of license agreements concluded by the Supplier with a territorially limited scope, the Supplier must ensure that use is permitted in all countries in which corresponding property rights exist.

(3) Insofar as the Supplier possesses property rights that relate to the application of the products supplied by it and created for a special use, it grants SENNEBOGEN a right of joint use of its industrial property rights within the scope of the delivered products free of charge.

(4) Sub-suppliers or subcontractors of the Supplier are obliged by the Supplier to the same extent in accordance with the preceding paragraphs.

(5) The Supplier's obligation to indemnify applies to all expenses necessarily incurred by SENNEBOGEN from or in connection with the claim by a third party. The right to exemption exists irrespective of whether the Supplier is at fault.

(6) The limitation period is ten years, calculated from the conclusion of the contract.

## 9. Provision – Tools – Confidentiality, Ownership of SENNEBOGEN Documents

(1) If SENNEBOGEN provides materials, parts, containers and/or special packaging to the Supplier (hereinafter referred to as the Supplied Item), SENNEBOGEN reserves ownership of this. Processing or conversion by the Supplier is carried out for SENNEBOGEN. If these reserved goods are processed with other items not belonging to SENNEBOGEN, they acquire co-ownership of the new item in proportion to the value of their item (purchase price plus value added tax) to the other processed items at the time of processing. The Supplier will store the new item in which SENNEBOGEN has sole or co-ownership with the care of a prudent business person.

Insofar as separate terms and conditions of purchase for tools and molds have been concluded between SENNEBOGEN and the Supplier, these take precedence over these Terms and Conditions of Purchase.

(2) If the item provided by SENNEBOGEN is inseparably mixed with other items not belonging to SENNEBOGEN, it will acquire co-ownership of the new item in proportion to the value of the reserved item (purchase price plus value added tax) to the other mixed items at the time of mixing. If the mixing takes place in such a way that the Supplier's item is to be regarded as the main item, it is agreed that the Supplier transfers co-ownership to SENNEBOGEN on a pro rata basis in proportion to the preceding sentence; the Supplier keeps the sole ownership or the co-ownership for SENNEBOGEN with the diligence of a prudent business person.

(3) SENNEBOGEN reserves ownership of tools provided; the Supplier is obliged to use the tools exclusively for the production of the goods ordered by SENNEBOGEN. The Supplier is obliged to insure the tools belonging to SENNEBOGEN against fire, water and theft damage at its own expense at the replacement value. At the same time, the Supplier hereby assigns all claims for compensation under this insurance to SENNEBOGEN; SENNEBOGEN hereby accepts the assignment. The Supplier is obliged to carry out any maintenance and inspection work required on SENNEBOGEN tools as well as all maintenance and repair work in good time at its own expense. The Supplier must immediately notify SENNEBOGEN of any malfunctions.

(4) Models, dies, templates, samples, tools, drawings, brands and other means of production, as well as confidential information provided to the Supplier by SENNEBOGEN or paid for in full or in part by the Supplier, may only be used for deliveries to third parties with the express written consent of SENNEBOGEN.

(5) The Supplier is obliged to keep strictly confidential all illustrations, plans, drawings, calculations, implementation instructions, product descriptions and other documents and information (hereinafter Information). SENNEBOGEN also reserves all property rights and copyrights to this. They may only be disclosed to third parties with the express consent of SENNEBOGEN. This confidentiality obligation also applies after the respective contract has been concluded for a period of five years from the end of the respective contract. The above Information must be returned in full to SENNEBOGEN after the contract has been fulfilled. The confidentiality obligation only lapses if and to the extent that the knowledge contained in the information provided has become generally known.

(6) To the extent that SENNEBOGEN complies with Para. 1 and/or Para. 2, the Supplier is obliged to release the security rights at its own discretion at the Supplier's request if the security rights to which it is entitled exceed the purchase price of all the reserved goods not yet paid for by SENNEBOGEN by more than 10%.

## 10. Quality

(1) The Supplier warrants that its delivery complies with the statutory provisions, the recognized rules of technology and the safety regulations and that the agreed technical data are complied with. The Supplier also warrants that the deliveries/services comply with the occupational health and safety and accident prevention regulations as well as the law on technical work equipment. In all other respects, the Supplier guarantees to comply in particular with EU standards, DIN standards, VDE provisions and other recognized technical regulations. The Supplier will perform impeccable work, dignified and proper execution according to agreement; the Supplier will provide full warranty for the use of good and fault-free raw materials and accordingly also full warranty for the presence of any warranted properties.

(2) In the case of longer supply agreements in particular, the Supplier is obliged to keep the ordered goods up to date at all times. Any intended technical changes or changes affecting SENNEBOGEN's production must be submitted to SENNEBOGEN for approval before the changes are carried out.

(3) In the event that a separate quality assurance agreement has been concluded between the Supplier and SENNEBOGEN, this takes precedence over the above provisions.

## 11. Spare Parts

(1) The Supplier undertakes to supply spare parts orders for delivered goods for a period of at least 10 years after the last delivery, regardless of whether SENNEBOGEN has resold the goods unprocessed or processed.

(2) If the Supplier intends to discontinue the production of spare parts for the products delivered to SENNEBOGEN, it will notify SENNEBOGEN of this immediately after the decision to discontinue. The decision must be made at least 6 months prior to discontinuation of production, subject to Para. 1 above.