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§ 1 General Provisions; Scope of Application

(1) These General Conditions of Purchase shall apply to any procurement transactions between

a) the **Robert Hofmann GmbH** or

b) its subsidiaries,

– hereinafter individually or collectively also referred to as “principal“

and its suppliers

– hereinafter referred to as “supplier“.

(2) The legal relations between the supplier and the principal shall exclusively be governed by these conditions, the Code of Conduct for Suppliers and Service Providers, which sets sustainability standards for suppliers, and any separate contractual agreements. Any deviations, alterations or amendments require written form. The principal does not recognise any of the supplier’s terms which are inconsistent with or differ from these conditions of purchase unless it has explicitly agreed to the validity of such terms in writing. These General Conditions of Purchase shall also apply in the event that the principal accepts or pays the supplier’s delivery unreservedly, even though it is aware of the fact that the supplier’s terms are inconsistent with or differ from the former.

(3) The principal reserves the right to change these General Conditions of Purchase in the event of valid reasons, in particular in the event of changes in the law, changes in case law, changes in economic conditions or other equivalent reasons. In this case, the supplier will be informed of the planned change and he will be given a reasonable period of time to object. Failure to respond within the deadline is considered a fictitious explanation, so that the new General Conditions of Purchase are included in the contractual relationship.

(4) These conditions of purchase shall only apply to entrepreneurs within the meaning of Section 14 German Civil Code (BGB).

(5) These conditions of purchase, in the version valid at the time of the order by the supplier or at least in the version last communicated to him in text form, shall – as far as a mutual commercial transaction is concerned – also apply to any future legal relations between the principal and the supplier, even if no explicit reference is made to these conditions of purchase in individual cases.

(6) These conditions of purchase shall apply to any procurement transactions, regardless of whether they are related to tools, machines, equipment, parts, raw materials, other materials, work performance of every description or services (hereinafter referred to as “the delivery item” or “the delivery performance“).

(7) Any agreements which are made between the principal and the supplier for the purpose of executing this contract must be set down in the latter in written form.

§ 2 Offer; Placement of Order

(1) Any enquiries directed to the supplier are effected without obligation and do not constitute a binding offer to buy. No remuneration shall be granted for any visits, preparation of offers and plans or for any offers submitted or advice given.

(2) Orders shall only be valid if they have been placed by the principal in writing or by electronic means or if they have been acknowledged in writing.

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(3) If the order confirmation deviates from the order, the principal is only bound by it if the supplier has consented to the deviation in writing. Silence on the part of the principal with regard to such a deviation does not constitute approval. Payment of invoices also does not constitute approval.

(4) The supplier shall be obliged to acknowledge any orders placed by the principal by means of a written confirmation within a time limit of 5 working days after receipt of the order. After expiry of this period the principal shall be entitled to cancel or change the order free of charge without any claims for damages arising therefrom for the supplier to assert.

(5) The supplier must verify the order without delay. Any documents which have been provided by the principal shall be examined by the supplier for their factual and technical correctness without delay. The supplier shall inform the principal of any possible complaints or misgivings about the execution desired promptly and in written form. The supplier must inform the principal of obvious errors (e.g. typing and calculation errors) and incompleteness of the order, including the order documents, for the purpose of correction or completion before acceptance; otherwise the contract is deemed not to have been concluded.

§ 3 Performance Content; Changes; Spare Parts

(1) Both the performance content and scope of services ensue from the relevant individual order and the documents mentioned therein which shall also find application as well as from these General Conditions of Purchase. Any ideas, drafts, models, samples and any other work results created or achieved on the supplier's part in the course of service provision shall form an element of the order performance.

(2) The supplier shall examine any specifications, performance descriptions and other information provided to the former for the execution of a supply contract as well as any objects, parts and other materials possibly provided to the former for such an execution for their suitability regarding the purpose intended by the principal and the principal's end customer. If such an examination shows that any deviations from or corrections to the items provided are necessary or useful, the supplier must inform the principal thereof immediately. Subsequently, the principal shall notify the supplier in writing if the latter must effect any changes and, should such changes be required, specify them. Insofar as the supplier should assume that such alterations might lead to a change in the stipulated amount of costs of the contract items or a failure to meet a stipulated deadline, the supplier shall advise the principal accordingly without delay. Appropriate arrangements concerning the effects, particularly with respect to the excess costs or reduced costs as well as the deadlines stipulated must be made by mutual agreement. If an agreement cannot be reached within a reasonable period, the principal shall decide as appears just.

(3) The supplier shall ensure to be familiar with any items of information and circumstances which are important to the fulfilment of its contractual obligations as well as the use of its deliveries intended by the principal in good time. The supplier can only rely on the absence of necessary documents if it did not receive such documents within a reasonable period after having requested them in writing in a timely manner. The supplier shall guarantee that its deliveries comprise any services which are necessary for a proper and safe use, that they are suitable for the intended use and that they are state-of-the-art in both science and technology.

(4) The preparation of offers, the production of drafts and the production of samples, models and samples as well as the production of drawings, files, documentation and documents by the supplier are free of charge for the principal in the absence of other written agreements. In the case of electronic data that meets the technical requirements according to Section 5 ERVV, these must be delivered to the client in the agreed scope. In any case, all such drawings, files, documentation and documents that are necessary for the proper use, installation, assembly, processing, storage, operation, maintenance, inspection, maintenance and repair of the delivery must be supplied free of charge. The same applies to all such drawings, files, documentation and documents that comprehensively describe the function of the delivered item and those that are required for obtaining permits or the like. The principal is entitled to use these drawings and documents for the production of spare parts, changes and the like - also by commissioned third parties.

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(5) The principal shall be entitled to demand from the supplier to effect changes to the delivery performance, especially to the construction and design or quality at any time before acceptance. The supplier is under an obligation to implement the changes on the basis of the present contractual terms. Insofar as the supplier should assume that such alterations might lead to a change in the stipulated amount of costs of the contract items or a failure to meet a stipulated deadline, the supplier shall advise the principal accordingly without delay. Appropriate arrangements concerning the effects, particularly with respect to the excess costs or reduced costs as well as the deadlines stipulated, must be made by mutual agreement. If an agreement cannot be reached within a reasonable period, the principal shall decide as appears just.

(6) The supplier shall ensure for a period of at least 10 years commencing upon delivery of the contract items that he is in a position to supply, on request, operational, functional and installation-compatible spare parts with similar or better properties at market prices at short notice. If the production of spare parts is discontinued, the principal must be informed in writing at least twelve (12) months prior to the expiry.

(7) If the delivery includes services or work and these are provided on the principal's premises or on a construction site and/or by the client's customers, the supplier undertakes to ensure that his employees, as well as each of his subcontractors and others, work for him Third parties comply with the service, technology, environmental, health and occupational safety regulations applicable on the factory premises or the construction site. This includes the tolerance of security controls. The supplier must request the relevant provisions from the principal or via the principal.

§ 4 Prices; Terms of Delivery and Payment; Assignment

(1) Any prices indicated in the order, or any prices stipulated constitute net prices. The value added tax applicable at the time in question must be stated separately.

(2) Any prices stipulated are all-inclusive fixed prices unless invoicing by units based on negotiated hourly rates has been explicitly agreed in writing.

(3) The agreed prices are free domicile and include all packaging and all other costs of delivery, such as delivery costs. B. taxes, customs duties, etc. (DDP Incoterms@2020), unless the transport company is determined by the principal, the principal carries out the transport himself or expressly agreed otherwise in writing. The agreed prices include in particular:

- a) the costs for joint coordination and consultation meetings between the contractual partners and with third parties,
- b) load securing,
- c) any insurance,
- d) compliance with our packaging and shipping regulations and
- e) the complete, detailed commercial and technical shipping documentation to be prepared by the supplier in good time before shipping.

(4) The principal must be notified of any price increases or changes with respect to the packaging at least three months before such increases or changes are planned to come into effect and must be provided with the original price lists simultaneously. The relevant date on which the principal receives a notification of change shall constitute the time at which the notification becomes effective.

(5) Unless otherwise agreed in individual cases, the price includes all services and ancillary services of the supplier, e.g. assembly, installation, as well as all ancillary costs, for example in accordance with § 4 III. Services or work

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that are not included in the original order, the framework purchase agreement or their annexes are additional services that are only remunerated if the principal has expressly agreed to the remuneration in writing prior to the provision of the services. The acceptance or receipt of the service by the principal does not replace the principal's written consent.

(6) As stipulated in any order placed by the principal, invoices can only be processed if they include an indication of the order number stated in the relevant order. The supplier shall be responsible for any consequences arising from non-compliance with this obligation.

(7) Unless otherwise agreed in writing, the principal shall pay the purchase price either within 30 days after delivery and receipt of the invoice subject to a 3 % cash discount or net within 60 days of delivery and receipt of the invoice. Periods of payment shall commence with one of the following possibilities arising, i.e. with the one which comes later than the others: (a) delivery or acceptance of the performance rendered, (b) receipt of the invoice or (c) the delivery date indicated in the order.

(8) The supplier shall be obliged to advise the principal of any changes regarding its banking connection without delay. Up until the principal has received such a notification of change, it shall be entitled to continue paying into the bank account last indicated, discharging the principal of its relevant financial commitment.

(9) If the principal discovers that any of its invoices have not been paid in full by the supplier, it will charge the latter for the outstanding amount by means of a debit note.

(10) If a payment schedule has been agreed, payments shall be effected upon receipt of the relevant partial invoice in accordance with the due dates and partial amounts stipulated in the payment schedule. Before the principal has accepted the complete services rendered, any payments shall be effected in the form of payments on account without the previously rendered services being recognised as a discharge by performance. In any case, the invoice for the final instalment shall only be issued after delivery has been completed and – insofar as provided by the contract or law – after acceptance of the complete services rendered.

(11) The principal shall be entitled to effect payments via third parties. Any such payment made by a third party shall have a discharging effect for the principal concerning its relevant obligation to pay. Apart from effecting the payment in question, the third party shall not assume any additional contractual duties.

(12) The supplier shall not have the right to assign any claims to a third party or have such claims collected by a third party. If the supplier assigns its claims on the principal to a third party – contrary to sentence 1 and without consent having been given by the principal, the assignment shall be valid nevertheless. In this case the principal shall, however, have the freedom to decide whether to effect its payments in settlement of the claim either to the supplier or to the third party, with such payments having a discharging effect regarding the financial commitment.

(13) Any payments by the principal shall be deemed to have been effected as soon as the latter has given the instruction to pay the amount in question.

(14) With respect to any claims which may possibly be asserted by the principal it shall only be admissible for the supplier to enforce rights of set-off or rights of retention if they incontestably exist or have been officially found to be valid. The principal shall be entitled to any rights of set-off or retention within the scope provided by law. The principal shall also have the right to set off such claims which are due to affiliated companies by the supplier.

(15) In the event of a faulty delivery the principal shall be entitled to retain payment pro rata to the value until delivery has been duly effected.

§ 5 Delivery Time; Premature Delivery; Failure to Meet the Delivery Deadline; Delay in Delivery

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(1) Unless otherwise agreed in an individual order, deliveries shall be effected "Delivery Duty Paid" („DDP“) as defined by Incoterms®2020.

(2) Any terms set and delivery dates agreed are binding. Receipt of a flawless delivery and/or service in the place of performance, i.e. a successfully completed acceptance, shall be authoritative for the observance of such terms or dates; in addition, such terms or dates shall also be deemed to have been observed upon any other successfully completed performance review if the latter has been agreed or is provided by law. Delivery periods shall commence with the day on which the consignment is despatched. If a delivery period is agreed, the supplier undertakes to announce the exact date and time at least 48 hours before delivery.

(3) The supplier shall be obliged to notify the principal immediately in writing of any discernible delay of its performance, any foreseeable possible delay of its performance or any foreseeable possible problems regarding delivery in the quality agreed. The supplier can only rely on causes for which it is not responsible if it has fulfilled its duty to notify towards the principal.

(4) If it becomes apparent that the agreed delivery dates will not be complied with, the supplier must take suitable measures in good time (e.g. shift work, overtime, weekend and holiday work, increased staffing, etc.) to comply with the delivery dates. The supplier bears the costs for this.

(5) A notification of delays by the supplier and any rescheduling of stipulated delivery dates in this connection shall under no circumstances exempt the supplier from the consequences of default unless a renunciation of any claims arising from consequences of default is expressly stated by the principal in writing at the time of rescheduling of the relevant date. Despite the rescheduling of delivery dates after a notification of delays by the supplier, the principal shall insofar continue to have any rights from the supply contract which result from the supplier's default or are related to the latter.

(6) If the goods ordered are not delivered or not delivered in the quantity agreed or/and at the time agreed, the principal shall have the right to demand damages from the supplier by estimating the latter at a flat rate and without having to grant a period of grace. Such damages shall amount to 0.5% of the total order value per each commenced week, but the overall damages shall not exceed 10% of the total order value. The assertion of any further rights shall remain unaffected. In this connection, any penalty for default is to be set off against a damage caused by undue delay which has actually occurred and been asserted. The right to demand payment of liquidated damages shall not be forfeited by unconditional acceptance of the delayed delivery. The claim for liquidated damages can be asserted by the principal as long as the contract items have not been paid in full.

(7) In the event that a delivery is effected earlier than agreed, the principal reserves the right to return the goods at the supplier's expense. If no return is carried out after a premature delivery, the goods shall be stored on the principal's premises at the supplier's expense and risk. In the event of a premature delivery the payment period shall only commence on the delivery date previously agreed.

(8) The supplier shall only be entitled to effect partial deliveries or partial services if the principal expressly grants this procedure to the supplier in written form before any delivery is made.

(9) The principal is not obliged to accept recognizable defective and/or poorly packaged deliveries.

(10) The supplier can only invoke the lack of necessary documents, services or parts of the order to be delivered by the principal if he has expressly requested them in writing and yet has not received them immediately. In this case, the supplier can request a reasonable extension of the delivery time, but no more than the period of the delay in provision.

(11) The supplier undertakes to package the service in the most climate-friendly way possible. This includes a reduction of the packaging used to the minimum necessary as well as the use of sustainable packaging. A sustainable packaging concept requires the use of reusable packaging with as few harmful substances as possible

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as well as recycled, recyclable or biodegradable materials. The supplier shall send a packaging concept to the principal for review and approval prior to delivery.

Packaging shall only become the property of the principal at the latter's request. If the principal does not express such a wish, the packaging shall be returned at the risk and expense of the Supplier. Should special expenses be associated with the disposal of the packaging, the Supplier shall reimburse the principal for such expenses.

The most climate-friendly shipping method shall be chosen for the delivery.

§ 6 Force Majeure

(1) Acts of God, industrial disputes, public disorder, administrative measures, epidemics and pandemics and any other unforeseeable, inevitable and serious incidents shall mutually effect a suspension of the contractual partners' respective duty to perform for the duration of the disturbance. The contractual partners are under an obligation to immediately furnish the information necessary within reasonable bounds and adapt their duties to the altered circumstances in good faith.

(2) In the event that the duties to perform are suspended for a period exceeding two weeks owing to force majeure, the principal shall be entitled to cancel the contractual relationship with immediate effect. In this case the supplier shall have the right to demand compensation for expenditures provably incurred by the former up until the suspension of the contractual obligations due to the fact that the supplier trusted in a continuation of the contractual relationship.

§ 7 Origin of Goods; Foreign Trade

(1) An integral part of the contracts being concluded on the basis of the present conditions constitutes the duty to submit supplier's declarations indicating the status of the goods under preferential law (goods with EU preferential origin status / goods without EU preferential origin status), the country of origin and the customs tariff number. If long-term supplier's declarations are used, the principal must be notified of any changes to the origin status along with the relevant order confirmation immediately and without having been asked to do so.

Should the supplier's declaration turn out to be not sufficiently meaningful or inaccurate and should the principal therefore or for any other reasons be obliged to submit an information certificate by the customs authorities, there shall be a duty to provide the principal immediately with accurate and complete INF4 information certificates which have been approved by the customs authorities if so requested by the principal.

If the principal or any of its customers should be charged retroactively by a customs authority due to inaccurate declarations of origin or if the principal or any of its customers sustains any other pecuniary prejudice due to this and if the error is based on an incorrect indication of origin by the supplier, the latter shall be liable for any such financial loss.

(2) As far as suppliers are concerned which do not have their permanent residence in the EU, preferential proofs of origin must be submitted on their own initiative. Should this not be possible, other officially attested certificates of origin or proofs of origin must be submitted.

(3) The supplier undertakes to examine its products as to whether they are subject to any bans, restrictions and / or obligations to obtain a permit in international trade under applicable German, European or American law or under any other law (e.g. with respect to the export price list, dual use regulation, US re-export provisions,...) and, if this turns out to be the case, to mark such products accordingly in writing and as early as possible before the delivery

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date in its offers, order confirmations and any other documents accompanying the goods by means of traceable details which rule out any doubt.

Any disadvantageous consequences of an incomplete or omitted communication shall be borne by the supplier.

§ 8 Objects Provided; Tools; Demand for Restitution

(1) Any drafts, samples, means of production, models, data media, prototypes, illustrations, drawings, documentation, materials, equipment, components, parts, receptacles, packaging, tools, measuring instruments, devices, patterns or any other objects with which the supplier is provided by the principal – also as a loan – and which are in the supplier's possession in accordance with the terms of this contract (hereinafter referred to as "objects provided") shall not constitute the supplier's property, but remain the principal's property unless otherwise expressly agreed.

(2) Objects provided are constantly inspected and checked by the supplier – any possible complaints and faults or cases of malfunction must be communicated to the principal without delay in writing. Should the supplier culpably fail to do so, any claims for damages shall remain unaffected. The supplier may only use any objects provided in the course of order processing for the principal and must not use such objects for any other purposes or permit any third parties such a use without the principal's prior consent having been declared in writing.

(3) Objects provided must be clearly marked as the principal's property and kept safe and separate from other objects for the principal with the diligence of a reasonable businessman and free of charge. The supplier shall handle any objects provided carefully and appropriately, keep them in good condition at its own expense, replace them, if necessary and indemnify the principal against any claims, costs and damage resulting from or being related to the fitting, installation, safekeeping or repair of such objects. The supplier shall bear the risk for the objects provided as long as they are in its custody or under its control. The supplier is under an obligation to insure the objects provided at its own expense against all insurable risks (all risk) at replacement value. The supplier hereby assigns its claims on the insurers to the principal in advance. The principal hereby accepts this assignment.

(4) The principal or any third party designated by the former shall always be entitled to enter the supplier's works premises during the usual business hours and inspect the objects provided as well as any documents referring to them.

(5) The principal shall have the right to demand restitution of the objects provided at any time and without any particular reason. Following such a request by the principal the supplier must immediately restitute the objects provided, prepare them for despatch or deliver them to the principal subject to being adequately reimbursed for the transport costs. Any assertion of rights of retention or liens on the supplier's part shall be excluded.

(6) Any processing or reconstruction on the supplier's part shall be done for the principal. If the material provided is processed with other objects which are not owned by the principal, the latter shall acquire co-ownership of the newly created object in proportion of the value of this object to the other objects processed at the time of processing. Should the mixture be effected in such a manner that the supplier's object must be regarded as the main constituent, it shall be deemed to have been agreed that the supplier shall transfer co-ownership to the principal proportionally; the supplier shall keep the sole property or joint property for the principal free of charge and with the diligence of a reasonable businessman

(7) Ownership of any auxiliary models, tools, models, moulds etc made by the supplier (hereinafter referred to as "tools") which are necessary for rendering the contractual performance shall pass to the principal as soon as they have been created. Thus, tools are to be handled in the same fashion as objects provided by the principal. The principal shall have the right – at any time and at its own discretion – to demand restitution of the tools against reimbursement of the costs which have provably arisen during the making of the tools and do not constitute costs which have been amortised by means of payments or via a unit price at the time when restitution is demanded. Even if there is no agreement regarding the manufacturing costs to be refunded in accordance with this provision, the supplier shall be obliged to restitute the tools without delay. Any right of retention shall be excluded. The principal

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shall be entitled to have the tools scrapped by the supplier after execution of the order without any costs arising therefrom for the principal. Any scrapping of tools requires the principal's written consent.

§ 9 Subcontracting

(1) Any subcontracting of orders to third parties shall only be admissible after written consent has been given by the principal. In the event that the supplier infringes this provision, the principal shall be entitled to terminate the contract with immediate effect and claim damages (valid reason for termination).). In any case, the supplier remains responsible for making the delivery in accordance with the contract.

(2) The supplier undertakes to document each single item of its relevant upstream supplier, i.e. supplier and supply period. The principal must be provided with this information at any time if so requested by the former.

§ 10 Acceptance; Passing of Risk; Documents; Passing of Ownership; Reservation of Ownership

(1) Insofar as an acceptance is necessary because of the nature of the delivery performance, under the applicable law or due to a contractual agreement, the delivery performance shall be deemed to have been accepted once the principal has made a written declaration of acceptance. If the principal does not discharge its duty to participate in an acceptance inspection after being notified by the supplier of the latter's readiness for acceptance in writing, the delivery performance shall be deemed to have been accepted 4 weeks after the delivery performance was put to use and after the supplier's written notification of its readiness for acceptance insofar as the principal does not assert any defects which impede acceptance during the aforementioned period.

(2) If the supplier's order performance is integrated into an overall performance on the principal's part towards the latter's end customer, an acceptance of the performance shall only take place along with the acceptance of the principal's overall performance by the end customer without any explicit declaration to that effect being required. Payments shall under no circumstances be tantamount to an acceptance of the delivery item.

(3) Unless otherwise agreed in a separate contract, the risk shall – insofar as an acceptance is necessary in accordance with the foregoing provision – pass upon acceptance of the delivery performance; if no acceptance is required, it shall pass upon correct supply of the delivery performance in the place of delivery agreed or – insofar as an installation/assembly has been agreed – it shall pass upon correct installation/assembly.

(4) The supplier is under an obligation to indicate the principal's exact order number in any despatch documents and delivery notes; if the former fails to do so, delays in processing will be inevitable for which the principal is not responsible.

(5) Any justified return of goods shall be effected at the supplier's expense and risk.

(6) The principal shall – insofar as the delivery performance is manufactured by the supplier itself – become the owner of the delivery performance immediately upon its creation or, otherwise, immediately upon supply of the delivery performance to the principal.

(7) Any reservation of ownership with respect to any delivery performance on the supplier's part to the principal shall be excluded unless the principal expressly agrees to a reservation of ownership within the framework of a separate agreement in written form.

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(8) Contract products that are under reservation of ownership may be resold, mixed, combined or processed by the principal in the normal course of business. Otherwise, this is only permitted with the written consent of the supplier.

§ 11 Liability for Defects; Examination of Defects; Warranty

(1) The supplier shall guarantee that all of its contractual products are free of defects, i.e. they correspond to the subjective and objective requirements of Section 434 of the German Civil Code, including:

- a) comply with the specifications stipulated by contract;
- b) are suitable for the intended purpose stipulated by contract or for the intended purpose which can be discerned by the supplier;
- c) are handed over with the agreed accessories and the agreed instructions, including monthly and installation instructions;
- d) are fit for ordinary use;
- e) have a quality that is usual for contractual products of the same type and that the principal can expect;
- f) are free from any design faults, manufacture defects and material defects;
- g) are up-to-date regarding the state of scientific and technical knowledge prevailing at the date of acceptance;
- h) comply with the statutory, official, industry-specific norms and requirements applicable to the relevant delivery at the date of acceptance, particularly with safety-related provisions, provisions concerning environmental protection, regulations of the building authorities, regulations on hazardous substances, dangerous goods regulations, accident-prevention regulations as well as the principal's and end customer's quality assurance provisions;
- i) are marked in accordance with the pertinent regulations and provided with the extensive product information required, especially with instructions for use, safety instructions and warning labels;
- j) correspond to the quality of a sample that the supplier made available to the principal before the conclusion of the contract, and
- k) are handed over with the accessories including the packaging, the monthly or installation instructions and other instructions that the principal can expect to receive.

Approval notes from the principal on drawings and specifications do not release the supplier from the warranty.

(2) Any incoming goods received by the principal shall be examined by the latter for possible variations in quality or quantity as well as cases of damage in transit within a reasonable period of time and insofar as this is feasible in the ordinary course of business; if any such defects are detected, the principal must complain about them within a time limit of 10 working days after delivery. The statutory provisions (Sections 377, 381 of the German Commercial Code) apply to the commercial inspection and notification obligation with the following stipulation: The principal's obligation to inspect is limited to defects that are revealed by the principal during the incoming goods inspection, including the delivery documents (e.g. transport damage, wrong or short delivery) or are identifiable during quality control by the principal in the random sampling procedure. If acceptance has been agreed, there is no obligation to examine. In addition, it depends on the extent to which an investigation is feasible in the normal course of business, taking into account the circumstances of the individual case. With respect to hidden defects the running period for complaints shall commence as soon as the relevant defect has been discovered.

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(3) If the delivery is intended for installation in a system or together with other components for the manufacture of another product before or after processing or processing, the obligation to examine the functionality of the goods together with the system or the other components does not exist until after completion the installation and successful commissioning of the system or after manufacture of the product.

(4) If defects of the same type occur on more than five % of the contractual products from the same production lot of the supplier within the warranty period, or if such defects are present upon transfer of risk, all contractual products from this production are deemed to have this defect. A production lot comprises a set of contractual products with the same properties that are either manufactured in a coherent production process or procured through a joint order.

(5) If a defect appears within the first 12 months after commencement of the warranty period, this defect is presumed to have already existed at the time when the risk passed or at the date of acceptance unless the supplier proves that the relevant defect has been caused by negligent conduct on the principal's part.

(6) Insofar as a delivery performance does not comply with the aforementioned requirements, the principal shall have the unrestricted right to assert any warranty claims established in law. Regardless of this right, the principal may elect to demand from the supplier to remove the defect detected at its risk or replace the defect by rendering a flawless delivery performance. In the event that the supplier does not fulfil this obligation within a reasonable time limit, refuses to remove the defect or render a substituted performance or if there are exceptional circumstances which require immediate action, the principal shall be entitled to remove the defect in question by itself or render a flawless performance or have the defect removed by a third party or have the delivery performance replaced by a third party and charge the supplier with the costs of any such action. The principal expressly reserves the right to claim damages and particularly emphasises its entitlement to exercise this right instead of demanding a performance, the same applies to rights of withdrawal.

(7) In addition, the supplier shall reimburse the principal for any costs incurred by the latter in connection with the removal of defects or the replacement of any faulty delivery performance (including costs of transport, handling, fitting, installation, removal, materials and labour costs).

(8) If any goods are supplied which have not been ordered, the principal shall be entitled to return such goods to the supplier at the latter's expense and risk.

(9) The warranty period is 24 months from delivery to the principal (with respect to any purchase performance or service) or from acceptance by the principal (with respect to any work performance). Insofar as the delivery performance forms part of an overall performance to be rendered by the principal to its customer, the warranty period is 24 months from acceptance of the overall performance by the principal's customer, but it must not exceed 36 months from delivery to the principal.

(10) In the event of a complaint, the warranty period is extended by the period between the complaint and the removal of the defect. If the delivery is completely renewed, the warranty period begins again; in the case of partial renewal, this applies to the renewed parts.

(11) Any more extensive statutory or contractual claims shall remain unaffected.

§ 12 Supplier recourse

(1) In addition to claims for defects, the principal is entitled to the legally determined recourse claims of the principal within a supply chain according to Section 445a, 445b, 478 of the German Civil Code (BGB). In particular, the principal is entitled to demand exactly the type of supplementary performance from the supplier that the principal owes its customer in individual cases. This does not restrict the principals's statutory right to choose in accordance with Section 439 (1) of the German Civil Code (BGB).

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(2) Before the principal recognizes or fulfills a claim for defects asserted by his customer (including reimbursement of expenses in accordance with Section 445a (1), 439 (2, 3) BGB), the customer will notify the supplier and briefly explain the facts ask for a written statement. If a substantiated statement is not made within a reasonable period of time and if no amicable solution is brought about, the claim for defects actually granted by the client is deemed to be owed to his customer. In this case, the supplier is responsible for providing evidence to the contrary.

(3) The customer's claims for recourse against the supplier also apply if the defective goods have been processed by the customer or another entrepreneur, e.g. through installation in another product.

§ 13 Other Forms of Liability; Insurance

(1) The supplier shall be liable for any claims arising from the violation of granted or pending property rights as well as copyright infringements in connection with the proper use of the deliveries and services as per contract. The supplier shall indemnify the principal and its customers against any claims arising from a violation of such property rights. This shall not apply insofar as the supplier works on the basis of drawings, models, data etc with which it has been provided by the principal and if the supplier does not know or does not need to know in relation to the services rendered by the latter that property rights are infringed thereby. In the event of a violation the principal shall be entitled to obtain the authorisation required for the delivery, operation, use, resale etc of the delivery item from the holder of such property rights at the supplier's expense. Any more extensive claim for damages on the principal's part shall remain unaffected.

(2) The supplier shall indemnify the principal against any third-party claims arising from product liability including the necessary costs of taking legal action if and insofar as the former is responsible for the product defect and the damage or loss incurred and shall reimburse the principal insofar for any expenditures which the latter may possibly incur in accordance with Sections 683, 670 German Civil Code (BGB) and which arise from or in connection with a recall campaign or any service measures implemented by the principal or any of its customers. The principal shall – insofar as this is possible and reasonable – notify the supplier of the content and scope of such recall campaigns or service measures and give the supplier the opportunity to state its position. Any compensation for damage between the principal and the supplier shall be governed by the principles of Section 254 German Civil Code (BGB).

(3) Should any services on the supplier's part also involve work to be performed on the principal's or any of its customers' plant site, the supplier shall – in the course of such work being performed – take any necessary precautionary measures to avoid occurrences of physical injury or damage to property. The supplier shall compensate the principal for and indemnify the latter against any losses, costs and expenditures which are caused by the supplier's work on the plant site unless the supplier is not to blame for any such prejudice.

(4) The supplier shall be liable for its representatives, vicarious agents or subcontractors to the same extent as for its own fault.

(5) The supplier is under an obligation to take out and guarantee appropriate insurance cover in compliance with industry standards, particularly with respect to physical injury, damage to property and pecuniary damage, both on the merits and in terms of amount, but with a minimum amount of € 5 million per each case of physical injury/property damage. The supplier shall present the relevant insurance certificates to the principal at the latter's request. The supplier hereby assigns to the principal all of its claims for payment on the insurers in connection with the contract items in advance; the principal hereby accepts this assignment. The supplier's liability shall not be limited by the conclusion of the insurance contracts and the assignment of the insurance claims.

(6) Any more extensive statutory or contractual claims on the principal's part shall remain unaffected.

§ 14 Compliance with Legal Regulations

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(1) While providing services the supplier shall observe any standards, laws and legal provisions which are relevant under applicable law, especially the relevant safety regulations, provisions concerning environmental protection, regulations on hazardous substances, dangerous goods regulations and accident-prevention regulations as well as adhere to the generally accepted safety-related rules and the relevant guidelines set by the principal and its end customer with respect to the aforementioned matters.

(2) The supplier takes the necessary organizational instructions and measures, especially in the areas of property protection, business partner, personnel and information security, packaging and transport, in order to ensure security in the supply chain in accordance with the requirements of corresponding internationally recognized initiatives based on the WCO SAFE Framework of Standards (e.g. AEO, C-TPAT). He protects his deliveries and services to the principal or to third parties designated by the principal from unauthorized access and manipulation.

(3) If the regulation (EC) No. 1907/2006 of 18th December 2006 (hereinafter referred to as "REACH R") applies to the delivery performance, the supplier shall warrant that such services comply with the requirements of the REACH R as well as any national provisions which have been issued for the implementation of this regulation (hereinafter referred to as "REACH"). The supplier shall guarantee the fulfilment of any REACH obligations including any pre-registration and the provision of safety data sheets and IMDS data sheets which are compliant with REACH. Insofar as any delivery performance is not rendered in compliance with REACH, the principal shall reserve the right to withdraw from or terminate framework contracts or individual contracts. The supplier undertakes to inform the principal immediately of any changes which impair the observance of REACH. The supplier shall indemnify the principal against any third-party claims arising from the non-observance of REACH. The failure to meet the requirements and obligations ensuing from REACH shall constitute a defect which creates the warranty rights.

(4) The supplier undertakes the following with an effect towards the principal and also with the effect of a possible constitution of claims in favour of those of its own employees who are used on the principal's premises within the bounds of the services agreed:

a) The supplier shall pay its employees a minimum hourly rate of remuneration in accordance with Section 1 (2) Mindestlohngesetz (Minimum Wage Law of Germany) for their use on the principal's premises.

b) Should any statutory remuneration or remuneration under a collective wage agreement be or become higher or lower, the relevant rate shall constitute the minimum remuneration to be paid.

c) The supplier ensures that his employees have all necessary residence and work permits.

(5) The supplier shall be obliged to furnish the principal with information on the adequate remuneration of the former's employees in accordance with the Mindestlohngesetz (Minimum Wage Law of Germany) as well as the correct payment of national insurance contributions and income tax on wages and salaries by presenting an attestation thereof drawn up by the supplier's tax consultant or accountant at the principal's request. The costs incurred in relation to this shall be borne by the supplier.

(6) If any of the supplier's employees enters a claim on the principal for non-payment of the minimum remuneration or non-payment of national insurance contributions or income tax on wages and salaries pursuant to Section 13 Mindestlohngesetz (Minimum Wage Law of Germany) in conjunction with Section 14 Arbeitnehmerentendegesetz (Employee Assignment Law of Germany), the principal shall be entitled to retain the remuneration owed to the supplier in the amount of the claim asserted by the relevant employee until the supplier proves that the latter has duly paid the minimum remuneration.

(7) The supplier undertakes to

a) indemnify the principal against any possible claims of any of the supplier's employees for the supplier's non-compliance with statutory provisions;

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b) indemnify the principal in the event that a fine is imposed on the principal owing to the supplier's non-compliance with statutory provisions (e.g. Section 21 Mindestlohngesetz / Minimum Wage Law of Germany);

(8) The contracting parties agree that even one single violation of the supplier's obligations arising from item (1) or (2) shall constitute a right for the principal to terminate the contract extraordinarily and without notice.

§ 15 Secrecy

(1) The supplier undertakes to treat any commercial and technical details which are not obvious and become known to the former as a result of the business connection as a trade secret and to secure such details against any unauthorised perusal, loss or use. This shall particularly apply to any objects provided (hereinafter jointly referred to as "information"). Information must not be disclosed or made available to unauthorised third parties without the principal's written consent. This obligation does not apply to such information (a) which is or becomes generally known without a breach of this obligation being committed, (b) which is made known to the supplier by a third party without a breach of the relevant obligation being committed or (c) with respect to which the supplier can prove that the latter had already possessed it before this obligation came into effect or that the supplier developed it independently after the effective date of this obligation.

(2) The reproduction of such information shall only be admissible within the bounds of operational requirements and copyright provisions. The information provided to the supplier shall either be handed over to the principal after completion of the work with due regard to the copyright provisions and without having been requested to do so or be destroyed reliably in consultation with the principal. The supplier shall not retain or keep any copies, duplicates etc unless the former is obliged to archive such documents owing to legal provisions. Subject to any further rights the principal shall be entitled to demand restitution of such documents as soon as the supplier infringes its obligations.

(3) The principal reserves all intellectual property rights on any information of the sort described in the foregoing. If such information should acquire the attributes of intellectual property worthy of protection only as a result of a particular action performed by the supplier, the relevant action shall be deemed to have been performed for the principal.

(4) Any employees and sub-suppliers are to be obliged accordingly. The supplier is liable for breaches of confidentiality by employees or persons to whom the supplier has disclosed confidential information to the extent that these persons / group of persons were his own as well as for his own fault.

(5) Insofar as no other arrangements are made within the framework of the order, this duty to observe secrecy shall apply indefinitely.

(6) The supplier may only use the business relation for advertising purposes if the principal has given its written consent hereto.

(7) Insofar as personal data is generated during the provision of services, the supplier must observe the applicable data protection regulations, i.e. in particular ensure the legality of the collection, processing and use of personal data and oblige its employees accordingly. The supplier exempts the principal from claims by third parties based on the fact that the collection, processing or use of personal data in accordance with the order was unlawful. The above claim for indemnification also includes the costs of legal defence.

§ 16 Rights in the Work Results / Property Rights; Know How; Copyrights

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(1) All information and all know-how including the drawings, specifications and other data provided by the client in connection with the contract as well as all documents or data derived from this information and this know-how remain the property at all times of the client and may only be used by the supplier for the purpose of fulfilling the contract.

(2) All data, ideas, results, results, inventions (be they patentable or not), discoveries or know-how of the supplier, his employees, his subcontractors or other third parties that the supplier uses and those in connection with the contractual owed service are created, carried out or performed and which are necessary for the purpose of delivery (hereinafter referred to as "work results") are the sole responsibility of the principal and the principal alone is allowed to use and exploit these without restriction in terms of time, space and object. The supplier undertakes to inform the principal about all work results immediately and to make all work results available to him. The information provided by the supplier must be so extensive and detailed that the principal is able to decide whether the principal requests the supplier to transfer the rights in accordance with the following regulations. At the request of the principal, the supplier will provide additional information (both verbally and in writing). The supplier undertakes to grant the principal an exclusive, unlimited, sublicensable and irrevocable exploitation right in the work results as whole as well in their essential parts, which shall be transferable and satisfied by means of the total remuneration, at the principal's request. In all other respects concerning the property rights included in the work results the following provisions shall apply.

(3) In this condition of purchase "property rights" constitute rights to, under or in patents, patent applications and statutory applications for a patent on an invention, utility models, inventions and any other patentable rights including the applications and requests for their registration.

(4) The supplier undertakes to achieve work results which are free from any third-party rights by applying the due diligence which is customary in this line of business including patent research. Should it be deemed absolutely necessary or appropriate to use any third-party rights of which the supplier does not dispose, the supplier shall notify the principal thereof immediately on the basis of the relevant documents and reasons. The continuation of the commissioned work up until the principal has stated its position regarding the possibility of using third-party rights shall be coordinated between the parties.

(5) Insofar as any work results include property rights which arose on the supplier's part before the execution of the order or during its execution, but which provably arose outside the execution of commissioned work (hereinafter referred to as "background property rights"), the principal shall acquire a transferable, sublicensable, non-exclusive, irrevocable licence under these property rights which shall be completely satisfied by the total remuneration. The licence shall be restricted to the exploitation of background property rights within the bounds of the use of work results or their essential parts. The same applies to background know how.

(6) If the supplier intends to use background property rights included in work results, the former shall be obliged to notify the principal thereof beforehand in writing in order to seek permission from the principal to use such property rights. The continuation of the commissioned work up until the principal has stated its position shall be coordinated between the parties.

(7) The principal shall have a privilege of acquiring property rights with respect to any property rights which are created within the framework of commissioning by the supplier or the latter's employees individually or jointly with the principal's employees ("foreground property rights"). The supplier shall guarantee the principal's opportunity to exercise this privilege by offering the principal in writing to assume any property rights of which the former has been given notice in connection with the work results or of which the former has otherwise obtained knowledge not any later than two months after such notice being given or such knowledge being obtained. The consideration therefor shall be deemed to have been settled by the total remuneration. The principal can transfer the privilege of acquiring property rights to an affiliated enterprise. If the principal is not interested in the sole acquisition of property rights in its own name, the principal and the supplier shall come to an agreement concerning a joint acquisition of property rights and share the costs arising in relation to this. The principal can designate an affiliated enterprise which is incorporated into the application for property rights in its place. Unless otherwise agreed, the principal shall have the irrevocable, transferable, sublicensable, unlimited and non-exclusive usufructuary right in the property rights as

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a whole. The consideration therefor shall be deemed to have been settled by the total remuneration. If the principal is not interested in a joint acquisition of property rights either, the supplier can proceed with the acquisition of property rights at its own discretion, in its own name and at its own expense, with the principal being entitled to the irrevocable, transferable, sublicensable, unlimited and non-exclusive right to use these property rights. The consideration therefor shall be deemed to have been settled by the total remuneration.

(8) The relevant party which is not involved in the acquisition of property rights shall agree to support and make any declarations necessary for the acquisition and defence of the property rights in question at its own expense.

(9) The supplier will keep the work results and work and all details communicated to him secret in accordance with § 14. This applies in particular with a view to the smooth implementation of a property right application.

(10) Insofar as the work result achieved by the supplier or its employees contains a design which is eligible for registration, the supplier shall transfer the right in the design to the principal at the time of its creation. The principal shall have the right to bring about the registration of the design as prescribed by register law at the former's complete discretion. The consideration therefor shall be deemed to have been settled by the total remuneration.

(11) Insofar as any of the supplier's services or work results are protected by copyright in whole or in part, the supplier hereby grants the principal the exclusive, irrevocable, sublicensable and transferable right to use these work results in any possible manner free of charge and at the principal's discretion, particularly to reproduce, spread, distribute as well as change and work on these work results; the aforementioned right shall also be unlimited in terms of time, place and content. The consideration therefor shall be deemed to have been settled by the total remuneration.

(12) Except as otherwise provided by law, the supplier shall be solely responsible for the remuneration of its employees.

(13) In the event that subcontractors are commissioned, the supplier shall be responsible for ensuring that the principal can exercise the same rights correspondingly.

§ 17 Termination of Contract

(1) The principal shall have the right to terminate the contract at any time and without having to observe a period of notice or state any reasons; the termination may refer to the entire contract or a part thereof. Such a proper notice of termination requires written form.

(2) In the event of a proper notice of termination being given, the principal shall pay the total remuneration pro rata to the services which the supplier has provably rendered up until the point in time at which the termination becomes effective. In the event of a partial termination, however, the relevant payment shall not fall due before the date of payment agreed with respect to the performance rendered.

(3) In addition to subsection (2), the principal shall – in the event of a total or partial termination – reimburse the supplier for any such costs which the latter has provably incurred on the occasion of and for the direct purpose of implementing the order volume terminated while exercising due commercial care and which have not been inevitable for the supplier within the bounds of possibility and reasonableness.

(4) In the event of a proper notice of termination being given, there shall not be any more extensive claims on the supplier's part, regardless of whatever cause in law. The amount of the total payments to be effected by the principal in accordance with this item 4 shall in any case be limited to the amount of the total remuneration at maximum.

(5) If – in the event of a total or partial termination – an order between the principal or one of its affiliated companies as party of the first part and the supplier as party of the second part is agreed for which the capacities becoming

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available on the supplier's part can be used, the aforementioned payments according to subsection (3) shall be taken into consideration insofar as this is possible.

(6) The parties shall be entitled to terminate the contract extraordinarily for a valid reason without having to observe a period of notice. A valid reason also exists if the respective other party becomes insolvent or if the supplier infringes any of its contractual obligations and fails to take comprehensive corrective measures within an appropriate time limit set by the principal. The extraordinary termination requires written form.

(7) In the event of an extraordinary termination for which the supplier is responsible, the principal shall exclusively reimburse the flawless services provably rendered up until the time of the termination according to the proportion of the actual value of the performance rendered to the value of the overall performance owed. There shall not be any more extensive claims on the supplier's part, regardless of whatever cause in law. The amount of the total payments to be effected by the principal as defined by this section 16 shall in any case be limited to the amount of the total remuneration at maximum.

(8) If the supplier discontinues its delivery, if an interim insolvency administrator is appointed or if insolvency proceedings are commenced against the supplier's assets, the principal shall have the right to terminate the contract in whole or in part without any possibility of claims on the principal being derived therefrom.

(9) The principal reserves the right to assert more extensive claims in the event of an extraordinary termination on the former's part.

(10) Insofar as the principal exercises a contractual or statutory right of withdrawal, the declaration of withdrawal requires written form.

(11) In such a case the principal shall be entitled to provide compensation for lost value in lieu of the return or restitution of the services already received. The measure of the compensation for lost value shall depend on the value of the performance rendered at the point in time when the declaration of termination is made.

§ 18 Right to Audit

(1) The supplier undertakes to grant the principal and its customers as well as the Civil Aeronautics Board access to the former's business premises during the usual working hours with advance notice as well as perusal of any documents which are related to an order with the purpose of enabling the principal, its customer and the Civil Aeronautics Board to verify the propriety of the supplier's services and the correctness of any invoice items.

(2) Furthermore, these documents must be kept readily available for a period of five (5) years after termination of the order for such a verification.

(3) Insofar as the supplier employs any subcontractors, the former shall ensure that they grant the principal the aforementioned rights correspondingly.

§ 19 Gifts from Suppliers

(1) On the basis of its corporate philosophy the principal has committed itself to collaborate with suppliers and business partners fair and reliably. Therefore, the supplier will not accept that members of staff receive gifts to their personal advantage from companies with which the former cooperates. Such gifts bestowed on employees – regardless of the latter's position or rank – shall include, inter alia, presents, supplementary benefits, trips or journeys, cash, samples, tickets for entertainment events, remuneration in the form of money or goods, courtesies discounts or Christmas presents.

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(2) In the event that this provision is not observed, the principal reserves the right to break off the business relations.

§ 20 Place of Performance; Legal Venue; Applicable Law

(1) The principal's head office or the seat of the principal's branch placing the order shall constitute the legal venue for the deliveries and services from any individual contract unless a different place of performance is designated in the relevant individual contract.

(2) The court having local jurisdiction at the principal's place of business shall constitute the exclusive legal venue for any disputes concerning legal relations between the supplier and the principal within the territory of the Federal Republic of Germany. Nonetheless, the principal shall also be entitled to sue the supplier before the court of the latter's place of residence.

Any disputes with suppliers concerning legal relations outside the territory of the Federal Republic of Germany shall be arbitrated in accordance with the Arbitration Rules of the International Chamber of Commerce (ICC) by means of a final decision to be pronounced by one or more arbitrators appointed in compliance with the aforementioned rules and without any possibility of resort to the general courts of law. The parties may agree that different rules of arbitration be applied. The place of the arbitration proceedings is Frankfurt am Main. The language used for the arbitration proceedings is – at the principal's discretion – German or English. The arbitration proceedings are subject to the German Law of Civil Procedure insofar as the arbitration rules do not contain anything to the contrary.

(3) In addition to these conditions, the law of the state in which the principal's place of business is located shall exclusively apply, with the provisions of the Convention on Contracts for the International Sale of Goods (UN Sales Law) and the conflict of law rules under private international law being excluded.

§ 21 Written Form; Saving Clause

(1) Verbal agreements outside this contract have not been made. Any collateral agreements require written form in order to be legally effective. This shall also apply to the renunciation of the written form stipulated herein.

(2) Any legal inoperativeness of a part of the agreements made between the parties shall not affect the operativeness of the General Conditions of Purchase or of the other agreements made between the parties. Any inoperative provisions shall be replaced by such provisions which come closest to the originally intended purpose in a legally admissible fashion.