

General Purchasing Conditions (“AEBs”) of CEVOTEC GmbH, Unterhaching (“CEVOTEC”)

Status: April 28, 2020

1. Range of application, form, concluding a contract

- 1.1 The AEBs shall apply – in the version valid on the date of the contract's being concluded as published under www.cevotec.com/terms-conditions-eula – to all contracts covering the manufacture and/or the delivery of items or the provision of services for CEVOTEC. These contracts are also referred to below as “purchase orders”.
- 1.2 To become binding, purchase orders from CEVOTEC, plus any supplements or changes to them, shall require a written order document from CEVOTEC and its acceptance, or the written acceptance of a quotation from the Vendor by CEVOTEC. Purchase orders from CEVOTEC can be accepted within two weeks from the date of the written order document and in writing. Until the purchase order has been accepted by the Vendor, CEVOTEC reserves the right to revoke it. Constituents of the purchase order shall be solely in the following order of precedence: the written order document from CEVOTEC or the letter from CEVOTEC with acceptance of the quotation, the specifications, shipping instructions and other documents specified in it, these AEBs, the general technical and accident prevention standards applying in the Federal Republic of Germany and the applicable law(Section 14.1). Conditions of the Vendor that differ from or supplement the purchase order must to attain validity be explicitly recognised in writing by CEVOTEC.
- 1.3 The inoperability of individual provisions of the purchase order shall not affect the operability of the rest of the purchase order's provisions. Instead of the inoperable provision, the contracting parties shall be obliged to agree on an operable one that approaches as closely as possible to the commercial purpose of the inoperable provision concerned.

2. Production monitoring

- 2.1 The Vendor shall assure compliance with the agreed quality and other characteristics of the object to be delivered and compliance with the delivery deadline by means of appropriate monitoring measures in his own plant and at his suppliers. All test and acceptance test reports must enable the inspector of the part tested to be identified.
- 2.2 CEVOTEC and/or contractual partners of CEVOTEC may at any time during normal working hours carry out quality or scheduling checks on the premises of the Vendor or his suppliers.
- 2.3 The material costs of all tests and inspections shall be borne by the Vendor; personnel costs shall be borne by the party at whom they are incurred.

3. Acceptance-testing

- 3.1 If the contracting parties have agreed an acceptance test for the relevant object delivered, this shall take place following contractually compliant completion of the purchase order at the location of erection or installation of the object delivered in accordance with the intended purpose specified by CEVOTEC and following submission of all technical and commercial documents to be provided by the Vendor. If CEVOTEC so wishes, representatives of CEVOTEC's business associates involved

in the project concerned may also be present at the acceptance test. If the contractually compliant manufacture of the object delivered can be verified only in conjunction with another assembly, then the acceptance test shall be performed in conjunction with the acceptance test for the other assembly, even if the remaining parts of the other assembly are not being supplied by the Vendor.

- 3.2 The Vendor must provide CEVOTEC with binding notification in writing or by email of readiness for acceptance-testing at least two weeks beforehand. In regard to the costs of the acceptance test, Section 2.3 above shall apply correspondingly. If the acceptance test was not successful, then when it is repeated CEVOTEC's personnel costs shall also be borne by the Vendor.
- 3.3 If CEVOTEC performs trial runs of the object delivered alone or with other assemblies, this shall not be construed as an acceptance test, even if the trial runs involved are of a lengthy duration (trial operation).
- 3.4 The acceptance test shall be construed as passed if this has been explicitly declared by CEVOTEC in writing in an acceptance test report.
- 3.5 An acceptance test before the contractually agreed date shall be possible with the consent of CEVOTEC, but cannot be demanded by the Vendor.
- 3.6 The acceptance of technical documents, which belong to the scope of delivery of the supplier, takes place after their complete delivery and appropriate testing period for CEVOTEC by written statement of acceptance.

4. Material defects and defects of title

- 4.1 The Vendor warrants that the object delivered is on the date of handing-over and the agreed acceptance test free of defects that impair its value or its suitability for the purpose envisaged by CEVOTEC. The Vendor guarantees
 - 4.1.1 that the object delivered conforms to the current state of the art, and is fully functional both for its general intended use and the specific intended use envisaged by CEVOTEC,
 - 4.1.2 that the object delivered exhibits the features contained in the purchase order, particularly in the technical specifications,
 - 4.1.3 that on the date of handing-over and an agreed acceptance test all tests or acceptance tests stipulated under statute law or by the relevant government agencies for the general intended use and for the specific intended use envisaged by CEVOTEC have been performed and approvals granted.
- 4.2 The period of limitation applying to claims for defects shall be 24 months from handing-over of or from an agreed acceptance test for the object delivered respectively and of the associated technical and commercial documents. If the object delivered is intended for installation in another assembly to be supplied by CEVOTEC to third parties, the period of limitation shall begin with the date on which the period of limitation applying to claims for defects begins for this other assembly by reason of the contractual relationship between CEVOTEC and the third party concerned. In the case of reworking or replacement of a defective part, the period of limitation applying to claims for defects shall begin anew for the entire object delivered. The period of limitation for claims based on defect-related complaints shall begin with the complaint and shall end at the earliest with expiry of the agreed period of limitation applying to claims for defects.
- 4.3 If the object delivered is defective or if it lacks a warranted characteristic, the Vendor must immediately at his own expense remedy the defect concerned, either by reworking or by a new delivery at his discretion. The obligation to remedy defects must

be met at the place where the object delivered is located. This can also be at the plant of a customer of CEVOTEC. CEVOTEC can insist on delivery of a new item if the reworking measures proposed by the Vendor appear not to be promising or if for other reasons reworking cannot reasonably be deemed acceptable. Title, possession and risk regarding replaced parts shall pass to the Vendor at the location of replacement after successful remedying of the defect concerned.

- 4.4 If the Vendor does not meet his obligations to remedy defects within a reasonable time period specified to him by CEVOTEC, if he refuses to remedy the defect, if the remedial work fails, or if it is not acceptable to CEVOTEC, CEVOTEC shall be immediately entitled to itself remedy the defect at the Vendor's expense, or have it remedied by third parties, without thereby affecting the further contractual performance obligations of the Vendor for the object delivered.
- 4.5 All costs incurred in connection with the remedying of a defect at CEVOTEC, particularly for dismantling and installation, packing, transport or customs clearance, shall be borne by the Vendor.
- 4.6 The examination and notification period specified under § 377 HGB (German Commercial Code) shall end 15 days at the earliest after the object delivered has been taken over by CEVOTEC.
- 4.7 CEVOTEC shall already be entitled to complain of defects before the beginning of the period of limitation applying to claims for defects, and to demand that they be remedied.
- 4.8 If third parties assert claims against CEVOTEC in connection with deliveries or services of the Vendor due to alleged infringement of industrial property rights or other rights of third parties, the Vendor shall indemnify CEVOTEC against all resultant claims by third parties and any consequential costs and damages.
- 4.9 Further claims by CEVOTEC by reason of defects, particularly the claims arising from §§ 437 and 634 BGB (German Civil Code), shall not be affected.

5. Packing, transport, permits/approvals, documents, transport insurance

- 5.1 The Vendor must at his own expense pack the object to be delivered in an appropriate and professional manner, taking due account of the agreed specifications from CEVOTEC and in due compliance with other instructions issued by CEVOTEC, and transport it to the destination specified by CEVOTEC. Part-deliveries shall require the prior written consent of CEVOTEC.
- 5.2 The Vendor must comply with the export control regulations applying on the date of delivery. He shall be responsible for any customs clearance involved.
- 5.3 The Vendor shall be responsible for procuring appropriate transport, export and import permits and other requisite approvals. He shall sign and make available any certificates of origin requested by CEVOTEC with all requisite particulars.
- 5.4 Unless otherwise agreed in the purchase order, the Vendor undertakes to take out transport insurance, whose premium shall be included in the price in accordance with Section 7.1.

6. Handing-over, passage of risk and title

- 6.1 Handing-over of the object delivered shall take place after it has been unloaded at the destination specified by CEVOTEC, or if installation has been agreed with the date of the completion-of-installation report signed by CEVOTEC, or if acceptance-testing at the location of erection or installation has been agreed (Section 3) with the date of the acceptance test report signed by CEVOTEC. With handing-over, the risk of accidental

loss shall pass to CEVOTEC. If this handing-over takes place before the agreed delivery date, written acceptance from CEVOTEC shall be required for passage of risk before the agreed delivery date.

- 6.2 Title to the object delivered shall pass to CEVOTEC with its being loaded in the facility of the Vendor or his supplier, but at the latest with payment in full.

7. Pricing and payment conditions

- 7.1 The prices are fixed prices, and, unless otherwise agreed, are to be understood as DDP in accordance with INCOTERMS 2010.
- 7.2 Payments shall be made by remittance or cheque in the agreed currency within 14 days after receipt of the object delivered together with all the technical and commercial documents at the destination and following receipt of the invoice at CEVOTEC with two per cent discount, or within 30 days without deduction. If an acceptance test has been agreed, the term of payment shall begin with unconditional acceptance. A payment by CEVOTEC does not mean that CEVOTEC acknowledges the existence of the necessary conditions for it.
- 7.3 The assignment of existing and future claims of the Vendor against CEVOTEC shall require the consent of CEVOTEC. The Vendor may offset against claims of CEVOTEC claims that are legally binding or have been recognised in writing by CEVOTEC.

8. Delivery time, delayed delivery, cancellation

- 8.1 The delivery periods contained in the purchase order or in the acceptance of the offer (section 1.2) are binding. They shall in cases of doubt apply as from the date of the purchase order. The delivery date shall be construed as the day on which the object delivered arrives at the reception point specified by CEVOTEC in a contractually compliant condition.
- 8.2 Technical and commercial documents shall, unless otherwise agreed, be delivered together with the object delivered at the latest.
- 8.3 The Vendor must notify CEVOTEC immediately as soon as it becomes apparent that he will not be meeting an agreed deadline.
- 8.4 If the Vendor fails to meet his delivery obligation in whole or in part, CEVOTEC shall immediately be entitled to withdraw from the contract or to refuse acceptance of the Vendor's work, or to insist on fulfilment. In any case, CEVOTEC shall be entitled to compensation for the loss or damage suffered due to non-punctual performance of the contract, which shall also, in the event of withdrawal from the contract or refusal to accept the work, include the additional costs incurred by CEVOTEC due to procuring a replacement from third parties.
- 8.5 CEVOTEC may claim as default damages per working day an amount of 0.2 per cent of the contract's purchase order value without evidence of such loss or damage, but at most ten per cent. This shall not apply as far as the Vendor proves that the loss or damage involved is lower. The claim shall continue to apply even if CEVOTEC does not reserve the right to it when taking receipt of the delayed work.
- 8.6 CEVOTEC shall be entitled to cancel the purchase order completely or partially at any time. In this case, the Vendor shall be entitled to reimbursement of the proven, reasonable direct production costs incurred by him up to that date, plus a surcharge for overheads and profit amounting to 15 %, but not exceeding the contract price of the cancelled scope of delivery. Payment shall be made four weeks after handing over of

the object delivered or the materials procured or produced for it in the condition they were in on the date of cancellation.

9. Rights to documents, confidentiality, commissioning of third parties

- 9.1 All documents, samples, models, etc. handed over to the Vendor shall remain the property of CEVOTEC. They may be used only for purposes of the purchase order, and must be returned to CEVOTEC on demand at any time. Copies may be made with CEVOTEC's consent. They are the property of CEVOTEC; Sentence 2 applies to them likewise. The provisions concerning copies shall also apply to models and other objects created in accordance with documents from CEVOTEC.
- 9.2 The purchase order and all other documents and objects, plus all oral and written information from CEVOTEC, must be treated as strictly confidential by the Vendor. This shall also apply for the initiation and continuance of delivery transactions.
- 9.3 CEVOTEC shall be liable for faulty or incomplete documents, if these are the fault of CEVOTEC and were not detectable as such even after careful expert inspection by the Vendor.
- 9.4 The execution or partial execution of a purchase order from CEVOTEC by, and the handing-over of the necessary CEVOTEC documents to third parties shall be permitted only after CEVOTEC's prior written consent.
- 9.5 The purchase order, or the handing-over of documents or objects, or the provision of other information, shall in no circumstances entail the transfer of rights or the granting of rights of use.

10. Occupational safety, environmental protection, safety, hazardous substances

- 10.1 The Vendor warrants that during manufacture and contractual use of the object to be delivered all relevant statutory provisions on occupational safety, environmental protection, and on safety and handling of hazardous substances are being complied with.
- 10.2 The Vendor shall attach to each consignment an up-to-date version of the safety data sheet in accordance with EC Ordinance 1907/2006/EC (REACH Ordinance) and EC Directive 67/548/EEC (Substance Directive) in the German and English languages, insofar as these or similar ordinances relate to the object to be delivered.

11. Limitation of liability and liability insurance of the Vendor

- 11.1 The Vendor shall not be liable for lost profits of CEVOTEC and for consequential loss or damage suffered by CEVOTEC unless the relevant poor performance of the contract has been caused by intentional or grossly negligent behaviour of the Vendor or his vicarious agents. The provisions of the German Product Liability Act shall not be affected thereby.
- 11.2 The limitation of liability specified in Section 11.1 above shall not apply if and insofar as the Vendor is obliged to take out liability insurance cover (see Section 11.3) or insofar as he can claim on an insurance policy even without such an obligation.
- 11.3 The Vendor undertakes, three weeks at the latest after order placement, to take out business liability insurance cover (including product liability) worth at least five million euros per individual case and calendar year, and to maintain it until the limitation period for possible claims has expired. If so requested by CEVOTEC, he shall at any time evidence the existence of the insurance cover by submitting an insurance certificate. If

the Vendor does not provide such documentary evidence within a time period specified to him by CEVOTEC, CEVOTEC shall be entitled to take out appropriate insurance cover at the Vendor's expense.

12. Place of performance

- 12.1 The place of performance for delivery of the item concerned shall be the place to which it must be dispatched. If such a place has not been specified, the place of performance shall be the registered office of CEVOTEC. This shall also be the place of performance for the delivery of technical or commercial documents and for payments.

13. Supply of spare parts, service readiness

- 13.1 The Vendor undertakes to supply CEVOTEC with spare parts at reasonable conditions and to provide technical service support over a period covering the usual lifetime of the object delivered, but for not less than ten years after expiry of the last warranty period.
- 13.2 If the Vendor discontinues delivery of spare parts before or after expiry of the deadline specified in Section 13.1 above, he shall give CEVOTEC an opportunity for a final spare parts purchase order at reasonable conditions.

14. Applicable law, place of jurisdiction, data processing

- 14.1 German law shall apply to all purchase orders from CEVOTEC, to the exclusion of the law concerning the Convention on Contracts for the International Sale of Goods (CISG).
- 14.2 The place of jurisdiction for all disputes arising from the purchase order or concerning its legal validity is the current registered office of CEVOTEC, if the Vendor is a business person or does not have his registered seat in the territory of the Federal Republic of Germany. CEVOTEC shall be entitled to also file suit at the Vendor's principal place of business or at the registered seat of the branch with which the purchase order has been placed.
- 14.3 In accordance with the legal provisions on data protection applicable in Germany, CEVOTEC processes and stores personal data of the Vendor with electronic means for its project purposes and may eventually forward such data for internal and administrative purposes and in the scope of the project to 3rd party suppliers.

CEVOTEC GMBH
Biberger Str. 93
82008 Unterhaching