

GENERAL TERMS AND CONDITIONS OF PURCHASE of NITROCHEMIE ASCHAU GMBH

1. General conditions

- 1.1. All deliveries and services of any kind that we procure are exclusively subject to these General Terms and Conditions of Purchase, as well as any special conditions of which we have given the supplier notice. The supplier's general terms and conditions of business shall only apply if this has been expressly confirmed by us in writing. None of the supplier's own deviating or contradictory terms shall apply, unless we have expressly acknowledged them in writing, even if, in individual cases, we do not expressly object to them or accept the goods without reservation or pay for them without reservation.
- 1.2. All agreements concluded between us and the supplier concerning the execution of this contract shall be made in writing.
- 1.3. These General Terms and Conditions of Purchase shall also apply to our future orders and transactions, even if, in individual cases, this is not specifically indicated.

2. Quotation, orders and order confirmation

- 2.1. When submitting quotations, the supplier must strictly adhere to the quantity and quality stated in the enquiry and must explicitly point out any deviations.
- 2.2. Quotations must be submitted free of charge and are binding for the supplier.
- 2.3. Orders issued in writing are legally binding. Verbal orders and alterations are only valid if they are confirmed in writing by us.
- 2.4. The supplier shall confirm our order in writing without delay, and at the latest within ten days from the date of issue. Should the order confirmation not reach us within this period, we reserve the right to cancel the order without any further obligation.
- 2.5. By issuing the order confirmation, executing the order, and in particular by performing delivery or partial delivery or accepting payments, the supplier indicates its unreserved agreement with these General Terms and Conditions of Purchase.
- 2.6. The supplier may only issue subcontracts for the entire manufacturing process (or substantial parts thereof) with our prior written consent.

3. Prices, payment and assignment of claims

- 3.1. All prices are fixed prices and include free delivery to the designated receiving station, as well as reusable packaging and all additional costs. Packaging costs shall only be remunerated separately if this has been expressly agreed. Statutory VAT is not included in the price. It must be shown separately on the invoice at the statutory rate that was valid on the day of invoicing.
- 3.2. Invoices must be sent to us in duplicate with the complete order number, order date, additional customer information (such as account number, internal order number, etc.), number and date of the delivery note, quantity and an exact description of the delivered goods or services. This also applies to delivery and dispatch notes. Payment shall be made by post or bank transfer or discountable bill of exchange. The respective time limits shall start upon receipt of the invoice or, if the goods arrive after the invoice, upon receipt of the goods. In the case of delivery before the agreed delivery date, the original date shall be used as the start of the payment period.
- 3.3. Payment shall be deemed to have been effected upon receipt of our payment instructions at the financial institution commissioned by us. Our payments shall imply neither recognition of the contractual nature of the respective service nor the correctness of the respective payment calculation. In addition, they shall not affect the warranty rights to which we are entitled.
- 3.4. Where we are prevented from fulfilling our contractual obligations as a result of force majeure or labour disputes for which we are not responsible, we shall be exempted from our obligations for the duration of these circumstances and for a reasonable start-up period thereafter. In cases where such circumstances persist for more than six months, we shall be entitled to withdraw from the contract, whereby the supplier shall not be entitled to assert claims against us.
- 3.5. The assignment or transfer of rights and obligations by the supplier beyond the scope of § 354a German Commercial Code (HGB) is hereby excluded. Exceptional cases shall require our written consent, which may not be refused unreasonably. We hereby reserve the right to set-off and the right of retention to the extent permitted by law.

4. Delivery, delivery notes and delivery delays

- 4.1. The delivery periods or deadlines stipulated in the order are binding and are based on the time of arrival of the goods at the receiving station. Delivery periods shall begin (unless a specific date is indicated) on the issue date of the respective order. Successful adherence to delivery times shall require full receipt of the goods at our premises (or at the agreed place of use), whereby loading and shipping times must be considered. Full receipt of the goods may also require the handover of material test data, test reports, quality documents or other necessary documents.
- 4.2. The ordered delivery quantities must be strictly adhered to. Under and over-deliveries are only permitted with our express consent.
- 4.3. Delivery and dispatch are always at the supplier's risk and expense. Any risk shall be passed to us only after delivery and acceptance of the goods at the agreed place of performance. The supplier shall purchase sufficient transport insurance cover at its own expense. Insurance against transport risks may only be purchased at our expense with our prior written consent.

- 4.4. The supplier shall notify us immediately in writing if circumstances arise under which it becomes apparent that the stipulated delivery time cannot be met.

- 4.5. Where compliance with the delivery time specified by us is not possible, our approval for changes to the deadlines shall be obtained immediately.

- 4.6. The supplier shall bear the costs of any express freight, airfreight, express and telegram charges resulting from late delivery. Any additional costs arising as a result of dispatch to a shipping address other than the specified shipping address shall be borne by the supplier.

- 4.7. In cases where the delivery deadline is exceeded as a result of force majeure or labour disputes for which we are not responsible, we shall be entitled to demand execution of the order at a later date, whereby the supplier shall not be entitled to assert claims against us. Where a reasonable deadline has elapsed without performance, we shall be entitled to withdraw from the contract in whole or in part.

- 4.8. Each shipment must be accompanied by a delivery note. The delivery note must contain the following information:

Order number, order date, tracking number (if specified in the order), material number (if specified in the order) and designation, supplier number, packaging unit, the ordered and delivered quantity.

5. Confidentiality, trade secrets, manufacturing resources and documents

We hereby reserve ownership and copyrights over all illustrations, drawings, designs, calculations, samples, manufacturing specifications, models and other documents, which are shared with the supplier for the purpose of supplying a quotation or executing an order. They shall be kept secret from third parties and shall not be made accessible to third parties without our express written consent. Furthermore, they shall be used exclusively for production tasks related to the respective order. After completion of the order, they shall be returned to us on the supplier's initiative at no charge. The supplier shall be liable for their loss or misuse.

This confidentiality obligation shall also apply during the period of feasibility assessments and contractual negotiations, and even after termination of the contractual relationship.

6. Packaging

- 6.1. Unless otherwise agreed, we shall not pay for packaging. Where the packaging costs are not included in the price, the packaging shall be returned carriage forward upon request. In case of returns, packaging must be credited to the full charged value.

- 6.2. The packaging must be suitable for the protection of the goods to be conveyed against the expected stresses along the transport route. The packaging must also enable easy handling of the goods. The packaging must take into account the latest expertise regarding environmental protection, i.e. only reusable, recyclable materials may be used in transport packaging.

7. Acceptance and complaints

- 7.1. We shall conduct the receiving inspection at our discretion, e.g. via a random sampling procedure for mass-produced parts. In cases where the permissible critical quality values or agreed AQL values have been exceeded, we shall (under reservation of all other claims) either completely reject the goods or inspect 100% of the goods at the supplier's expense and risk.

- 7.2. Acceptance of the goods shall require an explicit declaration to this effect on our part. The acceptance of a delayed delivery shall not constitute a waiver of further rights and claims. In all other respects, the statutory provisions on property and legal deficiencies shall apply, unless otherwise specified in the following sections. A complaint shall be deemed to have been registered in good time provided that it is registered within two weeks from the handover in the case of obvious defects, or from the date of discovery in the case of concealed defects. In the case of complaints, we shall be entitled to withhold payments to an extent proportionate to the deficiencies in question.

- 7.3. The right to choose the type of supplementary performance shall, in principle, remain with us. The supplier shall be entitled to refuse the type of supplementary performance chosen by us pursuant to the provisions of §§ 439 para. 3, 635 para. 3 BGB.

- 7.4. In urgent cases, and in particular to avert acute hazards or avoid major damages or if the supplier is tardy in the fulfilment of its obligations, we shall be entitled, at the latter's expense, to have defects remedied or to cover the shortfall by procuring defect-free goods from other sources.

- 7.5. The limitation period for material defect claims shall be 24 months from the date of the transfer of risk. This shall also apply to reworked or newly delivered parts/goods. In cases where, with our consent, the supplier checks the existence of a defect or remedies a defect, the expiry of the limitation period for defect claims (beginning on the date of receipt of the defect notification at the supplier) shall be interrupted until the supplier has informed us of the result of the inspection, or has declared that the defect has been removed, or has refused to continue with the removal.

- 7.6. In cases where we incur costs due to defective delivery of the contractual object, in particular transport, road, work or material costs or costs for an incoming goods inspection that goes beyond the usual scope, the suppli-

er shall bear such costs. In addition, in the absence of the guaranteed properties of the goods, we shall be entitled to claim compensation for non-performance.

- 7.7. We hereby reserve the right to assert claims due to material defects that are not detected until the goods have been processed, even after expiration of the statutory warranty period. In addition, we shall be entitled to assert claims for damages due to non-performance as well as claims for defects, insofar as this is permitted by law. Claims for damages shall be made for all disadvantages resulting from non-contractual delivery, non-observance of these General Terms and Conditions of Purchase or improper packaging. Deliveries that do not correspond to the agreed quality parameters shall be returned to the supplier. The supplier shall be charged separately for any additional damages.

8. Third-party rights, industrial property rights

- 8.1. The supplier is liable for ensuring that the use or resale of the ordered goods/services does not infringe any rights of third parties, including industrial property rights and copyrights.
- 8.2. In the case of an infringement of third-party rights, the supplier shall indemnify us at first request against all claims which third parties assert against us based on the statutory provisions. This shall only apply in the case of claims that are based on foreign legal provisions if the supplier is aware that we resell the goods delivered by the supplier, or use services provided by the supplier, in the respective country.
- 8.3. A limitation period of ten years shall apply in the case of a defect of title.

9. Retention of title, provision, damages

- 9.1. The supplier is liable to us for the loss of, or damage to, resources provided by us. The supplier shall inform us immediately in writing of any legal or actual restrictions affecting such items.
- 9.2. We hereby reserve the right to ownership over all production resources provided by us. This also includes any production resources that are procured by the supplier for fulfilment of the delivery contract, but which are paid for by us. The supplier shall use these production resources exclusively for the production of the goods ordered by us.
- 9.3. In principle, the supplier is liable for any damage to our production resources, regardless of our own culpability.
- 9.4. Any necessary maintenance and inspection work must be carried out in good time at the supplier's own expense. Any malfunctions must be reported immediately; where the supplier fails to do so, our right to assert claims for damages shall remain unaffected.
- 9.5. We only recognise the supplier's simple reservation of ownership.
- 9.6. We hereby reserve the right of ownership to all parts/goods that we provide to the supplier. Their processing or transformation by the supplier shall be carried out on our behalf. In cases where our reserved goods are processed with other items that do not belong to us, the supplier shall acquire ownership of the new items. However, due to the loss of ownership of our reserved goods, we shall be entitled to assert claims for damages under the statutory provisions.
- 9.7. Where items provided by us are inseparably mixed with other objects that do not belong to us, we shall acquire co-ownership of the new items in the proportion of the value of our reserved items to the other mixed objects at the time of the mixing. If the mixing is carried out in such a way that the supplier transfers proportionate co-ownership to us, the supplier shall store the solely owned or co-owned items on our behalf.
- 9.8. Insofar as the security rights to which we are entitled pursuant to clauses 9.6 and 9.7 exceed the purchase price of all our unpaid reserved goods by more than 20%, we shall release corresponding security rights at our discretion at the supplier's request.

10. Liability, indemnity, insurance

- 10.1. In cases where the supplier is aware (a) that the delivered goods are to be resold by us and (b) of the specific country to which the goods are to be delivered, the supplier shall indemnify us against any claims that are asserted against us by our customer due to the defective nature of the contractual object delivered by the supplier, or due to otherwise non-contractual performance, whether such claims be based on legal provisions of substantive German law or on legal provisions of the substantive law of the country to which the goods were delivered. In cases where the claims asserted by our customer are based on an infringement of our obligations on our part, the aforementioned exemption shall not apply.
- 10.2. We shall be entitled to demand from the supplier reimbursement of the expenses incurred by us in relation to our customer arising from the latter's entitlement to assert claims against us for compensation for the additional costs due to supplementary performance, in particular transportation, travel, work and material costs.
- 10.3. In the cases described in clauses 10.1 and 10.2, the limitation period shall begin no earlier than two months after the date on which we have met the claims asserted against us by our customer, and at the latest five years after delivery by the supplier.
- 10.4. Where mandatory claims for damages are asserted against us by third parties, the supplier shall indemnify us on first request, providing that the supplier is also directly liable.
- 10.5. The supplier shall maintain a product liability insurance policy with a reasonable amount of cover (at least EUR 1 million per case of personal injury/property damage) and shall provide evidence of this on request. Any additional claims for damages that we are entitled to assert shall remain unaffected.

- 10.6. In cases where we (or our customer) carry out measures to avert hazards (e.g. recall actions), the supplier shall be liable to the extent required by law, and shall indemnify us in this respect on first request. The supplier shall provide evidence to us that it has purchased an insurance policy to cover the recall costs with an adequate level of cover.

11. Partial nullity, place of performance, jurisdiction, applicable law

- 11.1. Our General Terms and Conditions of Purchase shall remain binding even if individual provisions thereof should be or become legally invalid. In each case, the invalid provision shall be replaced by a provision that is as close as possible to its legal and economic purpose.
- 11.2. The place of performance shall be the place of delivery designated by us. If the supplier is a registered trader, the court of jurisdiction shall be the court of jurisdiction for our registered office. We shall also be entitled to bring actions before the competent court for the supplier's registered office. The law of the Federal Republic of Germany shall apply exclusively, as applied between nationals, to the exclusion of any conflict of laws. The "Uniform Laws on the International Purchase of Movable Goods" (CISG) shall not apply.
- 11.3. For the interpretation of delivery clauses, the INCOTERMS shall apply as amended.
- 11.4. The delivery address specified in the respective order shall apply. All costs arising due to incorrect address information shall be borne by the supplier.

12. Environment

The supplier shall perform its work in accordance with the relevant environmental regulations and standards as well as the technological state of the art. The supplier shall continue to employ environmentally friendly practices in accordance with German recycling economy/waste disposal laws (if applicable, within economically reasonable limits). This includes the selection of environmentally friendly and recyclable input materials, low-emission, low-pollutant, dismantling and reconstruction-friendly designs, as well as energy and resource-saving solutions.

13. Compliance with laws and other regulations, exemption

- 13.1. The supplier shall comply with all applicable laws, ordinances and other regulations prescribed by legislators and supervisory authorities. Deliveries and services shall comply with the relevant regulations, laws and ordinances. This applies in particular (but not exclusively) with regard to safety, environmental protection, occupational and plant safety, health and safety regulations, including the regulations and directives issued by professional associations and the association of German electrical engineers (VDE) with regard to occupational health and safety and accident prevention regulations.
- 13.2. In each case, the standards and guidelines quoted by us in the respective order are valid as amended.
- 13.3. The supplier shall not, during performance of its obligations, make, offer or authorise any unlawful direct or indirect payments to persons or organisations in order to promote the conclusion of transactions or obtain other commercial advantages.
- 13.4. The supplier shall ensure that all of its employees are paid at least in accordance with the provisions of §§ 1, 2 and 20 of the German minimum wages act (Mindestlohngesetz) as well as other legal provisions and collective agreements for which we are liable in accordance with § 14 of the German employee assignment law (Arbeitnehmerentsendegesetz) and/or other comparable regulations. On request, the supplier shall provide evidence in the form of the corresponding documents that all of its employees have been paid at least the minimum wage in accordance with the provisions of §§ 1, 2 and 20 of the Mindestlohngesetz as well as other legal provisions and collective agreements for which we are liable in accordance with § 14 of the Arbeitnehmerentsendegesetz and/or other comparable regulations. The supplier shall indemnify us against all claims that are asserted against us in the event of a breach by the supplier of the minimum wage law or other legal regulations or collective agreements for which we are liable pursuant to § 14 of the Arbeitnehmerentsendegesetz and/or other comparable regulations.
- 13.5. The supplier shall ensure that any subcontractors that are commissioned by it (i) contractually comply with the provisions of the German minimum wage legislation, in particular §§ 1, 2 and 20 of the Mindestlohngesetz, as well as any applicable specifications and standards within the scope of collective agreements, and (ii) that if additional subcontractors are commissioned, the requirement to comply with the provisions of the German minimum wage legislation, in particular §§ 1, 2 and 20 of the Mindestlohngesetz, as well as any applicable specifications and standards within the scope of collective agreements, is included in the contractual relationship with each subcontractor. The supplier shall indemnify us against all claims that are asserted against us in the event of a breach by subcontractors of the minimum wage law or other legal regulations or collective agreements for which we are liable pursuant to § 14 of the Arbeitnehmerentsendegesetz and/or other comparable regulations. The same shall apply in cases where our liability is due to additional subcontracting or the commissioning of employment agencies (and the resulting employment of temporary workers) by the supplier.