GENERAL TERMS AND CONDITIONS OF PURCHASE
SCHEUERLE Fahrzeugfabrik GmbH
in business transactions with companies
Version as of August 2025

Section 1 General scope of application; applicability of further conditions

1. These General Terms and Conditions of Purchase apply to the company **SCHEUERLE Fahrzeugfabrik GmbH** ("**we**/**us**").
2. Our Terms and Conditions of Purchase (**T&Cs**) shall apply exclusively; we do not recognise any general terms and conditions of the supplier or contractual partner that conflict with or deviate from our Terms and Conditions of Purchase, in particular in the form of general terms and conditions of delivery and sale, unless we have expressly agreed to their validity; otherwise they shall be rejected. Our Terms and Conditions of Purchase shall apply exclusively even if, with knowledge of conflicting or deviating terms of the supplier, we accept the supplier's delivery and/or services without reservation.
3. Upon the supplier's first delivery or provision of services on the basis of these Terms and Conditions of Purchase, these Terms and Conditions shall also apply to all further deliveries and services provided by the supplier to us.
4. If framework agreements or individual contracts have been concluded between us and the supplier, these shall take precedence over the T&Cs. They shall be supplemented by these Terms and Conditions of Purchase unless more specific provisions are made therein.
5. All agreements made between us and the supplier for the purpose of executing the contract must be set down in writing or in text form in the contract. Section 305b of the German Civil Code (BGB) (*Priority of individually agreed terms*) remains unaffected with regard to individual agreements of any form.
6. Our Terms and Conditions of Purchase apply *exclusively* to companies within the meaning of Section 14 BGB, i.e. to such natural or legal persons or partnerships with legal capacity who are acting in the exercise of their commercial or independent professional activity when concluding the contract.

Section 2 Transmitted data, illustrations, formulae, drawings, calculations

1. We reserve the exclusive right of ownership and copyright to illustrations, photos, formulae, manufacturing or usage instructions, drawings, calculations and other documents and data provided by us; they may not be made accessible to third parties by the supplier without our express consent. They shall furthermore be used *exclusively* for the processing of our order or the fulfilment of the contractual relationship concluded with us and, upon completion of the order, or in the case of ongoing obligations, upon termination thereof, shall be returned to us free of charge without request, or destroyed upon our instruction (in the case of data, by overwriting), unless a statutory retention obligation exists; this shall not affect the confidentiality obligation. The supplier shall keep them secret from third parties unless the supplier is subject to an official or statutory disclosure obligation. If these illustrations, formulae, drawings, calculations and other documents are embodied in data, such data must be completely deleted at any time upon our request by overwriting, and the deletion must be confirmed to us by the supplier in text form and without delay, unless there is a legal obligation to retain the data which we can prove does not affect the supplier's confidentiality obligation.
2. Products manufactured by the supplier or its vicarious agents based on documents, templates, or data provided by us and/or our vicarious agents (e.g., drawings, samples, models, or the like), or based on information provided by them that has been marked as confidential or secret, or containing product features or properties not known to the public, or produced using tools or replicated tools, may neither be used by the supplier for its own purposes nor for the benefit of third parties outside our order, nor offered or delivered to third parties The supplier shall also agree to this, imposing the obligation on its engaged vicarious agents, as a genuine contract for the benefit of third parties in our favour, and shall provide us with proof thereof upon our first request.

Section 3 Supplier offers / personal performance

1. Offers from the supplier shall be made in text form. They shall be non-binding and free of charge for us – including cost estimates.
2. Supplier offers must fully describe the subject matter of the delivery and/or services and must list and fully price all additional products and/or services necessary for the safe and economically efficient use of the delivered goods and/or services.
3. Goods or components thereof and/or services or components thereof that are not listed in the supplier's offer but are indispensable for the safe and intended operation or use of the goods and/or services in accordance with the agreed characteristics shall – unless otherwise agreed – be deemed part of the subject matter of the delivery and/or services and shall be owed without additional remuneration.
4. The supplier shall expressly point out in text form any dangers and environmental hazards or the possible infringement of the rights of third parties associated with the delivered goods or services, as well as any need for special handling of the goods (in particular with respect to storage), with its offer and, in the case of new findings by the supplier after the offer has been made, immediately after becoming aware of them.
5. Unless expressly agreed otherwise, the supplier owes the provision of services as a "*personal performance*" meaning, in the case of legal entities, exclusively through its own employees.

Section 4 Acceptance, conclusion of contract, order processing, obligation to maintain capacity

1. In order to enable us to carry out orderly contract controlling, only orders placed by us in text form with our sender identification are valid.
   Changes and additions to our order must be made in writing or text form. This also applies to the waiver of the written form agreement itself, whereby the precedence of the individual agreement, in accordance with Section 305b BGB, for individual agreements of any form remains unaffected. Our silence in response to offers, requests or other declarations by the supplier shall only be deemed to constitute consent if this has been expressly agreed. Unless expressly agreed otherwise with us, the content of the order alone shall be decisive for the contract if the supplier provides the services.
2. The supplier is obliged to state our order number and/or the purchaser exactly on all shipping documents and delivery notes. If it fails to do so, we shall not be responsible for delays in processing and payment.
3. The supplier must confirm the order in text form within 5 working days (at its registered office) after receipt of the order, or within 3 working days at the supplier's registered office if we place an order via an electronic ordering platform, whereby the date of receipt of the confirmation by us shall be decisive. After expiry of this period, we shall be entitled to cancel our order as a legal consequence in the absence of any other agreement. Claims of the supplier based on a valid cancellation made for this reason are excluded.
4. In the case of recurring orders on our part, in particular delivery call-offs, the supplier is obliged to confirm the order to us in text form within 4 working days (at its registered office) after receipt of the order (in the case of orders placed by us on an electronic ordering platform of the supplier within 3 working days at the supplier's registered office), whereby the receipt of the confirmation by us is decisive for compliance with the deadline. After expiry of this period, we shall be entitled to cancel our order as a legal consequence in the absence of any other agreement. Claims of the supplier based on a cancellation made for this reason are excluded.
5. In ongoing business relationships between us and the supplier, our delivery call-offs may be adjusted with regard to the delivery call-offs of our customer, provided that this is logistically reasonable for the supplier. We inform the supplier of this immediately after becoming aware of the delivery call-off of our customer and a reasonable period of time remains for the delivery and we compensate the supplier for any associated economic burdens. Clause 4 applies accordingly to the supplier's right of objection.
6. The supplier shall send a single copy of the order confirmation digitally by e-mail to the order creator. The supplier is obliged to state our order number and/or the purchaser and its VAT identification number exactly on the order confirmation, all shipping documents, and delivery notes. If it fails to do so, we shall not be responsible for any resulting delays in processing. We request invoices in electronic form.
7. Unless otherwise agreed and subject to proof to the contrary, the official values determined by us after receipt of the goods shall be decisive for quantities, weights and dimensions as well as delivery quantities. The supplier shall indicate the weights in the shipping documents for all deliveries, insofar as such weights are customary in trade, have been agreed with us, or the remuneration is determined on the basis of weight.
8. Insofar as there are obvious errors, mistakes, typographical or computational errors in our order or in the underlying documents or data, whether apparent or recognized or recognizable by the supplier, we shall bear no liability in this regard. In such cases, the supplier is obliged to inform us immediately in text form of the relevant errors so that we are able to correct and reissue our order. This obligation shall apply accordingly if evidently required documents were not enclosed with the order.

   The supplier must also inform us in text form with the order confirmation if the delivery items are dual-use goods, i.e. goods with a dual purpose; items, technologies and knowledge that generally serve civilian purposes but can also be used for military purposes and are subject to the EU Dual-Use Regulation. If the supplier culpably fails to do so, it shall indemnify us against all third-party claims and damages as well as reasonable, customary and proven costs arising therefrom. Section 254 BGB (contributory negligence) remains unaffected.
9. At our request, the supplier shall grant access to its production facilities to authorities and professional associations that are responsible for quality and environmental management, the prevention of health hazards, the approval of our products, production safety, and social security matters at our registered office, at the place of delivery and/or performance, and/or at the supplier's registered office. The supplier shall furthermore provide us with any support that is technically, economically, or logistically reasonable in this context, in the event that authorities initiate inspections or inquiries regarding any product or substance delivered to us by the supplier, or any service provided by the supplier to us, or in connection with alleged legal violations arising from such products or services, including cases where the supplier has contributed through supply or subcontracted services, or where such products or services have enabled our production or performance. We undertake the same obligation correspondingly in favour of the supplier.
10. If the supplier only accepts our order with deviations, it must indicate these deviations ***clearly*** and ***emphasised*** in its order confirmation in a way that is readily recognisable to us. Otherwise, these deviations are irrelevant in any case.
11. The supplier shall also inform us in text form with its offer of the changes to contractual terms or order details and/or order terms. The supplier shall notify us immediately in text form of any changes or extensions to the scope of the contract whose necessity only becomes recognisable during the execution of the contract. The changes/extensions shall only become legally effective with our consent in text form. The precedence of individual agreements in any form pursuant to Section 305b BGB remains unaffected.
    The supplier is *not* authorised to change the products or the processes, designs and materials, on which the products are based, within the scope of the orders or purchases placed by us or to accept corresponding changes from its subcontractors without having obtained our prior approval in text form. New costs for the validation of products incurred by us or our customers as a result of changes made by the supplier (except in the case of requested changes) shall be borne by the supplier in the absence of any other express agreement with us. In this case, we determine the appropriate amount of the validation costs together with the supplier.

12. Unless otherwise expressly agreed with us, the supplier shall, when commissioned to perform assembly, repair, or construction services, be obliged to sufficiently inform itself prior to the execution of the order regarding the relevant local conditions for the performance. This shall be done by reviewing the plans available to us to ascertain the nature and scope of the work, and by conducting an on-site inspection of the construction site, assembly location, or any other location where the supplier is to perform services.
13. Documents to be provided by us must be requested by the supplier in text form in due time prior to provision of the services. The same applies to any required cooperation on our part. If the supplier fails to do so, it shall be responsible for any resulting circumstances (such as additional costs, waiting times, etc.).
14. Insofar as the supplier has to provide us with material samples, test reports, quality documents or other documents, in accordance with the contract or as a secondary obligation, the completeness of the delivery and/or services also presupposes the complete handover of these samples, reports and documents in German.
15. If waste is produced in the course of the supplier's fulfilment of the contract, the supplier shall remove and dispose of this waste itself at its own expense in accordance with the relevant provisions of waste legislation, unless otherwise agreed. Ownership, risk and responsibility under waste law shall pass to the supplier at the time the waste is generated.
16. We shall be entitled to withdraw from the contract without compensation and, in the case of a continuing obligation concluded with the supplier, to terminate the contract for us without compensation and without notice, if

(i) the supplier increases the price of the goods sold or services to be rendered where its offer included a unilateral right of price increase; *and/or*

(ii) the supplier files for insolvency or suspends its payments, or an application to open insolvency proceedings against the supplier's assets is rejected for lack of assets, if in the aforementioned cases the supplier culpably breaches an obligation arising from the contract concluded with us at the time of withdrawal or if we cannot reasonably be expected to adhere to the contract.

In the aforementioned cases, the supplier shall have no claims against us arising from our withdrawal or termination, in particular no claims for damages or reimbursement of expenses.

17. A self-supply reservation by the supplier or any suspension of the supplier's obligation to perform shall not be accepted by us due to changed circumstances, if such circumstances were abstractly or concretely foreseeable for the supplier at the time of contract conclusion (e.g., hardship clauses and e.g. in the event of acts of war, disrupted supply chains, logistics problems, embargoes, political developments).
18. In addition, there shall be no good cause for extraordinary termination on the part of the supplier or a right of the supplier to terminate the contract or a right of the supplier to refuse performance if (i) there is a price increase for raw materials/goods required for the fulfilment of the contract or services purchased from subcontractors, and/or (ii) it becomes necessary to purchase raw materials or services from sources other than the supplier's previous contractual suppliers for the fulfilment of the contract).
19. The supplier undertakes to maintain suitable material and personnel resources and contractual relationships with suppliers and sources of raw materials, at all times during the term of this agreement, in order to fulfil its delivery obligation under the agreement concluded with us at all times

Section 5 Prices, payment, invoicing, assignment, set-off, retention, packaging, waste disposal, open book policy

1. Unless otherwise expressly agreed, agreed prices are fixed prices. The price risk, in particular the calculation risk and the risk of changes in raw material prices and/or changes in procurement costs for required services, shall be borne exclusively by the supplier. For the avoidance of doubt, in the absence of any express agreement to the contrary, such changes in procurement costs and/or raw material costs shall not constitute grounds for a price adjustment claim or a right to a delivery stop on the part of the supplier and shall not constitute a case of force majeure and/or disruption of the basis of the transaction.
2. Unless otherwise agreed in text form, the agreed prices include all costs for packaging, transport to the agreed place of receipt or dispatch (delivery DDP – Incoterms 2020®), and for customs formalities and customs duties. In the absence of any other express agreement, the place of delivery shall be our registered office. In the event that, in deviation from sentence 1, we have to bear the freight and/or shipping costs, the supplier shall choose the most cost-effective method of transport unless a specific shipping method has been prescribed by us. If a consignment has to be dispatched using a mode of transport that is less favourable for us, because it is more expensive (e.g. express goods instead of freight) due to the supplier's culpable failure to meet the delivery date, the supplier shall bear the additional costs incurred alone.

   In the case of orders subject to price adjustment clauses by the supplier, we shall be entitled to withdraw from the contract and, in the case of continuing obligations, to terminate the contract without notice if the price stated in the confirmation does not meet with our approval. If no prices are specified, the prices from the supplier's last order confirmation valid at the time of the order shall apply for the contractual product/service concerned, provided that this was not more than 1 year ago, otherwise the supplier's general list prices shall apply.
3. Unless otherwise agreed with the supplier, all payments shall be made by bank transfer in EUR after complete and faultless delivery of the goods and handover of the documentation. In the event that customers' bills of exchange are transferred or accepted in settlement, we shall bear the stamp duty and discount at an amount to be agreed.
4. *The applicable VAT is included in the price unless it has been expressly designated and agreed as a net price*.
5. Invoices are to be sent to us in a single copy when the goods are dispatched, but separately from them. Invoices are to be sent to us by the supplier in electronic form.

   The supplier shall compensate us for damages and expenses incurred by our customers due to the supplier's acceptance and/or further processing of the goods with an incorrect or missing order number culpably provided by the supplier.
6. Invoices received by us shall be paid within 14 calendar days with a 3% discount or within 30 calendar days net, unless otherwise expressly agreed, after receipt of the goods and invoice. Cash discount deductions are also permissible if we make use of a right of set-off.
7. Payments made by us shall not be deemed as acceptance or waiver of any defect rights and shall not constitute any acknowledgement of fulfilment in accordance with the contract.
8. In the event of acceptance of premature delivery and/or services, the due date for payment – unless otherwise agreed – shall be based on the originally agreed delivery date.
9. In the event of incomplete or defective delivery and/or services, we shall be entitled to withhold payment in full or in proportion to the value of the defect-free and defective delivery/services until proper fulfilment.
10. After fulfilment of the contract, the invoices to be issued by the supplier shall be sent separately according to the respective order to the invoice address stated in the order by e-mail to rechnung@kamag.com. All accounting documents must be enclosed in full. Invoices for partial performance must be labelled "Advance Payment Invoice", "Interim Invoice", "Final Invoice". Electronic invoices shall only be deemed to be proper invoicing if we have expressly agreed this with the supplier.
11. If advance payments have been agreed, these shall only be due for an amount exceeding EUR 10,000.00 if the supplier has provided us with a directly enforceable guarantee, securing the advance payment, from a German credit institution, savings bank or other credit institution with a rating of at least "A" from Standard & Poor's with its registered office in the Federal Republic of Germany and place of jurisdiction in Mannheim, Germany.
12. The supplier shall only be entitled to rights of retention and set-off against our claims for such claims that are recognised by us or have been legally established. Set-off is also permissible if the counterclaim asserted for set-off is in a synallagmatic relationship (i.e. a reciprocal exchange relationship under the contract concluded with us) with our claim and is based on a breach of a primary contractual obligation.
13. The assignment of existing claims against us by the supplier requires our prior consent, unless they are monetary claims in commercial transactions (Section 354a of the German Commercial Code [HGB]).
14. The supplier must pack the items/substances to be delivered exclusively in environmentally friendly packaging or containers in such a way that damage during transport and/or storage is prevented under normal commercial handling. This must be done in compliance with the packaging and preservation regulations and the specifications on the packaging data sheet. The agreed packaging units must be adhered to. The supplier shall deliver the products in suitable and, if agreed, exclusively in means of transport approved by us in order to avoid damage and quality impairments (e.g. contamination, corrosion, chemical reactions).

    The packaging of the respective delivery items is included in the price, unless we have expressly agreed otherwise with the supplier. Any waste generated by the supplier during delivery or assembly must be disposed of by the supplier immediately and free of charge.
15. If, by way of exception, other agreements have been made between the supplier and us, the supplier shall invoice the packaging at cost price. In this case, the supplier must choose the packaging specified by us and request us to make this choice in text form in good time. If the packaging chosen by us is not suitable for the safe and appropriate packaging of the delivery item, the supplier must inform us of this immediately, in text form, before packaging with a sufficient reaction period for us.

16. If the packaging used to dispatch the goods is invoiced separately, on the basis of an agreement, we shall be free to make it available again in usable condition, carriage paid, against a credit note of at least 2/3 of the net price invoiced, unless we have expressly agreed otherwise with the supplier. The supplier is free to prove that the returned packaging has a significantly lower value (at least 10 % lower). In this case, the reimbursement must be adjusted accordingly.
17. In the case of Clause 14 above, we are entitled to send the packaging to the supplier at the supplier's expense.
18. Upon request and with the aim of joint cost reduction and competitiveness, the supplier shall fully disclose its price calculation to us and, within the framework of the "Open Book" calculation, provide us with all costs for raw materials, processing costs, direct and indirect labour and overhead costs, amortisation of investments, sales overheads and profit against conclusion of a non-disclosure agreement. Any calculation errors shall be borne exclusively by the supplier.

Section 6 Subcontracts

The supplier is authorised to subcontract if and insofar as no personal performance has been agreed by it, unless we have expressly agreed otherwise with the supplier. However, in this case of the supplier's authorisation to subcontract, we are entitled to object to the placing of subcontracts by the supplier for good cause. In this case, the supplier shall fulfil the order itself or through another suitable subcontractor. Good cause shall be deemed to exist in particular if the subcontractor, from an objective point of view, does not guarantee fulfilment of the contract concluded by us with the supplier and the activity assumed by the subcontractor in this respect.
The supplier must inform us of the intended use of the subcontractor in good time in text form, stating all relevant details (e.g. company name, address, qualifications, references), so that we can check the existence of an important reason at least 7 calendar days prior to the planned use of the services and can still inform the supplier of the result of the check.

Section 7 Delivery, delivery time

1. The agreed delivery and/or service dates and deadlines must be adhered to. Where delivery is agreed on a delivered basis, time limits shall be met only upon receipt of the goods by us or at the agreed place of delivery. Deliveries must be announced to us in text form at least 48 hours in advance. Vehicles may be unloaded at our premises only from Monday to Friday (excluding public holidays or factory holidays) during normal business hours, unless a special arrangement has been expressly agreed in an individual case. The supplier shall be responsible for all consequences arising from failure to comply with this obligation.
2. The supplier is obliged to notify us immediately, in text form, if circumstances arise or become recognisable to it which indicate that agreed delivery or service deadlines cannot be met. This shall also apply if the supplier is not responsible for the delay in delivery. In the event of a culpable breach of this obligation, we shall be entitled to compensation from the supplier for the resulting damage. The supplier may only invoke causes of delay for which it is not responsible if it has complied with the notification obligation in due time and proper form.
3. In the event of delivery or performance of services earlier than agreed, we reserve the right to return the goods at the supplier's expense, to refuse performance of services, or to refuse delivery. If no return is made in the event of early delivery, the goods shall be stored at the supplier's expense and risk until the delivery date.
4. Partial deliveries or services by the supplier are only permitted after express agreement with us. We shall be entitled to refuse them. In the case of agreed partial deliveries, the remaining balance quantity must be clearly specified.
5. The supplier is only permitted to make excess or short deliveries with our express authorisation.
6. If required, the supplier will deliver products to a consignment warehouse operated by us.
7. In the event of supply bottlenecks, the supplier shall give preferential treatment to our orders to the extent possible, taking into account its other delivery obligations.

Section 8 Transfer of risk, documents

1. Unless otherwise agreed with us, delivery shall be made DDP (Incoterms 2020®) and shall be at the supplier's risk until the time of complete delivery and, in the case of contracts for work and services, until acceptance by us at the contractually agreed place of performance.
2. Within the scope of the business relationship, the supplier is obliged to handle each individual order separately in all correspondence. It is incumbent upon the supplier to state at least the complete order number, order date and the customer's reference as well as our transaction number in all documents such as e-mails, letters, dispatch notes, delivery notes, packing slips, invoices, consignment notes, accompanying addresses and the like. If delivery ex works has been agreed, the supplier must prepare the freight/customs/loading documents and package lists in advance and send them to us without delay.
3. The aforementioned documents such as invoices, delivery notes and packing slips must be enclosed with each consignment in a single copy. For deliveries of goods, these documents must contain at least the quantities and units of measure, gross weight, net weight and, if applicable, calculated weight as well as the order number, article description, remaining quantity in the case of partial deliveries, our order number as well as our vendor number, the supplier's order number and our material number.
4. As a material contractual obligation, the supplier is required to provide us with certificates of origin and quality regarding the delivery items in German or English upon delivery of the goods. The remuneration for this is already included in the remuneration for the main service.
5. In the case of contracts for work and services and such purchase contracts where acceptance of the delivery item has been agreed, the transfer of risk shall only take place upon our formal acceptance of the service and/or delivery. Otherwise, the transfer of risk shall occur upon delivery of the delivery item to us or at the agreed place of delivery and performance. Fictitious acceptance is excluded.

Section 9 Time of performance; delay; delivery capacity

1. The agreed delivery dates and/or delivery deadlines as well as service deadlines or service dates are binding. Compliance with the delivery date or the delivery deadline requires the receipt of the goods at the place of receipt or use specified by us or the full provision of the service owed to us. In the event of a delay in delivery and/or services by the supplier, we shall be entitled to the full statutory claims. In particular, we shall be entitled to withdraw from the contract after the fruitless expiry of a reasonable period and/or to demand compensation instead of performance.
2. In the event of a delay in delivery and/or services by the supplier, we shall be entitled to demand a contractual penalty of 0.5% of the net remuneration of the delayed delivery or service per completed week of delay, but not more than a total of 5% of the net remuneration of the delayed delivery or service; we reserve the right to assert further statutory claims, in particular claims for damages, but with full offsetting of the contractual penalty. We may assert the contractual penalty within three months after becoming aware of the delay. Compliance with this period shall be determined by dispatch of our declaration asserting the contractual penalty.
3. In the event of an impending or actual delay in delivery and/or performance, the supplier shall, upon request, grant us access to all relevant documents relating to the contractual relationship that form the basis of the delivery or performance vis-à-vis its suppliers and/or subcontractors, and shall identify to us all such subcontractors and suppliers as principal entitled to inspect these documents. Regarding the disclosure of business secrets within the meaning of Section 2 of the Act on the Protection of Trade Secrets (GeschGehG), i.e. information and/or data that are known only to a limited group of persons, are related to its business, have economic value, are identifiable, and for which the supplier has taken appropriate protective measures, the supplier shall, however, only be obligated to this extent after we have provided it with a confidentiality agreement that binds us with regard to the information to be disclosed in favour of the supplier.
4. If, in the event of a delay in delivery and/or services by the supplier, there is an objective reason for this in our favour, the supplier shall grant us the right to contact all subcontractors and suppliers in question directly, on our behalf, within the framework of order processing in order to avert or shorten as far as possible any resulting delay in delivery and/or services. The supplier will provide us with the contact details free of charge.
5. Full responsibility for the order shall remain with the supplier in the event of the circumstances described in Clauses 3 and 4 above.
6. Acceptance of the delayed delivery does not constitute a waiver of claims for damages nor of any contractual penalty agreed in our favour.
7. The supplier undertakes to provide sufficient production and delivery capacity to be able to produce and deliver to us in good time the number of products per calendar year specified in the contract as the target capacity plus 10%.
8. To cover additional immediate requirements, the supplier shall, at our request and at its own expense, keep in stock an appropriate quantity of the product to be agreed upon. If no discontinuation planning has taken place, we are obliged to accept these products at the end of the supply relationship, provided they are in accordance with the contract and the supplier cannot utilise them otherwise. Upon our first request, the supplier undertakes to conclude an appropriate storage agreement with us.

Section 10 Change management

1. The need for changes to the order content cannot always be avoided, including as a result of change requests from our end customers. We are therefore entitled, even after conclusion of the contract, to request changes to the subject matter of the delivery and/or services, in particular with regard to design, execution, quantity and delivery time in accordance with the following regulations, if the deviations are technically and logistically reasonable for the supplier from an objective point of view, taking into account the supplier's business purpose and its production and service knowledge as well as the supplier's order situation. The supplier must examine the change request immediately and inform us of its effect on the contractual framework in text form without delay. This notification obligation includes an explanation of whether the desired changes are technically and/or logistically possible at all, as well as an explanation of the effects of the change requests on the contractual framework agreed up to that point. We shall then immediately decide on the implementation of the changes vis-à-vis the supplier.
2. Upon a positive decision and the agreement on the changes to the contractual conditions, the change to the order becomes part of the contract.
3. In the event of technical changes that are economically insignificant for the supplier, the supplier may not demand a change to the contractual conditions.

Section 11 Acceptance

1. All services provided by the supplier for which acceptance is possible shall be subject to *formal* acceptance. If the inspection of the supplier's services requires commissioning of a system or machine, acceptance shall only take place after successful completion of the agreed functional tests. If no functional test has been agreed for delivered machines, we are entitled to carry out a 14-calendar-day functional test before acceptance. Otherwise, the inspection period for us shall be 12 calendar days after receipt of the notice of completion, unless expressly agreed otherwise. In this respect, the supplier waives the defence of late notification of defects.
2. If the supplier has to provide a service that requires acceptance by us, the supplier is obliged to notify us in text form of its request for acceptance at least 14 calendar days before the acceptance date to be agreed.

3. If defects are found during the acceptance test, partial acceptance of defect-free services is possible after consultation with us and at our discretion, without the supplier having a legal claim to this. However, such partial acceptance shall not constitute final acceptance within the meaning of Section 640 BGB.
4. Acceptances require an acceptance protocol in written or text form, which is signed by the parties. Fictitious acceptance is expressly excluded insofar as we do not use the work result for its intended commercial purpose outside of test purposes for more than 30 consecutive calendar days.

Section 12 Inspection of defects, warranty (breach of duty due to poor performance in the case of material defects), liability for defects, limitation period for claims due for defects of quality and title; substitute performance

1. The supplier warrants, and within the scope of application of the UN Convention on Contracts for the International Sale of Goods (CISG) guarantees, that all delivered items in the case of sales contracts fully comply with the requirements set out in Section 434 BGB and, within the framework of the respective contractual relationship, in particular that: (i) all deliveries/services fully comply with the agreed specifications, in the case of technical items with the state of the art at the time of conclusion of the contract, with the relevant statutory provisions and the regulations and guidelines of authorities, professional associations and trade organizations of the Federal Republic of Germany and the European Union, and with the country of use communicated by us prior to conclusion of the contract, in particular, where applicable, with the European Union Machinery Directive; and (ii) they comply with the laws and regulations in the country of use communicated to the supplier by us or our vicarious agents prior to conclusion of the contract; and (iii) they are suitable for the intended purpose communicated by us to the supplier prior to conclusion of the contract; and (iv) they possess such characteristics as are customary for delivered items or services of the commissioned type.

   The supplier also warrants and, within the scope of application of the CISG, guarantees the unrestricted environmental compatibility of the products supplied and the packaging materials.

   The supplier undertakes to comply with all relevant statutory regulations and directives relating to the delivery item and/or the contractual services. If compliance with technical regulations and standards such as CE, CSA, or UL and EAC specifications has been agreed for the products or their components, the supplier shall provide us with proof of this and submit such proof together with the invoice as a prerequisite for the due date of the remuneration claim. In addition to the supplier's contractual obligation, these specifications must be complied with by the supplier in particular so that customs regulations can be complied with.

   All dimensions specified in any drawing agreed with us for the performance of the contract are warranted by the supplier. This also applies to other technical agreements. If deviations from these provisions are necessary in individual cases, the supplier must obtain our consent in text form. Such consent shall not affect the supplier's warranty obligations.
2. We are entitled to the full extent of the statutory claims for defects and, within the scope of application of CISG, the resulting rights in the event of defective delivery and/or services.
3. In any case of a material defect in the delivery item, we are entitled, at our discretion, to demand either remedy of the defect or delivery of a new item.
4. If the delivered products do not comply with the warranty assumed by the supplier or, with the scope of application of the CSIG warranty, the supplier shall be liable for all resulting damages, including consequential damages, to the extent permitted by law or, if the CSIG is applicable, to the extent of the CSIG.
5. In the event of a warranty claim (*breach of duty due to poor performance*), the supplier shall be obliged to bear all expenses necessary for the purpose of remedying the defect or delivering a replacement. These also include sorting costs as well as removal and reinstallation costs relating to the delivered item. The supplier shall also bear such costs as arise or increase due to the fact that the delivered item has been transported to a place other than our place of business. *Place of subsequent performance* is the place where the delivery item is located as intended at the time of the notification of defects.
6. We are entitled to check any deviations in the quality or quantity of the goods by taking samples that are meaningful for the conformity with the contract, provided that this corresponds to the circumstances of a proper course of business and the type and scope of the delivery. These are then representative of the quality of the goods.
7. If the supplier is in default with the remedy of a defect, we shall be entitled to demand a contractual penalty for delay in remedying defects in the amount of 0.5% of the net remuneration agreed for the defective delivery and/or services for each completed period of 7 calendar days of delay, but no more than 5% of the agreed net remuneration, for the defective delivery and/or services without further proof of damage. However, the supplier shall have the right to prove that no damage or substantially lower damage (at least 10% lower) has been incurred by us. Further statutory and contractual claims and, within the scope of application of the CISG, our rights arising therefrom shall remain unaffected. The aforementioned contractual penalty shall be offset in full against any claim for damages. We may assert the contractual penalty within three months of becoming aware of the supplier's delay in remedying of the defect, whereby the dispatch of our request for a contractual penalty shall be decisive for compliance with the deadline.
8. In the event of defects of title due to a culpable breach of duty by the supplier or its vicarious agents, the supplier shall indemnify us and our customers against all claims of third parties in this respect, including the usual, reasonable and proven costs of legal defence and our administrative costs. Section 254 BGB (contributory negligence) remains unaffected. Insofar as the supplier has manufactured its delivery or service according to documents provided by us, such as models or drawings, or on our express instructions, and could not have known that this would infringe third-party property rights, the above indemnification obligation shall not apply.
9. If we take back products manufactured and/or sold by us due to defects in the supplied item delivered by the supplier, or if we are otherwise held liable for this reason, we shall be entitled to full recourse against the supplier, and no prior setting of a deadline otherwise required for the exercise of our warranty rights shall be necessary.
10. Claims on our part against the supplier due to material defects shall lapse 36 months after the transfer of risk in the case of purchase contracts and 36 months after acceptance in the case of contracts for work and services, unless a longer warranty limitation period applies by law. In the latter case, such longer period shall apply.
11. The limitation period for defects of title is 5 years, calculated from the date of acceptance or, in the absence of acceptance, from the date of delivery of the contractually owed performance result.
12. If, with our consent, the supplier undertakes to examine the existence of a defect or to carry out the remedy of the defect, the limitation period shall be suspended until the supplier has notified us of the result of the examination in text form, has declared to us in text form that the defect has been completely remedied, or has refused in writing or text form to continue or to carry out the remedy of the defect.
13. Unless otherwise agreed, our incoming goods inspection shall be limited to externally visible transport damage and to determining the quantity and identity of the ordered products based on the delivery documents. The supplier shall be notified immediately of any recognisable defects identified. We shall give notice of other non-obvious defects immediately after their discovery. There are no further obligations on our part to inspect and give notice of defects. Further obligations to inspect incoming goods and to give notice of defects under Section 377 HGB are waived.
14. The supplier shall carry out an error analysis immediately after receipt of the notification of a defect. If necessary, we will support the supplier within the scope of our capabilities in finding the error. For this purpose, the supplier shall be provided with the rejected products to the agreed extent. The supplier shall analyse any deviation of the rejected products from the requirements and specifications and carry out all necessary investigations to identify the source of the defect. Subsequently, the supplier shall immediately communicate in text form the causes of the deviations and/or defects as well as the measures taken to remedy and prevent defects and their effects.

Section 13 Force majeure

Force majeure (i.e. a damaging and unavoidable event which could neither be prevented nor avoided even by exercising the utmost care) and insofar as the aforementioned conditions for force majeure are met, labour disputes, operational disruptions through no fault of our own, civil unrest, epidemics, pandemics, and other events unavoidable for us shall entitle us – without prejudice to our other rights – to withdraw from the contract in whole or in part, insofar as such events are not of insignificant duration (i.e. not lasting less than two weeks) and we notify the supplier of the impediment without undue delay, unless we have assumed a guarantee liability. If the supplier is affected by one of the above events, it shall support us to the best of its ability in maintaining our supply by relocating the production of the goods to us or a third party, including licensing with sub-licensing rights for the industrial property rights necessary for production on reasonable terms.

Our supply by the supplier takes place against the background of the current political bloc formation, armed conflicts such as the Russia-Ukraine war, the impending disputes between the People's Republic of China and Taiwan, and the trade disputes between the United States of America and the People's Republic of China as well as the European Union and the People's Republic of China and the United States of America and the resulting embargo and logistics problems, in order to ensure a stable supply on our part. The aforementioned political developments, embargoes, and logistical crises are therefore foreseeable for the supplier and shall not constitute a case of force majeure in favour of the supplier.

Section 14 Product liability, indemnification, liability insurance cover; quality assurance

1. Insofar as the supplier is responsible (outside the scope of the CSIG) for product damage on our part or on the part of a third party to whom we have supplied accordingly, the supplier is obliged – unless otherwise agreed – to indemnify us and our customers against all claims for damages and reimbursement of expenses by third parties insofar as the cause is culpably within the supplier's sphere of control and organisation. In addition to compensation for damages to third parties, the supplier's obligation to pay compensation also includes the usual, reasonable and necessary costs of legal defence (up to an hourly rate of EUR 350.00/h plus any applicable VAT), recall costs, inspection costs, installation and removal costs. Section 254 BGB (contributory negligence) remains unaffected.
2. Within the scope of its liability for cases of damage within the meaning of Clause 1, the supplier shall also be obliged to reimburse any expenses arising from or in connection with a recall action carried out by us. We will inform the supplier in advance of the content and scope of the recall measures to be carried out – as far as possible and reasonable in relation to the risk to be eliminated – and give it the opportunity to comment. Other statutory or contractual claims shall remain unaffected.
3. The supplier undertakes to maintain a public liability insurance policy with a minimum sum insured of EUR 5,000,000 per personal injury/property damage claim and EUR 1,000,000 for financial losses (lump sum) for a period of up to 42 months after the last delivery and/or service to us from the time of conclusion of the contract; if we are entitled to further claims for damages, these shall remain unaffected. The supplier must provide us with proof of the aforementioned insurance and the premium payment for this upon first request. If proof of insurance and premium payment is not provided to us within 7 calendar days of our request, we are entitled to withdraw from unfulfilled contracts in whole or in part (with regard to the unfulfilled part).
4. The supplier shall carry out quality assurance that is appropriate in terms of type and scope to the current state of the art at the time the contract is concluded and shall provide us with evidence of this upon request. Where we deem it necessary, the supplier shall enter into an appropriate quality assurance agreement with us.

Section 15 Right of use, inventions

1. Insofar as the deliveries and/or services to be performed by the supplier for us result in recipes, specifications, drawings, customised EDP programmes, photo and film material as well as layouts for print media or other such documents and/or data, we shall receive an exclusive, transferable right of use, unlimited in terms of time, place and content, in all types of use, which is fully compensated for with the agreed price.
2. Insofar as the deliveries or services are protected by the supplier's copyrights, the supplier shall grant us the irrevocable, transferable right, unlimited in time, place and content, to use the delivery and/or service in all known and unknown types of use free of charge, in particular to reproduce, distribute, display, modify and edit it.
3. Insofar as copyrights, industrial property rights and/or other rights to performance results as well as other written, machine-readable and other work results arise from the deliveries or services to be performed by the supplier for us, we shall be entitled to these exclusively and without restriction as part of the performance and shall be fully compensated with the agreed price. The supplier is obliged to inform us immediately in text form of the existence of such circumstances and to coordinate the further procedure with us.
4. The supplier is further obliged to utilise inventions of its employees and, if applicable, sub-suppliers at its own expense, indemnifying us, so that it can transfer the rights to these inventions to us.
5. If we apply for a property right for the invention, we shall bear the costs incurred for the application and maintenance of the property right.
6. If we decide against an application for the inventions/work results within 6 months after complete fulfilment of the contract by the supplier at the supplier's request in writing or text form, or if we are no longer interested in an existing property right, the supplier may pursue the application or maintenance of the property right at its own expense. In this case, however, we shall retain a free, non-exclusive and transferable right of use.
7. If the utilisation of the deliveries or services by us requires the use of industrial property rights of the supplier which already existed with the supplier prior to the provision of the delivery or service, we shall receive from the supplier a non-exclusive and transferable right of use to these industrial property rights, which is fully compensated with the agreed price.

Section 16 Spare parts and availability of supply

1. The supplier warrants that it will ensure the supply of spare parts for a period corresponding to the normal technical useful life of the delivery item, but at least 10 years after delivery of the last delivery of the respective delivery item to us, unless a different availability of spare parts has been expressly agreed with us. During this period, the supplier undertakes to supply these parts to us at normal commercial and legal conditions.
2. If the supplier intends to discontinue the supply of the spare parts for the delivery item covered by the contract after expiry of the above-mentioned period, we must be given the opportunity to place a final order with a lead time of at least 90 calendar days, which must be able to correspond at least to the last average order quantities for the product concerned over the last three years. The same shall apply in the event of discontinuation before expiry of the period, whereby we shall not forfeit our claims for damages as a result of the subsequent order.

Section 17 Provision, co-ownership, retention of title

1. Raw materials, tools, materials, parts, containers and packaging provided by us may only be used by the supplier as intended for the fulfilment of the order placed by us. If the goods are passed on to subcontractors, the supplier shall also ensure that the subcontractors do so as a contract in our favour and provide us with proof of this without being asked to do so.
2. Tools and recipes provided by us shall remain our property.
3. If we provide parts to the supplier, we reserve title to them (**reserved goods**). Processing or modification by the supplier shall be carried out on our behalf. If our reserved goods are processed with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the gross value of our item (purchase price plus VAT) to the other processed items at the time of processing.
4. If the item provided by us is inseparably mixed with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the gross value of the reserved item (purchase price plus VAT) 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 shall transfer co-ownership to us in the aforementioned ratio; the supplier shall keep the sole ownership or co-ownership for us.
5. The supplier is obliged to insure the raw materials and tools belonging to us and made available to it at replacement value against fire, water damage and theft at its own expense. At the same time, the supplier hereby assigns to us all claims for compensation arising from this insurance; we hereby accept the assignment.
6. The supplier shall also be obliged to carry out, at its own expense and in a timely manner, any necessary maintenance and inspection work as well as all servicing and repair work on our tools provided to it and shall provide evidence thereof to us.. Any malfunctions of the provided machines and/or tools must be reported to us immediately in text form; if the supplier culpably fails to do so, we shall be entitled to claim damages.
7. To the extent that the security interests to which we are entitled under Clauses 1 to 6 exceed the purchase price of all our goods subject to retention of title that have not yet been paid for by more than 10 %, we shall be obliged to release the security interests at our discretion at the supplier's request.

Section 18 Third-party property rights

1. The supplier warrants and, within the scope of application of the CSIG, guarantees that in connection with its delivery and/or services no third-party rights within the Federal Republic of Germany and the European Union and in the country of delivery or use communicated to it by us before or at the time of the order are infringed. Liability is excluded outside the guarantee liability given under the CSIG if the supplier proves that it neither knew nor could have known of the existence or future emergence of such rights at the time of delivery of the delivery item or provision of the service.
2. If claims are asserted against us by a third party due to an infringement of such rights according to Clause 1 (outside the scope of application of the CSIG) by the supplier, the supplier is obliged to indemnify us against these claims upon first written request; we are not entitled to make any agreements with the third party – without the consent of the supplier – in particular to conclude a settlement with the rights holder. Section 254 BGB (contributory negligence) remains unaffected.
3. The supplier's obligation to indemnify relates to all necessary, reasonable and proven expenses necessarily incurred by us from or in connection with the claim by a third party.
5. The limitation period for liability arising from the infringement of industrial property rights shall commence as soon as the claim has arisen and we have become aware of the circumstances giving rise to the claim or should have become aware of them without gross negligence. The limitation period for such claims on our part is 5 years.

Section 19 Documents and confidentiality

1. All business, technical, or product-related information made accessible by us to the supplier, calculation data, manufacturing instructions, drawings, photographs, manufacturing specifications, recipes, production and other operational internal information and data of any kind, including other development or production characteristics manifested in writing, samples, properties, or data, which can be derived from objects, documents, or data handed over by us or our agents to the supplier, as well as any other knowledge, experience, and data communicated to the supplier by us or our customers – so long as and to the extent that they are not demonstrably publicly known or subject to a statutory or official disclosure obligation – shall be kept confidential by the supplier vis-à-vis third parties. Within the supplier's own operations, such information may only be made available to those persons who must necessarily be involved for the purpose of providing deliveries or services to us and who are likewise bound in writing to confidentiality. Such information shall remain our exclusive property. This shall apply irrespective of whether such information constitutes business secrets within the meaning of Section 2 GeschGehG or not. The provisions of the GeschGehG remain unaffected.
2. Such information and/or data may not be reproduced or used commercially without our prior express consent, except for deliveries/services to us. The above confidentiality agreement shall also apply after termination of the supply or service relationship until its lawful disclosure, but no longer than 5 years after termination of the contract (excluding the warranty limitation period) between us and the supplier in relation to the contract in connection with which the relevant information was disclosed or handed over to the supplier. The above confidentiality obligation shall not apply if the supplier can prove that it has developed the transmitted information itself in a lawful manner prior to disclosure, or was already aware of it (of which the supplier shall notify us in text form immediately after transmission of the information – at the latest within 14 calendar days thereafter – otherwise it can no longer invoke this exception, or it has become publicly known by written declaration on our part, or an official or statutory disclosure obligation exists.
3. At our request, all information and data originating from us (including any copies or records made) and items provided on loan must be returned to us immediately and in full or destroyed and the destruction confirmed in text form. If the

information provided to the supplier is embodied in data, such data must be completely deleted by overwriting at any time upon our first request and the deletion must be confirmed in text form and without delay.

4. In the event of data transmitted by us to the supplier, we shall also be entitled to demand that the supplier issue to us a cease-and-desist declaration subject to a contractual penalty, providing for a contractual penalty for each culpable breach of the obligation to refrain from further use of the data transmitted by us or copies thereof, as well as the obligation to return and/or delete such data. The contractual penalty may be determined by us at our reasonable discretion (Section 315 BGB) in proportion to the supplier's remuneration and the likelihood and severity of damage resulting from the breach. This can be reviewed and reduced by a court at the supplier's request (Section 315 (3) BGB). The supplier is not obliged to refrain from doing so if it is subject to an official or statutory obligation to disclose or utilise data.
5. We reserve all rights to such information and data (including copyrights and the right to apply for industrial property rights such as patents, utility models, trademark protection, etc.). Insofar as these have been made available to us by third parties, this reservation of rights shall also apply in favour of these third parties.
6. No licences or warranties are associated with samples, models, information and/or data provided to the supplier.
7. Products manufactured on the basis of documents designed by us, such as drawings, samples, models, or the like, or on the basis of our confidential information, or using our formulas not known to the public, or our tools or replicated tools, may neither be used by the supplier itself nor offered or supplied to third parties.
8. If a separate confidentiality agreement has been concluded between us and the supplier, its provisions shall take precedence over the above provisions of this Section 19 in the event of a contradiction or further-reaching provisions.

Section 20 Safety regulations, other requirements for deliveries and services

1. The supplier shall comply, in respect of its deliveries, with the safety regulations applicable in the Federal Republic of Germany, the European Union, and in the country of delivery or use communicated to it prior to conclusion of the contract, as well as with the technical data or limit values corresponding to the state of the art at the time of contract conclusion or any more extensive agreed requirements, and with our currently valid supplier code of conduct (available for viewing, downloading and printing at https://www.tii-group.com/de/coc) which has been communicated to the supplier, in connection with its delivery/services to us.
2. The supplier undertakes to use exclusively materials that comply with the applicable, relevant statutory safety requirements and regulations within the European Union, in particular for toxic and hazardous substances and – where relevant – the REACH Regulation (*Regulation* (EC) 1907/2006) of the EU. The same applies to protective provisions for the benefit of the environment and to regulations relating to electricity and electromagnetic fields. The above obligation includes all relevant regulations applicable in the Federal Republic of Germany, the European Union and the country of use communicated to the supplier prior to conclusion of the contract with regard to the contractual delivery and/or services and – if deviating from these – also the provisions of the customer countries communicated to the supplier prior to or together with the order. The supplier shall provide us with evidence of compliance with these provisions at our first request and cooperate in providing the corresponding evidence to the competent authorities.
3. The supplier guarantees that its deliveries comply with the provisions of Regulation EC No. 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH Regulation). The substances contained in the supplier's products shall, to the extent required under the REACH Regulation, be pre-registered or, after expiry of the transitional periods, registered, unless the substance is exempt from registration. The supplier shall provide safety data sheets in accordance with the REACH Regulation or the information required in accordance with Art. 32 of the REACH Regulation. Upon request, the supplier shall also provide us with the information required under Article 33 of the REACH Regulation.
4. If the supplier's products (outside the scope of application of the CSIG) do not meet the requirements set out in Clauses 1 to 2, we are entitled to withdraw from the contract. Any further claims for damages and reimbursement of expenses on our part shall remain unaffected.
5. We must be notified in text form of any intended changes to the subject matter of the delivery and services. Such changes require our prior consent in text form.
6. We would like to point out that all external persons who enter our company or our company premises are also subject to the rules of conduct set out in our company regulations. In the event of violations of these rules, we reserve the right to expel such persons from the company premises. If the supplier performs work on our premises on our behalf, it shall take all facilities, arrangements, and measures necessary to prevent occupational accidents in compliance with the applicable accident prevention regulations and other generally recognized safety engineering and occupational health rules. The work guidelines of our relevant employers' liability insurance association must be observed when working on our company premises.

Section 21 Quality and documentation

1. The costs of declarations of conformity, certificates of origin and other proof of certification (e.g. where applicable ISO 9001, ISO 13485, CE, CSA, or UL specifications and IFS, FSSC 22000) shall be borne by the supplier unless otherwise expressly agreed**.** The declarations of conformity must be submitted to us immediately with each delivery in German and English.
2. Irrespective of this, the supplier must maintain the quality of the delivery item and constantly check it until delivery. The supplier must inform us immediately in text form of any errors in the specifications recognizable to it and any foreseeable complications arising therefrom.
   This must be ensured and documented using suitable test and measurement procedures. We are entitled to request the results of this review in text form at any time and at no additional cost.
3. The scope of supply includes the product-specific and/or technical documentation, the certificates of conformity (at our discretion in German and/or English) as well as other documents and certificates and operating instructions, product labels, warnings and other user information required for the ordered item or its use at our discretion in German and/or English, as well as the labelling of the parts and the product and/or its packaging required by law within the EU and the country of destination for the delivery item notified to the supplier prior to conclusion of the contract.
4. The supplier must ensure that exact traceability of the delivery items is guaranteed by means of batch or serial numbers.

Section 22 Software

1. If the delivery item contains software created for us, we shall receive the source code commented in a manner comprehensible to an average programmer and the right to use the software at companies affiliated with us in accordance with Section 15 of the German Stock Corporation Act (AktG) or otherwise under company law, to reproduce it at will, to modify it and to transfer it together with the delivery item to third parties worldwide free of charge or against payment without any special further remuneration.
2. For the purpose of maintenance and further development, we are authorised to reverse engineer (decompile) the aforementioned software. If the supplier develops customized software for us, the source code shall be made available to us for unrestricted use and exploitation at our discretion.
3. The remuneration for software shall only become due once a formal acceptance procedure has been carried out with a written declaration of acceptance on our part.
4. In the case of the delivery of software, subsequent fulfilment by means of a new programme version or a permanent workaround solution for a defect is only permissible with our prior express consent. If such consent is granted, the supplier shall be obliged, at its own expense, to provide our employees with training on the new program version free of charge.
5. If the software to be provided to us by the supplier contains open source software or third-party software, the supplier shall name this software to us in text form when providing the software and provide the applicable license terms.

Section 23 Auditing

1. We – and, as a genuine contract in favour of third parties within the meaning of Section 328 BGB, also our customers (**authorised auditors**) – are entitled, but not obliged, to carry out an audit of the supplier ourselves or to have it carried out by an expert and/or consultant of our choice, also with regard to our own certification, if applicable. This includes an inspection of the supplier's operations, delivery quality and quality assurance system and a subsequent assessment. Within the scope of its legal possibilities, the supplier shall ensure that its subcontractors grant us and our customers the same right to audit. The knowledge gained from this shall form the basis for future contract awards and for the internal classification of the company (*rating*).
2. We and the authorised auditors named in Clause 1 shall be entitled to carry out announced inspections of the supplier's ongoing business operations and to monitor quality assurance measures during normal business hours and with prior notice.
3. If we can prove a legitimate legal interest, we shall have the right to inspect the supplier's relevant documents. Such a legitimate interest exists in particular if knowledge could be gained that would allow the necessity and handling of a recall to be assessed.
4. Within the scope of our exercise of rights pursuant to Clauses 1 to 3 above, the supplier shall not be obliged to disclose trade secrets within the meaning of Section 2 GeschGehG (see Section 9 Clause 3.) unless the party entitled to exercise the audit right has offered to conclude a non-disclosure agreement regarding the aforementioned trade secrets within the meaning of Section 2 GeschGehG in text form.

   The supplier shall conclude such a non-disclosure agreement without delay.

Section 24 Minimum Wage Act

1. The supplier undertakes to fully comply with the requirements of the German Minimum Wage Act (MiLoG) with respect to its employees and guarantees compliance with the provisions of the MiLoG also for any subcontractors used.
2. If the supplier culpably breaches an obligation under the above Clause 1, it shall be obliged to indemnify us against any claims by third parties in this respect. Furthermore, in this case we are entitled to withdraw from all contracts with the supplier with regard to the part not yet fulfilled. Any claims of the supplier arising from such withdrawal are excluded.
3. The supplier undertakes to provide us with proof of compliance with the provisions of the MiLoG regarding its employees or the employees of subcontractors used immediately upon first request by submitting appropriate payroll records. If the supplier is in default with this obligation for more than 30 calendar days, the second sentence of Clause 2 above shall apply accordingly.

Section 25 Shipping documents, customs, export control

1. The country of origin of the goods must be documented by a valid (long-term) supplier's declaration (in its latest applicable version) in the case of a supplier established within the EU, or by a proof of preference or certificate of origin in the case of a supplier established outside the EU. The (long-term) supplier's declaration must contain our article numbers, the exact country of origin, and the customs tariff number. Upon delivery, and following prior review by the supplier, the supplier shall notify us in written or text form whether the delivery item is subject to any relevant sanctions applicable to the

supplier, to us, or to the customer named by us to the supplier, and shall provide us with the relevant ECCN number and HS code.

2. Any change in the country of origin of the goods must be communicated to us immediately and without being requested, in text form.
3. If it is not possible to issue a (long-term) supplier's declaration, a certificate of origin must be enclosed with the delivery without being requested and free of charge.
4. The supplier shall indemnify us against all costs and claims of third parties which arise as a result of culpably incorrect, incomplete or erroneous original documents or statements issued by the supplier. Section 254 BGB (contributory negligence) remains unaffected. In this respect, the supplier shall also bear the reasonable, customary and proven legal defence costs (up to EUR 350/hour).
5. With the first delivery, the supplier must provide us with a valid supplier's declaration (in its latest applicable version) and all product information relevant for the (inter)national movement of goods. If the supplier delivers goods to us that are subject to export control, the supplier undertakes to provide us immediately with all other documents and information necessary for applying for a licence. This obligation to provide information shall continue to apply to the supplier even after the end of the business relationship.
6. The supplier declares that it is an authorized economic operator (AEO) or has at least implemented equivalent security standards in its company in accordance with Article 14k of Regulation (EC) No. 1875/2006.
7. The supplier shall comply with all import control regulations and laws applicable to it and to us. In particular, the use of materials subject to sanctions imposed by the Federal Republic of Germany, the European Union (EU), or other relevant countries is prohibited, and the supplier shall refrain from such use.

Section 26 Sustainability and occupational health and safety

1. The supplier undertakes to comply with the applicable legal systems and internationally recognised human rights at its production sites. It warrants that the production and working conditions existing there comply with the ILO conventions, the UN Global Compact, the OECD guidelines, the Universal Declaration of Human Rights of the United Nations, and the UN Conventions on the Rights of the Child. If different regulations apply alongside each other, the one that provides the highest level of protection and safety for employees must be applied.
2. If products to be delivered to us by the supplier, or its preliminary products, are manufactured outside the European Economic Area (EEA), the supplier shall additionally provide evidence, both (i) for itself and (ii) for all upstream entities in the supply and production chain at sites located outside the EEA, of a valid social standards certificate issued by a recognized and independent certification body – at least in accordance with SA8000 or a comparable standard (in particular BSCI or Sedex).
3. We do not accept the use of child labour as defined by the ILO and UN conventions and/or relevant national legislation. The minimum age to be observed by the supplier for the employment of minors is 15 years, unless ILO exemptions apply. All further provisions for the protection of children and young employees must also be complied with. All forms of forced labour, slave labour and prison labour by the supplier are prohibited. No employee may be forced into employment, either directly or indirectly, by force or coercion.
4. The supplier shall refrain from discrimination. This includes discrimination based on race, religion, age, nationality, social or ethnic origin, sexual orientation, gender, disability, political opinion, membership of a workers' organisation or trade union or other personal characteristics (e.g. skin colour). Furthermore, the supplier/subcontractor observes equal opportunities for its employees.
5. The supplier must provide the employees with an employment contract in written form. The minimum requirements for this are: name, date and place of birth, home address, commencement of employment, duration of employment contract, working hours, description of duties, remuneration, holiday entitlement, termination conditions, and signatures of employee and employer. In the case of temporary agency work, the supplier shall ensure that its contractual partner complies with these requirements.
6. Under no circumstances may the supplier's wages fall below the local minimum wage. The legally prescribed social benefits must be granted. Illegal and unauthorised wage deductions, in particular in the form of disciplinary measures, are not permitted.
7. The supplier shall comply with the maximum working hours prescribed for the employment relationship with its employees.
8. In particular, the supplier guarantees safe and healthy working conditions. Regular occupational safety exercises and measures must be carried out by the supplier to prevent accidents and occupational illnesses.
9. The supplier is prohibited from using any form of corporal punishment, threats of violence, harassment, intimidation or abuse, in particular in physical, sexual, psychological or verbal form. Disciplinary measures may only be taken in accordance with national laws and internationally recognised human rights.
10. The supplier shall ensure, within its operations and throughout the supply and production chain used by it, the establishment of effective employee grievance mechanisms for complaints regarding negative impacts arising from working conditions. Employees who raise a complaint based on the principles to be observed under Clause 24 of these General Terms and Conditions of Purchase and/or applicable national or international law shall not be subject to any form of disciplinary or retaliatory action by the supplier.
11. The supplier undertakes to comply with all applicable laws and regulations as well as internationally recognised environmental protection standards. In particular, that the supplier fulfils the requirements of the international conventions of Minamata (mercury), Stockholm (persistent organic pollutants) and Basel (hazardous waste).

    Furthermore, the supplier undertakes to avoid any risks to people and the environment, to minimize environmental impacts, and to use resources sparingly. We recommend that the supplier introduces an environmental management system such as ISO 14001 or EMAS. The supplier must also comply with the environmental standards applicable to it and, in accordance with the principles for sustainable development of the Rio Declaration of 1992, endeavour to continuously reduce and avoid environmental pollution and to constantly improve its environmental protection measures. In particular, the supplier is obliged to develop reduction targets for CO_2 emissions in its own business area and along the supply chain (Scope 1, 2 and 3 of the Greenhouse Gas Protocol) and to take measures that are suitable for working towards achieving the goals of the Paris Climate Agreement and to implement this within its supply chain. Upon first request, the supplier will provide information regarding its own CO_2 emissions and those of upstream activities. The supplier will have the reduction targets set independently verified using scientific methods (e.g. within the framework of the Science Based Targets initiative).

12. The supplier's waste management, handling and disposal of chemicals and other hazardous substances, emissions and waste water treatment must at least comply with the applicable legal regulations and standards. Environmentally and socially responsible production shall be promoted by the supplier.
13. The supplier shall provide us with a current environmental certificate at least in accordance with the DIN ISO EN 14001 standard or a comparable standard – in each case issued by a recognised and independent certification institute – for itself and for all upstream suppliers in its supply and production chain relating to the delivery to us for locations outside the European Economic Area, insofar as the products to be delivered or their preliminary products are manufactured outside the EEA area.
14. The supplier is obliged to carry out appropriate inspections at regular intervals throughout its entire supply and production chain in the production facilities concerned to ensure compliance with the specifications.
15. We only conclude contracts with suppliers who comply with minimum social and ecological standards in accordance with the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG). The supplier guarantees to set up a risk management system in accordance with the LkSG, to carry out regular risk analyses for this purpose, to implement preventive measures in its own business area with regard to direct suppliers, to take remedial measures immediately if necessary and to set up a suitable complaints procedure for this purpose and to comply with the due diligence obligations of the LkSG also with regard to indirect suppliers, as well as to properly document the aforementioned measures and to provide us with evidence in a suitable form upon first request.
16. In the event of a breach of the obligations arising from this Section 26, the supplier shall immediately implement and document suitable remedial measures and provide us with evidence thereof without delay.
17. If the supplier culpably breaches an obligation under the above Clauses 1 to 16, it shall indemnify us against all damages, costs and expenses (with regard to costs and expenses, insofar as these are customary, reasonable and proven). The defence of contributory negligence (Section 254 BGB) remains unaffected.
18. If the supplier culpably breaches an obligation under the above Clauses 1 to 16, the supplier shall owe us a contractual penalty, the amount of which shall be determined by us at our reasonable discretion (Section 315 BGB), taking into account the supplier's remuneration for the contractual service and the propensity of the breach of duty to cause damage. The supplier's right to judicial review and reduction of the contractual penalty (Section 315 (3) BGB) shall remain unaffected. The assertion of further or other rights, in particular to reimbursement of expenses and damages (with full offsetting of the contractual penalty) shall remain unaffected for us. The contractual penalty may not exceed (i) the amount of EUR 30,000 in individual cases and (ii) the amount of EUR 300,000 for all conceivable cases in which it is incurred.

Section 27 Reporting of misconduct

We have set up a web-based whistleblowing system at https://www.tii-group.com/de/compliance, which can be used by both internal and external whistleblowers. Unless there is already a corresponding legal obligation, we recommend that the supplier sets up a similar system in which violations relating to the above-mentioned topics in Section 26 and Sections 28 et seq. can be reported both openly and anonymously.

Furthermore, the supplier undertakes to inform its own employees and direct suppliers in text form of the possibility of submitting reports via the aforementioned whistleblowing system operated by us.

Section 28 Other compliance obligations of the supplier

1. The supplier must observe the relevant antitrust regulations. In particular, the supplier is prohibited from:
   - engaging in discussions with competitors in which prices or capacities are agreed.
   - making agreements with competitors to refrain from competition, submitting sham bids in tenders or dividing up customers, territories or production programmes.
   - This also applies to informal discussions, informal agreements or conduct intended to achieve or resulting in any of the above-mentioned restrictions of competition.
2. The supplier shall refrain from granting gifts, favours, hospitality, or other benefits to our employees with the aim of obtaining contracts or undue advantages. This expressly excludes hospitality that serves a business purpose or takes place in the context of customer or supplier visits. Gifts such as information storage media or other promotional items with a value of up to EUR 10 may be tolerated in exceptional cases (where customary in the industry).

3. All records and reports of the supplier (e.g. accounting documents, annual reports, audit reports, etc.) that are prepared internally or disclosed externally must be correct and truthful. Data collection and other records of the supplier must always be complete, correct, timely and system-compliant.

4. Personal data may only be collected, processed or used by the supplier in compliance with all relevant data protection regulations (in particular, where applicable, the GDPR) to the extent that this is necessary for specified, clear and legitimate purposes. This also applies to the exchange of data between different organisational units and companies of the supplier.
   With regard to data quality and technical protection against unauthorised access, the supplier must guarantee a standard that is state of the art at the time of data collection.
   The use of data by the supplier must be transparent for the data subjects, and their rights to information and rectification and, where applicable, to objection, blocking and erasure must be safeguarded. The respective national legal regulations must be observed.

5. The supplier must ensure through appropriate internal regulations or through the structuring of employment contracts – vis-à-vis employees within the scope permitted by labour law – that all information and data which it receives from us or a company of the TII Group, even if these do not constitute a business secret within the meaning of Section 2 GeschGehG, which have not been made publicly accessible, are subject to confidentiality and may not be disclosed to unauthorised third parties by the supplier or its employees (neither during nor after termination of the employment relationship). The confidentiality obligation does not apply if there is a statutory or official disclosure obligation. If the information and/or data to be disclosed is information/data from the customer relationship with a company of the TII Group, the approval of an authorised representative of the company concerned must also be obtained or, in the case of a legal obligation to disclose, this representative must be informed immediately.

6. The supplier undertakes to comply with the provisions of the Bribery Act.

7. Transparent reporting: Suppliers must regularly provide the public with information about their sustainability practices and progress. This can be done by means of reports, audits or other suitable verification methods.

8. Continuous improvement: Suppliers are encouraged to continuously work on improving their sustainability practices and to develop innovative solutions to promote sustainability.

9. If the supplier culpably breaches an obligation under Section 26 and/or this Section 28, we shall be entitled to withdraw from contracts with the supplier that have not yet been completely fulfilled, without compensation, due to the part that has not yet been fulfilled or, in the case of continuing obligations with the supplier, to terminate these extraordinarily without notice and without compensation.

Section 29 Advertising reference, severability clause. Place of jurisdiction/arbitration; choice of law, data storage

1. The existing business relationship with us may only be referred to for advertising purposes or as a reference to third parties with our express consent.

2. Should any provision of the contract concluded with us be or become invalid/void or unenforceable in whole or in part for reasons of the law of general terms and conditions pursuant to Sections 305 to 310 BGB, the statutory provisions shall apply. Should any present or future provision of the contract be or become invalid/void or unenforceable in whole or in part for reasons other than the provisions relating to the law of the General Terms and Conditions in accordance with Sections 305 to 310 BGB, this shall not affect the validity of the remaining provisions of this contract, unless the performance of the contract – also taking into account the following provisions – would constitute an unreasonable hardship for one of the parties. The same shall apply if, after conclusion of the contract, a gap requiring supplementation becomes apparent.
   In the event of the above sentence 2, the parties shall replace the provision that is invalid/void/unenforceable for reasons other than the provisions relating to the law of general terms and conditions in accordance with Sections 305 to 310 of the German Civil Code by a valid provision that corresponds in its legal and economic content to the invalid/void/unenforceable provision and the overall purpose of the contract. Section 139 BGB (partial invalidity) is expressly excluded – also in the sense of a burden of proof regulation. If the invalidity of a provision in the aforementioned case is based on a measure of performance or time (deadline or date) specified therein, the provision shall be agreed with a legally permissible measure that comes closest to the original measure.

3. The law of the Federal Republic of Germany applies exclusively. If the requirements of Art. 1, 3 CISG are met, the provisions of the UN Convention on Contracts for the International Sale of Goods (CISG) shall apply.

4. The contractual, procedural and court language is German, insofar as the court proceedings take place in the Federal Republic of Germany.

5. The place of fulfilment is the agreed place of delivery/service, in the absence of such an agreement our registered office.

6. The place of jurisdiction is Mannheim, Germany. If the supplier's registered office is located outside the Federal Republic of Germany but within the European Union, the exclusive place of jurisdiction shall also be Mannheim, Germany. However, we are also entitled, at our discretion, to sue the supplier at its registered office or at the place of performance.

   If the supplier's registered office is located outside the European Union, the following applies:

   All disputes of any kind between the parties arising from the contract concluded or in connection with its performance, including those concerning the validity of the contract and this arbitration clause, shall be finally settled by three arbitrators in accordance with the Arbitration Rules of the German Institution of Arbitration (DIS) in force at the time the request for arbitration is received by the DIS, including the rules for expedited arbitration proceedings, without recourse to the ordinary courts of law. The language of arbitration is English. An arbitration award may be declared enforceable by the competent state court upon application. There is no right of appeal against the judgement of the arbitration tribunal. The award shall also contain a decision on the costs of the proceedings, including the remuneration of the arbitrators. The place and location of arbitration is Mannheim, Germany. The parties clarify that the state courts remain responsible for interim relief measures. In this respect, the parties agree that Mannheim shall be the exclusive place of jurisdiction.
   The above arbitration procedure shall not apply if we choose to take action against the supplier before the competent ordinary court. We must notify the supplier in writing or in text form of the exercise of the right of choice before initiating the legal dispute.

7. We store data from the contractual relationship in accordance with Section 26 of the German Federal Data Protection Act and the EU General Data Protection Regulation for the purpose of data processing.

SCHEUERLE Fahrzeugfabrik GmbH
Pfedelbach, August 2025