

## Section 1 Scope, General Provisions

1. These General Terms and Conditions of Purchase (hereinafter: "Terms and Conditions") apply to all orders, in particular to orders for deliveries and services (hereinafter: "Deliveries") by Mauser Corporate GmbH and its affiliated companies based in the Federal Republic of Germany under purchase, works or services contracts. Affiliated companies of Mauser Corporate GmbH are companies within the meaning of Sections 15 ff. AktG (German Companies Act) or companies which are directly or indirectly controlled by Mauser Corporate GmbH, control the latter or are under joint control with Mauser Corporate GmbH and which have their registered office in the Federal Republic of Germany (together with Mauser Corporate GmbH hereinafter: "MAUSER"). MAUSER does not acknowledge any conditions of the contractual partner which are in conflict with, or deviate from, these Terms and Conditions or legal provisions unless MAUSER expressly agrees to their applicability in writing. This applies even if MAUSER takes Deliveries from the contractual partner or makes payments to the contractual partner without reservations. These Terms and Conditions do not apply if MAUSER indicates the applicability of other sets of terms and conditions when the contract is concluded.
2. These Terms and Conditions apply only in respect of contractors within the meaning of Section 14 BGB (German Civil Code), legal entities under public law and special assets under public law (hereinafter: "Contractual Partners").
3. These Terms and Conditions also apply, within the framework of an ongoing business relationship, to all future business with the Contractual Partner without MAUSER having to refer to these Terms and Conditions again each time.
4. MAUSER reserves the right to amend the Terms and Conditions which have become part of the contract. An amendment of the Terms and Conditions becomes part of the contract concluded between MAUSER and the Contractual Partner if (i) MAUSER notifies the Contractual Partner of the amendment and, if it is detrimental to the Contractual Partner, emphasizes the latter typographically in the notification of amendment; and (ii) the Contractual Partner does not object to an amendment in writing within six weeks following receipt of the notification of amendment, MAUSER pointing out the legal consequences of failing to object in the notification of amendment.
5. The version of the Incoterms applicable when the contract is concluded are applicable for the purposes of interpreting trade terms.

## Section 2 Conclusion of Contract

1. The conclusion of a contract between MAUSER and the Contractual Partner requires a written order or written order confirmation. If the content of the order confirmation by the Contractual Partner differs from MAUSER'S order, the Contractual Partner must draw particular attention to this fact in the order confirmation; such differences only become part of the contract if MAUSER accepts them in writing.
2. Offers by the Contractual Partner have to be made to MAUSER free of charge. MAUSER may accept an offer made by the Contractual Partner within two weeks following the issuing thereof. The Contractual Partner is bound

to its offer until this period has expired. Silence on the part of MAUSER does not justify reliance on the conclusion of a contract. If acceptance by MAUSER of an offer made by the Contractual Partner is received late, MAUSER shall be informed hereof immediately.

3. The drawings and other documents referred to in an order are part of the order. They become part of the contract unless the Contractual Partner expressly specifies otherwise in the order confirmation corresponding to the order; sentence 2 of Section 2(1) applies accordingly.
4. If an order is a call-off under a quantity contract or framework contract (hereinafter: "Framework Agreement") agreed between MAUSER and the Contractual Partner, this is binding on the Contractual Partner unless it refuses within five days following receipt; however, MAUSER is not obliged to request call-offs under a Framework Agreement. Otherwise, the provisions relating to orders in these Terms and Conditions correspondingly apply to call-offs.

## Section 3 Delivery, Delivery Dates, Delay in Delivery

1. Unless expressly agreed otherwise, the required Deliveries are made to the destination DDP (Incoterms 2010). The Contractual Partner is obliged to package the Deliveries securely and to provide insurance for their transportation.
2. MAUSER'S respective order number, the order date and, if there is one, MAUSER'S item number and the destination are to be specified on all delivery notes, shipping documents and invoices; the Contractual Partner bears the costs associated with any failure to provide this information unless it was not responsible for the failure.
3. Unless otherwise agreed, the Contractual Partner is not entitled to make partial deliveries or provide partial services. If partial deliveries or partial services have been agreed, "partial delivery" or "partial service" is to be specified on the delivery note and on the invoice.
4. The delivery times specified on an order are binding (binding delivery times hereinafter: "Delivery Dates"). If the order does not contain a Delivery Date, the delivery period, unless otherwise agreed, is two weeks calculated from the date of the order by MAUSER. After the contract has been concluded, Delivery Dates can be extended by the Contractual Partner only if MAUSER expressly consents to an extension.
5. The Contractual Partner meeting Delivery Dates depends on the Deliveries being handed over to MAUSER on the agreed Delivery Date or within the period. The Contractual Partner is not entitled to make early Delivery.
6. As soon as the Contractual Partner can see that it is not going to be able to meet all or part of an order in time, it has to inform MAUSER thereof immediately in text form stating the reasons and the expected length of the delay. This does not affect the Contractual Partner's obligation to meet the agreed Delivery Dates.
7. If the Contractual Partner does not make the Delivery or does so late, the rights applicable according to the law are unrestrictedly available to MAUSER. In the event of delayed delivery for which the Contractual

Partner is responsible, notwithstanding other rights resulting from the delay, MAUSER is also entitled, for each started week of the delay, to impose a contractual penalty of 0.5% of the net price agreed with the Contractual Partner, up to a maximum of 5% of that net price. MAUSER expressly reserves the right to claim any further damages. However, contractual penalties that have already been paid are to be set off against these damages. MAUSER can impose the contractual penalty even if it made no reservation when taking the Delivery, but it can only do so after final payment for the Delivery if MAUSER reserves the right to do so when making final payment.

8. The Contractual Partner only has rights of set-off and retention to the extent that the claims made against MAUSER are undisputed or have been finally and bindingly established or if they are in a reciprocal relationship with MAUSER'S claim.

## Section 4 Prices, Payment Terms

1. The prices agreed between MAUSER and the Contractual Partner are binding. Unless expressly agreed otherwise, the agreed prices are DDP (Incoterms 2010) plus statutory sales tax applicable on the date of Delivery, insofar as applicable, including packaging, insurance, freight and storage costs, customs duties, taxes, assembly costs and all other ancillary costs.
2. Unless agreed otherwise, payments by MAUSER have to be made within 90 days following receipt of the Delivery or, if acceptance is required, after acceptance and receipt of a proper verifiable invoice; if payment is made within 14 days, MAUSER is entitled to deduct a 3% discount.
3. If, contrary to Section 3(5), the Contractual Partner provides performance earlier than agreed and MAUSER takes the Delivery without being obliged to do so, the due date for payment and the beginning of the discount period according to Section 4(2) are not before the agreed Delivery Date.
4. Payments made by MAUSER constitute neither an acceptance of the Delivery nor of any acknowledgement of the set-off or the Delivery as being free of defects and/or provided in good time.
5. If MAUSER is obliged to make payments in advance, the Contractual Partner is obliged to provide MAUSER with a contract performance bond or guarantee (hereinafter: "Security") from a well-known German bank. MAUSER is entitled to withhold payment until the Security has been provided.
6. Notwithstanding any further legal requirements, any delay of payment by MAUSER is conditional upon a reminder by the Contractual Partner, issued after the due date. In the event of a delay of payment, MAUSER owes late payment interest of five percentage points above the respective European Central Bank base rate.
7. MAUSER has full rights of set-off and retention within the framework of statutory provisions.

## Section 5 Acceptance, Transfer of Risk

1. Deliveries only need to be accepted if this has expressly been agreed between MAUSER and the Contractual Partner or if this is required by law.
2. Unless agreed otherwise, MAUSER can declare acceptance up to two weeks after notification of completion of the Delivery by the Contractual Partner.

3. Acceptance has to be expressly declared by MAUSER. The examination of interim results and the approval of partial payments (e.g. according to milestone planning) do not constitute acceptance. Nor does the commissioning or use of a Delivery per se constitute acceptance. Implied acceptance is excluded.

4. Partial acceptance is excluded in principle. Partial acceptance occurs, if MAUSER so desires, only if it would otherwise ultimately be impossible to carry out a subsequent technical inspection of Deliveries made by the Contractual Partner owing to the ongoing performance of the order.

5. MAUSER is entitled to refuse to accept a defective Delivery. Otherwise, MAUSER'S duties in relation to acceptance are governed by the statutory provisions.

6. For Deliveries without any installation and assembly, the risk of accidental failure and of accidental deterioration of the Deliveries passes to MAUSER upon handover at the agreed place of performance. For Deliveries with installation and assembly, the risk of accidental failure and of accidental deterioration of the Deliveries passes to MAUSER upon acceptance or, if MAUSER is not required to declare acceptance, upon handover after installation and assembly.

## Section 6 Ownership Protection, Provisions

1. Deliveries become the property of MAUSER upon transfer of risk. If a retention of title in favour of the Contractual Partner has been agreed, this has the effect of a simple retention of title.
2. If the Contractual Partner retains title contrary to the contract, MAUSER retains its right to unconditional transfer even if MAUSER takes the Delivery.
3. If MAUSER provides the Contractual Partner with materials, tools or other means for meeting its contractual obligations (hereinafter: "Provisions"), MAUSER retains ownership thereof. The Provisions are to be stored separately, marked and kept safe free of charge. They are only allowed to be used for MAUSER'S orders. The Contractual Partner has to provide compensation for any reduction in value or loss. The Contractual Partner has to carry out any maintenance and repair work on tools or other means that have been provided at its own cost.
4. The Contractual Partner is obliged to insure the Provisions against theft, breakage, fire damage and water damage at its own cost and has to provide MAUSER with proof of such insurance if so requested. It hereby authorizes MAUSER to assert claims under this insurance relating to MAUSER'S property against the insurer.
5. The Contractual Partner is entitled to process, convert, connect and intermix the Provisions only with the prior written consent of MAUSER. Any processing or converting of the Provisions is carried out for MAUSER as manufacturer within the meaning of Section 950 BGB (German Civil Code) without binding MAUSER. The converted goods are regarded as Provisions within the meaning of Section 6(3). In the case of processing, conversion, connection or intermixture with goods which are not owned by MAUSER, MAUSER acquires joint ownership of the new items. The scope of this joint ownership is based on the ratio of the invoice value of

the Provisions to the invoice value of the rest of the good. If MAUSER'S ownership expires as a result of connection or intermixture, the Contractual Partner hereby transfers to MAUSER the ownership rights accruing to it in respect of the new item within the scope of the invoice value of the Provisions and keeps the latter safe for MAUSER free of charge. The joint ownership rights are deemed to be Provisions according to Section 6(3).

6. The Contractual Partner must notify MAUSER immediately of any seizure of the Provisions or other interventions by third parties.

## Section 7 Material Defects

1. Deliveries must, in all respects, bear the contractually agreed characteristics, comply with product and environmental protection laws, meet relevant safety provisions, regulations and stipulations issued by authorities and professional associations and correspond to the latest state of the art, must be of high quality and must be suitable for the designated or usual use. In particular, agreements reached regarding chemical, physical and technical characteristics, dimensions, modality and quality, where agreed within respective tolerances, also have to be complied with precisely. If the characteristics of chemicals are not specified in the order, the details provided in the safety data sheets, fact sheets, product information or manufacturer's specifications most recently provided to MAUSER or the most recent product sample sent to MAUSER and approved by MAUSER are binding in terms of the characteristics of the Deliveries.
2. Any approval of samples declared by MAUSER does not constitute a waiver of defect rights. MAUSER'S claims and rights in respect of defects are unaffected by any such approval.
3. MAUSER'S legal obligation to provide notification of defects (Section 377 HGB (German Commercial Code)) is limited to checking the Deliveries for quantity, type, externally visible defects (e.g. damage suffered in transit) and other obvious defects immediately after delivery. MAUSER may provide notification of obvious defects up to 5 days after delivery and of hidden defects up to 5 days after their discovery. If an acceptance is agreed, MAUSER has no obligations to carry out inspections and provide notification.
4. MAUSER has no obligations to carry out checks and provide notification beyond the above obligations. Unless agreed otherwise, MAUSER is, in particular, not obliged to carry out laboratory investigations such as material, X-rays and ultrasonic tests.
5. If the Delivery made by the Contractual Partner is defective, MAUSER has all statutory defect rights. Notwithstanding MAUSER'S further defect rights, MAUSER is also entitled, in particular, at its own choice, to demand elimination of the defect or new delivery or production.

## Section 8 Property Rights, Legal Defects

1. The Contractual Partner has to guarantee that third parties are unable to assert any rights in relation to the Deliveries, in particular any rights in rem and industrial property rights such as patent rights, trade mark rights, utility model rights, design rights and copyright (hereinafter "Property Rights").
2. If a third party asserts claims against MAUSER for infringement of Property Rights in relation to a Delivery

made by the Contractual Partner, the Contractual Partner, notwithstanding MAUSER'S further rights, at MAUSER'S choice and at its own cost, must either obtain a right of use, change its Delivery so that the Property Right is not infringed or replace its Delivery with a new one.

3. This does not affect MAUSER'S further legal rights in respect of legal defects in Deliveries made by the Contractual Partner.

## Section 9 Indemnities

The Contractual Partner indemnifies MAUSER against third party claims for damages and reimbursement of expenses which are raised against MAUSER, according to the third party, as a result of a defective Delivery or an infringement of Property Rights in relation to a Delivery made by the Contractual Partner for which the latter was responsible. More extensive legal rights of MAUSER remain unaffected.

## Section 10 Quality Assurance

1. The Contractual Partner has to set up and maintain a quality assurance system which meets the latest standards in the relevant supply industry. The Contractual Partner will carry out the quality assurance measures, including the documentation required, under its own responsibility. The Contractual Partner will make this documentation available to MAUSER upon request. The Contractual Partner has to retain the documentation according to legal requirements, but at least for a period of ten years.
2. MAUSER is entitled to have compliance with quality assurance measures audited by independent auditors at the Contractual Partner's premises. The audit does not release the Contractual Partner from its liability for defects. MAUSER has a legitimate interest in inspecting the Contractual Partner's investigation and audit reports relating to a Delivery made to MAUSER. The Contractual Partner is obliged to allow the inspection.

## Section 11 Limitation of actions

1. Unless agreed otherwise with the Contractual Partner, the limitation period for claims associated with material and legal defects (hereinafter: "Defect Claims") is 36 months from the transfer of risk.
2. A notification of defect made by MAUSER within the limitation period suspends the limitation until agreement has been reached between MAUSER and the Contractual Partner over the remedying of the defect and any consequences; however, the suspension ends six months after final rejection of the notification of defect by the Contractual Partner. The limitation of Defect Claims occurs at the earliest three months after the end of the suspension, but under no circumstances before expiry of the limitation period according to Section 11(1).

## Section 12 Spare parts

1. In relation to machinery and equipment here, the Contractual Partner is obliged to keep spare parts for Deliveries made to MAUSER for a period of at least five years after Delivery.
2. If the Contractual Partner intends to cease production of spare parts for the Deliveries, it will notify MAUSER hereof immediately after its decision to cease production.

## Section 13 Liability of MAUSER

1. MAUSER has no liability towards the Contractual Partner for damages and reimbursement of expenses on any legal basis whatsoever (contract, tort, breach of duties resulting from the obligation, indemnification, etc.).
2. The above exclusion of liability does not apply in the case of liability according to product liability law, in cases of intent or gross negligence, culpable injury to life, limb or health, or in the case of a breach of essential contractual duties, in other words duties which have to be met to enable the proper performance of the contract and which the ordering party usually trusts and may usually trust will be met.
3. However, unless MAUSER is liable as a result of intent or gross negligence, injury to life, limb or health or according to product liability law, liability for breach of essential contractual duties is limited to compensation for foreseeable damage typical in such a contract.
4. In so far as MAUSER'S liability is excluded or limited according to the previous paragraphs, this also applies to the corresponding personal liability of MAUSER'S vicarious agents, assistants, representatives or employees.

## Section 14 Ownership of Documents, Confidentiality

1. MAUSER reserves all ownership and industrial property rights such as patent rights, trade mark rights, utility model rights, design rights and copyright in respect of images, moulds, templates, samples, designs and design proposals, models, profiles, drawings, standard specification sheets, setting copies, teaching, know-how, calculations, work documents and other documents (hereinafter: "Documents") provided by MAUSER. These also include, in particular, information on production processes, formulas and equipment configurations. Without MAUSER'S prior written consent, Documents may be used by the Contractual Partner only for the contractually intended purpose. The same applies to objects produced according to the Documents.
2. The Contractual Partner has to treat MAUSER'S Documents and all information received from MAUSER relating to MAUSER'S business or operations ("Information") confidentially. In particular, it is not allowed to pass Information on or make it available to third parties without the prior written consent of MAUSER. Any breach of confidentiality by employees, advisers or vicarious agents of the Contractual Partner shall be attributed to the Contracting Partner as its own breach of duty. The obligation to maintain confidentiality continues to apply for a period of five years after the contract has come to an end or has been completed. There is no such obligation if Information (i) was already known to the Contractual Partner on conclusion of the contract or became known later without this being in breach of any duty of confidentiality or (ii) was already in the public domain on conclusion of the contract or entered the public domain later.

## Section 15 Foreign Trade Law

Performance of a contract by MAUSER is conditional upon there being no barriers to performance based on national or international provisions of foreign trade law and no embargoes and/or other sanctions.

## Section 16 Force Majeure

Force majeure events entitle MAUSER to postpone the performance of its duties, in particular also the duty of acceptance, for the period of the impediment caused by the force majeure and a reasonable start-up period. Any unavoidable events which are not attributable to MAUSER and which substantially hinder MAUSER in meeting its duties or make it impossible for it to do so, in particular currency, trade policy or other sovereign measures, strikes, lockouts, substantial operational disruptions (e.g. fire, mechanical breakdown, lack of raw materials or energy) and obstruction of transport routes, in each case for more than just a short period of time, are equivalent to force majeure events. If force majeure events or events equivalent to the latter last for longer than three months, both MAUSER and the Contractual Partner are given the right to withdraw from the contract. MAUSER informs the contractor as soon as possible of the beginning or ending of such events.

## Section 17 Subcontractors; Assignment Prohibition

1. The Contractual Partner is not entitled to have Deliveries carried out by subcontractors without the prior written consent of MAUSER. Carriers are not considered to be subcontractors.
2. The Contractual Partner is not entitled to assign claims resulting from the contract with MAUSER to third parties without the prior written consent of MAUSER. This does not apply to money claims.

## Section 18 Data Protection

1. The Contractual Partner undertakes to oblige those employees entrusted with handling MAUSER'S orders according to Section 5 of the German Federal Data Protection Act and to ensure that they comply with data protection provisions.
2. MAUSER points out that personal data (e.g. name, job title, industry description or business name, telephone number and email address) of the Contractual Partner and/or its employees are stored for the purposes of establishing, executing or ending legal transactions or similar obligations with the Contractual Partner.

## Section 19 Miscellaneous

1. The place of jurisdiction for all disputes resulting from or in connection with these Terms and Conditions and a contract is Cologne. However, MAUSER is entitled to sue the Contractual Partner at its general place of jurisdiction or any other competent court. The same applies to disputes in proceedings based entirely on documentary evidence (*Urkundenprozess*) and based on a bill of exchange (*Wechselprozess*).
2. Unless agreed otherwise in the respective contract, the place of performance for all Deliveries is the location of the premises from which the order was sent. The place of performance for supplementary performance is the location of the respective Deliveries.
3. These Terms and Conditions and all contracts between MAUSER and the Contractual Partner are subject to the law of the Federal Republic of Germany, excluding

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the United Nations Convention on the International Sale of Goods (UN sales law/CISG).

4. Supplements, amendments or subsidiary agreements in respect of these Terms and Conditions are only legally valid if a contractual provision has been agreed between MAUSER and the Contractual Partner.
5. Should one or more provisions of these Terms and Conditions or of the contract be or become invalid, this does not affect the validity of the remaining provisions.