

1. Scope of these General Conditions of Purchase

1.1 Offers from the Supplier to provide Goods and Services to KIEFEL GmbH ("KIEFEL"), all requests and order confirmations from KIEFEL, and the future business relationship between KIEFEL and the Supplier shall be regulated exclusively by these General Conditions of Purchase. The Supplier's General Terms and Conditions shall apply only insofar as they are compatible with these General Conditions of Purchase. None of the Supplier's other General Terms and Conditions shall apply, even if KIEFEL does not explicitly object to them. Nevertheless, KIEFEL hereby rejects all of the Supplier's General Terms and Conditions that conflict with these General Conditions of Purchase. Neither acceptance without reservation of Goods and Services nor payment by KIEFEL for these Goods and Services shall imply agreement to any of the Supplier's General Terms and Conditions. These General Conditions of Purchase shall apply only to business transactions between KIEFEL and Suppliers who are contractors as defined in section 14 of the German Civil Code (BGB).

1.2 When a contract with a Supplier is concluded, the current version of KIEFEL's General Conditions of Purchase, which is published on and available for download from KIEFEL's website (<http://www.kiefel.com/de/kiefel>), shall apply.

1.3 Definitions of terms

1.3.1 The term "Supplier" as defined in these General Conditions of Purchase refers to all contractual partners of KIEFEL who produce Goods and/or Services of any kind whatsoever on KIEFEL's behalf, perform them for KIEFEL or offer them to KIEFEL.

1.3.2 "Confidential Information" as defined in these General Terms and Conditions means all business-related or technical information, data and documents (in particular those relating to inventions, constructed items, jointly developed know-how, production processes, business processes, financial information, etc.) and all KIEFEL company and commercial secrets.

1.3.3 "Delivery" as defined in these General Conditions of Purchase shall refer to the provision of goods or intangible articles (such as software) by the Supplier to KIEFEL.

1.3.4 "Service" as defined in these General Conditions of Purchase shall refer to any service, duty and/or work performed by the Supplier for KIEFEL.

2. Delivery / costs / packaging / transfer of risk / partial delivery

2.1 Deliveries to KIEFEL shall be completed as per DAP Incoterms® 2010 ICC to the location specified in the order. If no destination is stated, then, unless agreed otherwise, Delivery shall be completed as per DAP Incoterms® 2010 ICC to KIEFEL GmbH, Klebingerstrasse 5, 83395 Freilassing, Germany.

2.2 Customs duties, taxes, other charges and costs that arise when a Delivery is imported or are payable for import documents that the Supplier must present, as well as charges for all goods inspections required before shipping, shall, notwithstanding DAP Incoterms® 2010 ICC, be borne by the Supplier or reimbursed to KIEFEL.

2.3 The Supplier shall ensure that the packaging for each Delivery complies with the current KIEFEL packaging guidelines. When making deliveries or entering KIEFEL's worksite on foot or by vehicle, the Supplier and their agents shall comply with the current KIEFEL worksite rules. The packaging guidelines and current version of the worksite rules can be accessed and downloaded from the KIEFEL website (<http://www.kiefel.com/de/kiefel>).

2.4 Transfer of risk shall follow as per DAP Incoterms® 2010 ICC. Where acceptance is required, transfer of risk shall, notwithstanding DAP Incoterms® 2010 ICC, occur on completion of acceptance.

2.5 The Supplier is not authorised to provide partial Deliveries or Services.

2.6 If the Supplier has received from KIEFEL a binding schedule for a Delivery or Service, KIEFEL shall be obliged to accept only the partial Deliveries/Services that comply with this schedule. KIEFEL shall have the right to decline (partial) Deliveries or (partial) Services that are not as scheduled, and to return or store these at the Supplier's risk and expense.

2.7 Regardless of whether it receives or accepts any delayed (partial) Delivery or (partial) Service, KIEFEL shall have the right to claim the contractual penalty specified in no.3.2 by setting off a corresponding amount against payment for the Delivery or Service concerned, even if KIEFEL has not specifically reserved the right to do so.

3. Orders for Goods and Services, Delivery times and delayed Delivery

3.1 KIEFEL orders for Goods and Services shall be binding only when in writing.

3.2 The Supplier must immediately inform KIEFEL if a Delivery appears likely to be delayed. If a Delivery/Service or partial Delivery/Service from the Supplier is delayed, the Supplier shall pay KIEFEL for each working day after the third working day of delay a contractual penalty for the delayed Delivery/Service of 0.25% of the agreed price or the agreed contract amount/remuneration. However, this penalty shall not exceed 10% of the price or the remuneration/contract amount for the order or Delivery/Service concerned.

3.3 Where the Supplier's responsibility for a delay is in dispute, the Supplier shall bear the burden of proving that it is not responsible for the delay. Any additional claims by KIEFEL for compensation for further loss or damage shall remain unaffected. Any contractual penalty shall be included in any claims by KIEFEL for compensation for damages. KIEFEL expressly reserves the right to impose a contractual penalty in all cases in which it accepts late performance by a Supplier.

4. Acceptance

Acceptance by KIEFEL shall be required for deliveries including installation or assembly, services including work performed under contract, orders for work, and in any other case as agreed. Payment by KIEFEL shall not imply acceptance, abandonment of a requirement for acceptance, or abandonment of any rights or claims whatsoever. Acceptance shall not be made by implication or in oral form.

5. Warranty / costs / liability for defects / limitation of claims

In the event of legal or material defects in a Delivery, the provisions in item 5 shall not restrict KIEFEL's legal rights or rights of recourse under sections 445a and 445b of the German Civil Code (BGB).

5.1 If requested to remedy a defect, the Supplier shall bear the expenses necessary for assessing this request (including any removal/installation costs, investigation costs, transport and travel costs, daily expenses, materials and labour costs, recommissioning costs, etc.). The same shall apply even if in fact there was no defect, and KIEFEL failed to recognise this, unless KIEFEL's failure to recognise that there was no defect resulted from its own gross negligence or deliberate action.

5.2 If the Supplier does not comply with its responsibility to cure the defect within an appropriate period set by KIEFEL, KIEFEL itself shall have the right to remove the defect and claim compensation from the Supplier for the expenses necessary for this purpose. If the Supplier's remedy is ineffective or unacceptable to KIEFEL, there shall be no time limit on KIEFEL's own efforts to remedy defects.

5.3 The Supplier shall cure the defect at the delivered goods' intended location at the time that the defect concerned was discovered, and, as necessary, after these goods have been processed, mixed or combined. The intended location shall be the location (anywhere in the world) where a KIEFEL customer or client intends to use the delivered goods (if necessary as part of other equipment or another machine), provided that the Supplier can be expected to know this on contract conclusion or that KIEFEL has disclosed this to the Supplier when concluding the contract. If no intended location as described above has been specified, defects shall be remedied at the Delivery location.

5.4 When remedying defects, the Supplier must bear the cost of removing the defective goods and, if replacement goods are delivered, the cost of installing these goods.

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5.5 The Supplier shall bear all expenses necessary for the purpose of remedying defects (including any removal/installation costs, investigation costs, transport and travel costs, daily expenses, materials and labour costs, commissioning costs, etc.). KIEFEL shall have the right to claim advance payment from the Supplier of expenses that KIEFEL incurs for remedying defects under section 439, subsections (2) and (3) of the German Civil Code (BGB) which the Supplier is liable for.

5.6 If any additional Delivery is made, the period of limitation specified in item 5.11 shall recommence with Delivery of the replacement goods. If any subsequent improvement is carried out, if this is required for the same defect or as a result of insufficient improvement, the period of limitation specified in item 5.11 shall recommence with performance of the improvement work or Delivery of the improved goods.

5.7 If the Supplier has delivered non-defective goods as a remedy for defects, the Supplier shall have no claim to any benefits from these goods and no right to compensation for these benefits.

5.8 In cases where section 439, paragraph 4, line 3 of the German Civil Code (BGB) applies, the Supplier shall (notwithstanding the second half of line 3) have no right to refuse the alternative remedy on the ground that it is disproportionately expensive.

5.9 Notwithstanding section 442, paragraph (1), line 2 of the German Civil Code (BGB), KIEFEL's right to defect claims against the Supplier shall be unrestricted, even if, as a result of gross negligence, the defect concerned is not detected at the time that the contract is concluded or, in cases where section 439, subsection (3) of the German Civil Code (BGB) applies, when the defective goods are installed or mounted.

5.10 The Supplier must remain available to remedy defects within 24 hours of receiving notification of defects from KIEFEL during the complete limitation period for defect claims. In particular, the Supplier shall remain available to provide a preliminary response in writing to any notification of defects and to propose possible remedies within 24 hours of receiving such notification.

5.11 Limitation

KIEFEL's right to material and legal defect claims as well as its rights of recourse under section 445a and 445b of the German Civil Code (BGB) shall lapse after three years, provided that no longer period is specified by the law.

6. Quality / regulatory compliance / documentation

6.1 The Supplier shall not, either actively or passively, directly or indirectly, participate in any way in bribery or corruption, human rights violations, discrimination against its employees, forced labour or child labour, nor shall it support any similar acts. The Supplier shall undertake to comply with all current legal and administrative provisions/directives/guidelines of the Federal Republic of Germany, internationally recognised minimum standards, and relevant current technical norms and regulations. The Supplier shall comply with current product safety, workplace safety and accident prevention regulations, and shall provide Deliveries and Services in accordance with these regulations. The Supplier shall comply with all of its obligations under the current version of the Minimum Wage Act (MiLoG) and the current version of the Posted Workers Act (AEntG). The Supplier shall appropriately document and prove compliance with its obligations under the Minimum Wage Act (MiLoG) and the Posted Workers Act (AEntG), and provide, whenever requested to do so, a written declaration of compliance with its obligations under these Acts. The Supplier shall fully indemnify KIEFEL, KIEFEL's affiliated enterprises as defined in section 15ff. of the German Stock Corporation Act (AktG) and KIEFEL's customers or business partners for all costs, all claims by third parties and other financial losses (e.g. fines, penalty payments, and liability under section 13 of the Minimum Wage Act (MiLoG) and the Posted Workers Act (AEntG)) arising from a breach of one of the above regulations, except where the Supplier is not responsible for the breach of the obligation concerned. This obligation to indemnify shall not affect any of KIEFEL's other rights or claims.

6.2 The Supplier shall provide Deliveries and Services in line with currently recognised codes of practice and current KIEFEL quality guidelines, which can be accessed on and downloaded from the KIEFEL website (<https://www.kiefel.com/de/kiefel>).

6.3 The Supplier shall be obliged to introduce and maintain a compliance management system, a code of conduct (for compliance with current rules and regulations) and an environmental management system in line with DIN EN ISO 14001, and to provide KIEFEL with evidence of these when requested to do so.

7. Subcontractors

Suppliers may not use subcontractors to provide KIEFEL with Deliveries and Services without KIEFEL's prior written consent. If objective grounds exist, KIEFEL may withdraw its consent.

8. Invoices / payment terms / set-off and retention

8.1 Invoices must contain the information required by section 14, paragraph (4) of the German Value Added Tax Act (UStG), the order number and other identifiers (such as KIEFEL project numbers). Invoices shall be sent separately from Deliveries/Services and in electronic form only (as pdfs) to the e-mail address invoice-de@kiefel.com. Duplicate invoices shall be clearly identified as such. The guidelines in the "Memorandum of Understanding on Electronic Invoicing" to be signed by the Supplier must be followed.

8.2 Payment shall be made after execution of a Delivery or Service as provided for in a contract (or, where an acceptance is required, after the acceptance) and receipt of an auditable invoice, within 30 days with a 3% discount or within 60 days without a discount (net cash). Payment is subject to invoice auditing.

8.3 The only basis on which the Supplier shall have the right to declare or claim a right of set-off or retention of any kind whatsoever is in relation to counter-claims that are recognised, undisputed or ready for adjudication, or that have been determined by a court of law.

9. Transfer of ownership / materials

9.1 Ownership of the delivered goods or articles shall, on handover to KIEFEL (or, where acceptance is required, then upon acceptance by KIEFEL) pass to KIEFEL unconditionally and without any requirement for KIEFEL to make the agreed payment. If, in a specific case, KIEFEL accepts an offer from the Supplier in which transfer of ownership is conditional on payment of the agreed price, the Supplier's reservation of ownership shall expire, at the latest, upon payment of the purchase price for the delivered goods or articles. The Supplier's reservation of ownership shall not be extended or expanded in any way whatsoever.

9.2 Any processing, mixing or combination completed by the Supplier involving goods provided by KIEFEL shall be undertaken on KIEFEL's behalf. KIEFEL shall acquire joint-ownership of the goods produced with the use of the goods that KIEFEL has provided (e.g. products, equipment or machines) corresponding to the value of the goods provided as a proportion of the value of all constituents of the goods produced. These goods shall be appropriately and safely stored for KIEFEL by the Supplier at its own expense until handover or acceptance. The Supplier shall insure at their own expense the above goods or their value against burglary, theft, vandalism, natural hazards, damage from broken water pipes, damage from gas and fluid leaks, and electronic damage. On request, the Supplier shall provide KIEFEL with appropriate evidence of sufficient insurance.

The Supplier must use the goods provided by KIEFEL exclusively for the purpose of fulfilling KIEFEL orders for goods and/or services. The Supplier may not use goods provided by KIEFEL for any other purpose.

9.3 If a contract involves exclusively the processing, mixing or combination of goods owned by KIEFEL, KIEFEL shall, notwithstanding the provisions of section 951 of the German Civil Code (BGB), acquire direct ownership of the goods produced by this processing or transformation. Conversely, processing or transformation shall not entitle the Supplier to acquire any share in the ownership of the new goods at any time.

10. Tooling / templates / spare parts

10.1 KIEFEL shall retain ownership of any tooling that it provides to the Supplier (in particular gauges, dies, matrices, models, samples, tools, drawings, forms, profiles and masters) and templates (in particular technical brochures and other documents, drawings, diagrams, schematics, graphics, photographs, layout templates, plans, sketches and similar documentation of any kind, whether in soft or hard copy). Such tooling and templates, together with any reproductions or copies of these of any kind whatsoever, shall be immediately returned in full to KIEFEL upon request. The Supplier shall bear the cost of returning such tooling and templates. As per item 9.2, the Supplier shall have the tooling and templates fully insured at its own expense.

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10.2 The Supplier shall stock spare parts and wear parts for Deliveries and Services for a period of 10 years from the transfer of risk and shall whenever necessary offer these to KIEFEL at standard market prices.

11. Non-disclosure, safekeeping and return of confidential information / client references

11.1 All confidential information made available to the Supplier by KIEFEL or acquired by the Supplier by any other means shall, insofar as it is not demonstrably in the public domain, be kept strictly confidential and secret from third parties (even after the end of Supplier's contractual relationship with KIEFEL), stored securely, protected from disclosure to unauthorised third parties, and returned in full to KIEFEL whenever KIEFEL so requests. The Supplier may only reveal confidential information to its employers or subcontractors to the extent necessary for the performance of their duties (on a need-to-know basis). Persons who are allowed access to confidential information by the Supplier shall be contractually obliged to keep this information secret; evidence of their contractual obligation to secrecy shall be provided to KIEFEL on request.

11.2 The Supplier must not advertise its business relationship with KIEFEL unless KIEFEL has given the supplier written permission to do so.

12. Usage rights / intellectual property rights

12.1 The transfer or provision of templates and tooling (as defined in no.10.1) by KIEFEL shall not imply any transfer of intellectual property of any kind whatsoever (in particular, it shall not imply transfer of know-how, copyright, rights of use, and/or rights in registered designs, patents, or other commercial intellectual property rights of any kind whatsoever), nor any granting of usage rights or licensing rights of any kind whatsoever to the Supplier.

12.2 The Supplier warrants that its Deliveries and/or Services have not led to any infringement of third-party intellectual property or usage rights. If the Supplier becomes aware that the production of goods or articles for delivery to KIEFEL or the performance of other services could lead to the infringement of intellectual property rights, know-how, or intellectual property rights that have been applied for, of any kind whatsoever, the Supplier shall immediately notify KIEFEL in writing. If a third party asserts a claim that its intellectual property or usage rights have been infringed by a Delivery and/or Service from a Supplier, the Supplier shall indemnify KIEFEL for all resulting claims, costs, losses, and expenses of any kind whatsoever, unless the Supplier is not responsible for the infringement.

12.3 After completing a Delivery, the Supplier shall grant KIEFEL, in respect of protectable intellectual property of any kind whatsoever embodied in the articles and goods delivered, a temporally and spatially unrestricted, non-exclusive, transferable right of use and exploitation that shall encompass future new forms of use while being restricted to KIEFEL's contractually specified purpose of use. Rights in intellectual property of any kind whatsoever that are granted or transferred by law to KIEFEL upon its receipt of a Delivery or Service shall not be restricted by the provisions of item 12.

Accordingly, the Supplier grants KIEFEL temporally and spatially unrestricted, transferable rights encompassing future new forms of use, as follows.

12.3.1 Deliveries, Services and results of Services, as well as related documentation and any software delivered (including accompanying, installed or integrated software) may be

- (a) used; specifically, stored, transferred, loaded, displayed, and run permanently or temporarily on all known media; and
- (b) integrated into other products; permanently or temporarily reproduced; modified, translated, processed, arranged or transformed in any other way; exhibited or published; disseminated in any form as originals or duplicates and made publicly accessible by wire or wirelessly; used in databases, online services, and data networks; made available for download by other users; released to other third parties for their use; distributed; transformed; and, without prejudice to any moral rights, processed and exploited;

12.3.2 Rights granted to KIEFEL in item 12.3.1 above may be transferred to their affiliated enterprises as defined in section 15ff. of the German Stock Corporation Act (AktG) or to third parties by assigning them simple (and in turn transferable) usage rights.

12.4 A Supplier who develops or programs software under a contract with KIEFEL does so on KIEFEL's behalf. Accordingly, KIEFEL shall, wherever possible, become the author of the software and be additionally granted by the Supplier, at a minimum, the rights set forth in item 12.3 as exclusive rights.

12.5 Acceptance by KIEFEL of a Delivery/Service shall imply the simultaneous acceptance of all transfers and grants of rights specified above in item 12.

12.6 Payment of the agreed prices or remuneration shall serve as compensation in full for all transfers and grants of rights of any kind whatsoever under the above provisions of item 12.

13. Product liability / limitation of liability

13.1 If any product liability claim is made against KIEFEL, the Supplier must indemnify KIEFEL for such a claim if any loss or damage was caused by a defect in the products delivered by the Supplier. However, if the claim is based on strict liability, the above shall apply only when the Supplier is at fault. If the cause of any loss or damage was the responsibility of the Supplier, the Supplier shall bear the burden of proving that they are not at fault.

Being obliged to indemnify KIEFEL for product liability claims, the Supplier shall bear all costs and expenses arising from or in connection with any claim against KIEFEL by a third party or any recall implemented by KIEFEL. Before a recall is implemented, KIEFEL shall inform the Supplier, allow the Supplier full opportunity for consultation, and discuss the efficient implementation of the recall with the Supplier. However, KIEFEL shall not be required to do so in urgent cases (high product hazard, high risk of loss or damage etc.) where notifying or consulting the Supplier would be impossible. The Supplier shall maintain adequate product liability insurance coverage at its own expense and provide evidence of this.

13.2 The liability of KIEFEL, its executives, and its auxiliary agents for any breach of contractual or non-contractual duties shall be limited to cases where the breach results from deliberate action or gross negligence, and shall extend only to the typical loss or damage that would be foreseeable from the contract concerned. These limitations shall not apply to a culpable breach of key contractual duties, provided this breach would hinder performance of a contract; nor shall they apply in the event of loss of life, bodily injury, or health damage.

14. Exclusion of assignment

Except where section 354a of the German Commercial Code (HGB) applies, the Supplier shall not assign any type of claim against KIEFEL without KIEFEL's prior written consent.

15. Use and application after termination or withdrawal

If KIEFEL terminates or withdraws from a contract, they shall have the right to use/apply (or continue using/applying) the Supplier's templates and tooling (as defined in item 10.1) as well as any (partial) Deliveries and (partial) Services performed by the Supplier. If the Supplier has not already received remuneration for continued use or application, appropriate payment shall be made for this.

16. Reservation Clause / Force Majeure

16.1 KIEFEL's fulfilment of its contracts shall be subject to the proviso that fulfilment would be neither barred by the provisions of national or international foreign trade legislation (in particular: export restrictions) nor contrary to any embargoes and/or other sanctions, safety inspections, administrative or judicial measures, or statutory regulations that may come into force after an order has been confirmed. The Supplier shall not be legally entitled whatsoever to assert claims or rights against KIEFEL on the basis of such impediments to KIEFEL's fulfilment of its contracts.

16.2 In the event that KIEFEL is affected by cessation of work (strikes, lockouts, or walkouts), breakdowns, operational restrictions, or force majeure (including natural disasters, major fires, earthquakes, exceptional weather conditions or events, terrorism), it shall be released from its contractual obligations to the Supplier for the duration of these circumstances or events and in proportion to their effects.

16.3 If the Supplier is affected by any of the exceptional circumstances or events specified in item 16.1 and 16.2, it shall immediately notify KIEFEL. If exceptional circumstances or events last longer than 14 days, KIEFEL shall have the right to withdraw from or terminate in part or entirely all of its current contracts with a Supplier. In this case, the Supplier shall not be entitled to claim any payment (except for Deliveries already made as provided for in a contract), remuneration under section 649 of the German Civil Code (BGB), compensation for damages, or lost profits.

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17. Export control clause / foreign trade legislation

The Supplier must remain constantly informed of any restrictions under German, European, or US export/re-export control legislation and foreign trade legislation or due to embargoes and trade sanctions. Accordingly, all Delivery-related documents (in particular invoices and dispatch notes) shall appropriately identify the goods, articles, or services concerned (by export list position, European Dual-Use List number or Export Control Classification Number). The Supplier must give a valid statistical goods number (HS [Harmonized System] Code) and the commercial origin. Without being prompted, the Supplier shall, in compliance with the relevant regulations, provide evidence of the commercial origin of the goods and, if known, their preferential origin, for example a Supplier's declaration or an origin declaration. The Supplier shall fulfil all requirements of national and international export, customs and foreign trade legislation that are applicable to deliveries or services for KIEFEL.

The Supplier shall, at KIEFEL's request, provide all other foreign trade information about the goods or articles to be delivered and the services to be performed, and shall present the relevant documents. The Supplier shall immediately notify KIEFEL in writing of any changes in this information and obtain any permits required under the above regulations. The Supplier shall undertake to indemnify KIEFEL for any liability towards third parties or any liability claims arising from a breach of the above duties. However, this shall not apply if the Supplier is not responsible for the breach of duty concerned. If one or more statements or documents provided by the Supplier prove to be inaccurate, KIEFEL shall be entitled to withdraw from the contract and request compensation for damages from the Supplier.

18. Applicable law / venue / other provisions

18.1 The exclusive venue for all legal disputes arising from or in connection with KIEFEL's contractual and business relationships with a Supplier shall be the court with jurisdiction for KIEFEL's registered office. However, KIEFEL shall have the right to bring an action against the Supplier at the Supplier's general venue, without prejudice to the competence of the venue agreed above to hear counter-suits and any counter-claims by the Supplier.

18.2 The laws of the Federal Republic of Germany shall apply exclusively, and no referral to foreign or international law shall be possible. The UN Convention on Contracts for the International Sale of Goods (CISG) and other international sales laws shall not apply.

18.3 If any provision of these General Conditions of Purchase is or shall become invalid, the remaining provisions shall remain in effect.

18.4 In respect of any matters not covered by these General Conditions of Purchase, the legal provisions specified in item 18.2 shall apply.