

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
1	21		

§ 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 relationships between the supplier and the principal shall be governed exclusively by these Conditions, by the Policy Statement on Respect for Human Rights (ORG-MS-2009), by the supplier Code of Conduct (FB-EK-0136), in each case in the version valid at the principal at the time of conclusion of the contract or most recently notified to the supplier in text form, and by any separate contractual agreements. The aforementioned documents are available at www.r-hofmann.de/downloads; upon request, the principal shall also send them to the supplier separately. Deviations, amendments and supplements shall require written form. The principal does not recognise any conditions of the supplier which conflict with or deviate from these Conditions of Purchase, unless the principal has expressly consented to their application in writing. These General Conditions of Purchase shall also apply if the principal accepts or pays for the Supplier's delivery without reservation in the knowledge of conditions of the supplier which conflict with or deviate from these Conditions of Purchase.

(3) The principal reserves the right to change these General Conditions of Purchase with effect for future contracts in the event of valid reasons, in particular in the event of changes in legislation, supreme court rulings, official requirements, or significant changes in the market and procurement situation. Amendments will be communicated to the supplier in writing. The notification will contain the content of the amendment, the reason for the amendment, and the planned effective date. The supplier may object to the amendment in writing within six (6) weeks of receiving the notification of amendment. The principal will specifically draw attention to this right in the notification of amendment. If the supplier objects within the specified period, the previous terms and conditions will continue to apply to existing contracts. For future contracts, amendments will only be valid if expressly agreed upon. Amendments to key performance obligations (in particular, performance, consideration, and pricing structure) always require the express agreement of both parties.

(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.

(8) Upon request, the principal shall provide the supplier with an English-language version of these Conditions of Purchase and of the documents referred to in paragraph (2). In the event of discrepancies between the German and the English version, the German version shall prevail, unless the parties agree otherwise in writing.

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
2	21		

§ 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.

(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 promptly review the specifications, performance descriptions, information, and materials provided by the principal for completeness, plausibility, and suitability for the purpose intended by the principal and the principal's end customer. If the supplier identifies a need for deviations, corrections, or changes, they shall notify the principal immediately in writing and submit a comprehensible supplementary offer within five (5) business days, specifying in particular any additional or reduced costs, consequences for deadlines, and technical implications. The parties shall mutually agree on the consequences. If no agreement is reached within ten (10) business days of receipt of the supplementary offer, the principal may instruct the supplier to make the changes in writing, provided they are reasonable for the supplier. In this case, the adjustment of remuneration and deadlines shall be determined primarily according to the contractually agreed price and calculation bases, and secondarily according to the proven necessary additional or reduced costs, plus or minus appropriate surcharges. Statutory rights, in particular those under Section 315 of the German Civil Code (BGB), remain unaffected.

(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 any case, all such drawings, files, documentation and

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
3	21		

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.

(5) The principal may request changes to the delivery, in particular regarding design, execution, quantity, packaging, and documentation, in writing until acceptance, provided these changes are reasonable for the supplier. The supplier will implement the changes in accordance with paragraph 2 above. Without prior written notification of changes, there is no entitlement to separate compensation for additional services, unless the principal expressly confirms the obligation to pay in writing before the services are rendered.

(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

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
4	21		

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 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. If the order number is missing, or if the invoice is not verifiable for other reasons for which the supplier is responsible, the invoice shall be deemed to have been received within the meaning of § 4 (7) lit. b) only upon receipt of a proper, verifiable invoice. 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.

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
5	21		

(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

(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 supplier defaults wholly or partially on a due delivery or service, the principal is entitled to claim liquidated damages for delay amounting to 0.5% of the net order value of the delayed delivery/service for each commenced week of delay, up to a maximum of 10% of this value. The supplier reserves the right to prove that no damage or significantly less damage was incurred. Further statutory claims of the principal, in particular for compensation for higher damages for delay, as well as the right to withdraw from or terminate the contract in accordance with statutory and contractual requirements, remain unaffected; the liquidated damages for delay will be credited against any further damages claimed.

(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.

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
6	21		

(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 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.

Packaging law conformity requirements and evidence obligations are governed by § 16.

§ 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.

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
7	21		

(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 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

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
8	21		

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 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.

(8) Moulds, fixtures, gauges and tools (hereinafter "Items") provided by the supplier to the principal for the purpose of project execution shall – unless otherwise agreed – be stored for a period of two (2) years; the period shall commence at the end of the calendar year in which the relevant project was completed. Upon expiry of the storage period, the Items shall be available for return. The supplier may declare in writing within four (4) weeks of expiry of the storage period which of the following options it elects: the supplier requests the Items to be dispatched at its expense (transport/shipping at the supplier's cost) or arranges collection; the supplier wishes to enter into a storage agreement providing for continued storage against a fee; the supplier instructs the principal in writing to scrap/dispose of the Items in an appropriate manner. The Items shall be available for collection from the expiry of the storage period; the supplier shall nominate a collection date or commission a carrier to collect the Items within the aforementioned period. If no declaration is made in due form and within the aforementioned four-week period, the Items shall initially continue to be stored. The principal reserves the right to charge a storage/handling fee in accordance with its then-current price list – or, in the absence thereof, on the basis of actual costs incurred – from the first day following expiry of the four-week period. As a precaution, the supplier is granted a grace period of one (1) further year from expiry of the four-week period for the purpose of issuing written instructions or collecting/arranging the return of the Items. Prior to any realisation or disposal, the principal shall send the supplier a final warning in text form, specifying the objects concerned in concrete terms, setting a final period of at least four (4) weeks from receipt for collection or for binding instructions, and expressly pointing out that the objects will be realised or disposed of upon fruitless expiry of that period. The warning shall be addressed to the last address of the supplier known to the principal.

Upon fruitless expiry of the period set in the final warning, the principal shall be entitled to realise or dispose of the objects in a proper manner in order to clear its storage areas.

Any proceeds of realisation shall be set off against the costs incurred up to that point (e.g. storage, handling, transport, realisation/disposal). Any remaining surplus shall be paid out to the supplier; any shortfall shall be invoiced to the supplier.

(9) The supplier shall maintain Tools within the meaning of para. 7 in an operational and ready-for-use condition throughout the entire duration of the project and for a period of twenty-four (24) months following the last series-part call-off (retention obligation). Retention within the aforementioned period shall be free of charge to the principal. The supplier shall carry out and document, at its own expense, all maintenance, servicing and repair measures necessary to maintain operational readiness. Wear-related repairs exceeding routine maintenance, the individual cost of which exceeds 20 % of the original tool manufacturing price, shall require prior coordination with the principal in text form; the allocation of costs shall be agreed on a case-by-case basis. The supplier shall submit to the principal at least once per year – for the first time twelve (12) months after initial sample approval – a tool condition report covering, as a minimum, the current location, state of preservation, number of parts produced (shot counter/stroke counter) and maintenance measures performed and planned. Upon expiry of the retention obligation, the supplier shall notify the principal in text form at least three (3) months before the end of the retention period. Scrapping or any other disposal of Tools shall only be permissible with the prior written approval of the principal. If the principal does not issue instructions within eight (8) weeks of such notification, the supplier may charge a reasonable storage fee in accordance with its then-current price list or, in the absence thereof, on the basis of actual costs incurred. Section 8 para. 7 sentences 3 et seq. (right to demand restitution) shall remain unaffected.

(10) Where the principal furnishes the supplier with materials, raw parts, semi-finished goods or other consumables for processing or finishing, the following provisions shall apply in addition to paras. 1 through 6:

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
9	21		

(a) Furnished material shall be stored separately from the supplier's own materials and from third-party materials belonging to other customers. It shall be clearly marked as the property of the principal. The supplier shall also maintain furnished material separately in its accounting records and systems (ERP/warehouse management) so that stock levels, receipts and issues are traceable and auditable at all times.

(b) The supplier shall conduct a physical inventory of all objects provided by the principal at least once per calendar year. The physical count shall take place during the same period in which the principal conducts its own inventory. The principal shall announce the inventory period at least four (4) weeks in advance in text form and shall provide the supplier with prepared count sheets no later than five (5) working days prior to the commencement of the inventory. The results shall be submitted to the principal in text form as a reconciled inventory statement within four (4) weeks of the record date. The inventory statement shall contain, as a minimum, the item description, item number, target stock, actual stock and any discrepancies.

(c) The supplier shall maintain ongoing records of the quantities of furnished material processed, consumed, scrapped, reworked or returned to the principal. Upon request – and in any event at least on a quarterly basis – the supplier shall provide the principal with a consumption report enabling a complete quantity reconciliation (input-output balance).

(d) Discrepancies, shrinkage, damage, scrap exceeding the agreed or industry-standard quota and impending shortfalls shall be reported to the principal without undue delay in text form. The notification shall specify the nature and extent of the deviation, the cause insofar as known, and proposed remedial measures.

(e) Retention and storage period. Furnished material shall be retained free of charge for a period of twelve (12) months following the last call-off or, as the case may be, the end of the project. Thereafter, § 8 para. 9 sentences 5 et seq. (notification obligation, right to issue instructions, storage cost reimbursement) shall apply mutatis mutandis. Unauthorised disposal or diversion of furnished material is prohibited.

(11) In addition to the rights set out in para. 4, the principal or a third party designated by the principal shall be entitled, at any time upon reasonable prior notice – or, where there are substantiated grounds for suspecting irregularities, without prior notice – to carry out the following audit activities at the supplier's premises: (a) physical stock-taking and reconciliation against target inventories; (b) inspection of stock lists, booking records, goods-in and goods-out documentation, ERP data and scrap and consumption records; (c) random sampling to verify the quality, condition and proper marking of objects provided; (d) verification of segregated storage in accordance with para. 10 lit. (a). The supplier shall actively support the audit and make available the necessary documents, system information and personnel free of charge. Unexplained shortfalls – i.e. discrepancies between target and actual stock that are not attributable to documented consumption, agreed scrap, approved returns or force majeure – shall be compensated by the supplier to the principal at replacement value, unless the supplier demonstrates that it is not responsible for the shortfall. The burden of proof for the absence of responsibility shall rest with the supplier. Further claims for damages by the principal, in particular for production losses and consequential damages, shall remain unaffected.

§ 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 acceptance shall be formally carried out on the basis of an acceptance

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
10	21		

protocol. Material defects entitle the principal to refuse acceptance. Acceptance may not be refused due to minor defects; these must be documented in the acceptance protocol and remedied within a reasonable period.

(2) Acceptance shall only be deemed to have occurred if:

- a) the supplier has notified the principal of the readiness for acceptance in writing,
- b) the principal has been requested to accept the delivery within a reasonable period of at least twelve (12) working days, and
- c) no material defects are reported within this period.

Unconditional payment does not constitute acceptance.

(3) If the supplier's delivery is integrated into the principal's overall delivery to its end customer, a partial technical acceptance shall first be carried out with the supplier following internal functional testing. Final acceptance by the end customer is considered supplementary acceptance in the relationship between principal and supplier only insofar as defects become apparent only within the system or during end-customer use. Section 11, paragraph 9 applies to the commencement of warranty periods.

(4) 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.

(5) 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.

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

(7) 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.

(8) 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.

(9) 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 warrants that the delivery performance is free from defects at the time of passing of risk or acceptance, and in particular that it

- (a) complies with the agreed specifications,
- (b) is suitable for the contractually intended and the discernible purpose of use,
- (c) meets the quality standard customary for comparable products,
- (d) complies with the applicable statutory, regulatory and normative requirements,
- (e) is delivered with the agreed or customary instructions, safety and warning notices as well as the agreed accessories, and

Identification Number		General Conditions of Purchase of the Robert Hofmann GmbH	HOFMANN creative technology solutions
FB-EK-0094			
Page	of		
11	21		

(f) is free from design, manufacturing, material and assembly defects. Where safety-critical requirements are concerned, the supplier shall owe the current state of the art.

Approval notes by the principal on drawings and specifications shall 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.

(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, within the warranty period, defects of the same type occur in more than five (5) per cent of the delivery performance from the same production lot, it shall be rebuttably presumed that all delivery performance from that production lot is defective. A production lot comprises a quantity of contractual products with identical characteristics that are either manufactured in a coherent production process or procured through a joint order. The supplier reserves the right to prove that further items of the lot are not affected

(5) If a defect becomes apparent within twelve (12) months of the commencement of the warranty period, it shall be rebuttably presumed that the defect already existed at the time of passing of risk or acceptance, unless such presumption is incompatible with the nature of the item or the nature of the defect.

(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 shall be twenty-four (24) months from passing of risk (purchase performance) or from acceptance (work performance) respectively. Where the delivery performance forms part of an overall performance rendered by the principal to its customer, the warranty period shall commence upon acceptance of the overall performance by the customer but shall end no later than thirty-six (36) months after passing of risk/acceptance vis-

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
12	21		

à-vis 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.

(10) From the time a defect notice is received until the completion of supplementary performance, the running of the warranty period shall be suspended with regard to the defect complained of. For replaced or repaired parts, the warranty period shall recommence, but only in respect of the parts concerned and only for a period of twelve (12) months from acceptance of the supplementary performance, though in no event expiring before the end of the originally running warranty period.

(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).

(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).

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
13	21		

(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

(1) In performing its obligations the supplier shall observe all standards, statutes, ordinances and regulatory requirements applicable under the relevant law, in particular the applicable safety, environmental, hazardous substances, dangerous goods and accident prevention regulations, as well as the generally recognised rules of safety engineering and the contractually agreed requirements of the principal. Requirements of an end customer shall only be binding on the supplier insofar as they have been brought to the supplier's attention by the principal in text form or are discernible to the supplier in the course of performance of the contract.

The supplier further undertakes to comply with the Policy Statement on Respect for Human Rights (ORG-MS-2009) and the Supplier Code of Conduct (FB-EK-0136) (the version valid at the time of conclusion of the contract being decisive), to pass on their requirements in an appropriate manner to subcontractors and sub-suppliers, and to use its influence to ensure compliance therewith.

This includes in particular the principles of the Universal Declaration of Human Rights, the core labour standards of the International Labour Organization (ILO) and the OECD Guidelines for Multinational Enterprises. In particular, the supplier shall not participate, either actively or passively, directly or indirectly, in corruption or bribery and shall not tolerate child labour or forced labour. It shall assume responsibility for the health and safety of its employees at the workplace, observe environmental protection regulations and, within the scope of its performance, work towards compliance therewith in its supply chain in an appropriate manner.

(2) The supplier shall take the necessary organisational instructions and measures, in particular in the areas of site security, business partner, personnel and information security, packaging and transport, to ensure security in the supply chain in an appropriate and risk-based manner in accordance with internationally recognised initiatives based on the WCO SAFE Framework of Standards (e.g. AEO, C-TPAT or equivalent). It shall protect its deliveries and services to the principal or to third parties designated by the principal against unauthorised access and manipulation. The supplier shall, upon request, provide the principal with appropriate information and suitable evidence of compliance with the requirements of paras. (1) and (2). The principal shall be entitled to conduct or have conducted by third parties risk-based audits or assessments; these shall be carried out during normal business hours, generally upon reasonable prior notice and with due regard to legitimate trade and business secrets. In the event of a concrete suspicion of a serious breach, the prior notice period may be shortened appropriately.

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
14	21		

(2a) The principal maintains a complaints procedure in accordance with RHS-MS-1031, through which the supplier's employees as well as persons in the supplier's upstream and downstream supply chain may also report indications of infringements of human rights, environmental obligations or the principles set out in § 14 (1) via the channels described therein. The supplier shall make this procedure accessible to its employees in a suitable form, in particular in a linguistically comprehensible form, and shall prohibit any disadvantage to persons who make use of it.

(3) Where Regulation (EC) No. 1907/2006 ("REACH") applies to the delivery performance, the supplier warrants that such performance complies with the requirements of REACH and the relevant national implementing provisions, to the extent and insofar as the supplier is subject to obligations under REACH in its respective capacity (e.g. manufacturer, importer, downstream user). The supplier shall fulfil its REACH obligations, including any required (pre-)registrations and information and communication duties, and shall provide REACH-compliant safety data sheets; IMDS data shall be provided insofar as contractually agreed or customary in the industry. Where delivery performance is not rendered in compliance with REACH, the principal shall be entitled, in accordance with the statutory and contractual requirements, to withdraw from the respective individual order or to terminate it for cause. The supplier shall inform the principal without undue delay in text form of any changes that may affect REACH compliance. The supplier shall indemnify the principal against any third-party claims based on non-compliance with REACH attributable to the supplier; this shall include reasonable costs of legal defence. Non-fulfilment of the requirements arising from REACH shall constitute a defect and give rise to warranty claims

(4) Where the supplier deploys its own employees on the principal's premises within the scope of agreed services, the supplier undertakes towards the principal:

(a) to pay its employees at least the applicable statutory minimum wage and to observe mandatory minimum working conditions;

(b) where statutory or applicable collective bargaining minimum remuneration is higher, to pay at least such minimum remuneration;

(c) to ensure that deployed employees hold the necessary residence and work permits.

(5) The supplier shall be obliged, upon the principal's request, to furnish in an appropriate scope suitable evidence of the due payment of remuneration in accordance with the Mindestlohnengesetz (Minimum Wage Act) and the proper payment of social security contributions and wage tax. Where appropriate and reasonable, evidence may be furnished by means of a corresponding attestation issued by the supplier's tax adviser or auditor. The costs thereof

(6) If the principal is held liable pursuant to applicable statutory provisions (in particular Section 13 MiLoG in conjunction with Section 14 AentG (Minimum Wage Law of Germany) or comparable provisions) for non-payment of the minimum remuneration or for breaches of contribution/tax obligations in connection with employees of the supplier, the principal shall be entitled to retain an appropriate portion of the remuneration owed to the supplier in the amount of the claim asserted or the liability anticipated, until the supplier furnishes suitable evidence of due fulfilment. Further statutory rights of retention shall remain unaffected

(7) The supplier undertakes to indemnify the principal against any and all claims (including reasonable costs of legal defence) based on non-compliance with statutory provisions attributable to the supplier in connection with paras. (4) through (6). This shall also apply to losses and costs incurred by the principal as a result of regulatory measures; indemnification in respect of fines/penalties shall only apply to the extent that such assumption is legally permissible in the individual case.

(8) In the event of breaches of the supplier's obligations under paras. (1) through (3), the supplier shall implement appropriate corrective and remedial measures without undue delay and cooperate in developing an appropriate action plan (including deadlines and effectiveness monitoring). The principal shall be entitled to suspend the business relationship as appropriate and/or to terminate the contract extraordinarily without notice for cause if (a) a serious breach exists (in particular corruption/bribery, child or forced labour, deliberate manipulation/theft in the supply chain, serious REACH violations), or (b) breaches recur, or (c) the supplier fails to take effective remedial

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
15	21		

measures despite a reasonable deadline set in text form or does not adequately cooperate in audits/assessments or in the investigation. The setting of a deadline shall not be required where remedy is impossible or cannot reasonably be expected of the principal having regard to the circumstances of the individual case.

(9) To the extent that mandatory local law conflicts with individual requirements of this § 14, the parties shall inform each other without undue delay in text form and agree on appropriate alternative measures to achieve an equivalent level of protection. Stricter statutory requirements shall remain unaffected.

§ 15 Prohibition of Forced Labour; Evidence of Provenance and Traceability

(1) The supplier warrants that the supplies, including all components, input materials and raw materials, have not been manufactured or processed, in whole or in part, at any upstream stage of the supply chain – including extraction, cultivation, harvesting, manufacture, processing and treatment – using forced labour within the meaning of Convention No. 29 of the International Labour Organization (ILO) and of Regulation (EU) 2024/3015. This warranty constitutes an agreement as to quality; non-compliance with it constitutes a material defect within the meaning of § 11.

(2) Upon request, the supplier shall name to the principal the production sites (company name, address, country) at which the supplies and their essential input materials are manufactured or processed. If the supplies or essential input materials originate, in whole or in part, from regions or economic operators for which the European Commission, a competent authority or the database maintained under Regulation (EU) 2024/3015 indicates an elevated risk of forced labour, the supplier shall notify the principal thereof in text form without being requested to do so and without undue delay.

(3) In addition to § 9 (2), the supplier shall maintain records enabling the supplies and their essential input materials to be traced back to the respective preceding stage of the supply chain (in particular supplier's declarations, batch and lot numbers, evidence of provenance and origin, test and audit reports). The supplier shall submit these to the principal upon request within ten (10) working days. In the event of an enquiry, investigation or proceeding by an authority, this period shall be reduced to five (5) working days or to the shorter period set by the authority.

(4) The supplier shall support the principal without undue delay and free of charge in connection with enquiries, investigations and proceedings of competent authorities (in particular customs and market surveillance authorities) under Regulation (EU) 2024/3015, shall make available the necessary information and documents, and shall name a responsible contact person for this purpose.

(5) The supplier shall pass on the obligations under this § 15 with identical content to its sub-suppliers and subcontractors and shall use its influence to ensure compliance therewith. Upon request, the supplier shall provide the principal with suitable evidence of such passing on.

(6) If supplies are objected to, detained or seized by an authority on the grounds of a suspected or established infringement of the prohibition of forced labour, or are made subject to a prohibition on placing on the market, making available or exporting, or if their withdrawal from the market or their disposal is ordered, the supplier shall, to the extent that it is responsible for this,

a) reimburse the principal for the costs incurred as a result, in particular the costs of withdrawal, transport, storage, reworking, disposal and replacement procurement, and

b) indemnify the principal against third-party claims, including the reasonable costs of legal defence.

Indemnification against administrative fines and penalties shall be given only to the extent legally permissible in the individual case. Further statutory and contractual claims of the principal, in particular under §§ 11, 12 and 13, shall remain unaffected.

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
16	21		

(7) The supplier shall keep the information provided in its supplier self-disclosure form (FB-EK-0045), in particular Section 8 (supply chain due diligence obligations), up to date and shall notify material changes in text form without being requested to do so.

(8) An infringement of paragraph (1) shall be deemed a serious breach within the meaning of § 14 (8); § 14 (8) and (9) shall apply accordingly.

§ 16 Product and Packaging Compliance (PPWR, VerpackDG)

(1) The supplier warrants that the supplies and all packaging used for their delivery (sales, grouped and transport packaging) comply with the product and packaging law requirements applicable at the time of placing on the market, in particular with Regulation (EU) 2025/40 (PPWR), the German Packaging Law Implementation Act (Verpackungsrecht-Durchführungsgesetz – VerpackDG) and the provisions on substance restrictions (including REACH and RoHS). Compliance with these requirements constitutes agreed quality; non-compliance constitutes a material defect within the meaning of § 11.

(2) Packaging shall be reduced in weight, volume and empty space to the minimum functionally necessary for protection, handling and transport. Reusable packaging shall be given preference. Composite materials which impair recyclability shall be avoided. § 5 (11) shall apply in addition.

(3) Upon request, the supplier shall provide the principal, free of charge and within ten (10) working days, with the information and documents which the principal requires in order to demonstrate conformity, in particular:

- a) the declaration of conformity and the technical documentation for the packaging,
- b) information on the material, material composition, weight and volume per packaging unit,
- c) information on the share of post-consumer recycled content and on recyclability,
- d) information on labelling, including any digital labelling,
- e) material data for the supplies via IMDS as well as information on substances subject to declaration (in particular SVHCs on the REACH candidate list).

(4) Insofar as the supplier places packaging on the market for the first time, it shall, upon request, provide the principal with evidence of its registration in the packaging register (LUCID) and – where required – of its participation in an extended producer responsibility scheme. To the extent that it is responsible for this, the supplier shall indemnify the principal against claims and costs incurred by the principal as a result of the supplier's failure to comply with these obligations.

(5) In the case of deliveries from third countries in which the principal is the importer, the supplier shall provide, in good time before the placing on the market, all information and documents which the principal requires in order to fulfil its own packaging and product law obligations, in particular in relation to registration, reporting, record-keeping and labelling obligations.

(6) The supplier shall notify the principal in text form, without being requested to do so and in good time, of any changes to the packaging, to its material composition or to its conformity. § 4 (4) (notification of packaging changes) shall remain unaffected.

(7) If supplies or packaging fail to meet the requirements under paragraph (1), the principal shall be entitled to refuse acceptance, to demand supplementary performance and, subject to the statutory and contractual requirements, to withdraw from the individual order or to terminate it for good cause. To the extent that it is

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
17	21		

responsible for this, the supplier shall indemnify the principal against third-party claims and against the costs of measures taken by authorities, including the reasonable costs of legal defence. Indemnification against administrative fines and penalties shall be given only to the extent legally permissible in the individual case.

§ 17 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.

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

(1) Work results are all results created or delivered in connection with the contract, in particular specifications, concepts, documentation, drawings, models, samples, data, databases, software (including source code, insofar as owed), test cases, training materials, developments, inventions and other know-how. Background rights are

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
18	21		

rights, materials and knowledge (including property rights and copyrights) which a party already possessed prior to the conclusion of the contract or developed independently of this contract.

(2) Background rights shall remain with the supplier. To the extent and for as long as necessary to use the work results and the delivery performance in accordance with the contract (including operation, maintenance, modification, further development and procurement of replacements), the supplier hereby grants the principal a non-exclusive, irrevocable, worldwide, perpetual, transferable and sublicensable right of use in respect of its background rights.

(3) Upon the creation of the work results, the supplier shall transfer to the principal all transferable rights (foreground) therein on an exclusive, worldwide, perpetual and unrestricted basis, including the right of reproduction, distribution, adaptation, making available to the public, sublicensing and transfer to third parties. Where a transfer of rights is not legally possible, the supplier shall instead grant the principal a right of use of the aforementioned scope as an exclusive, irrevocable, worldwide, perpetual, transferable and sublicensable right.

(4) To the extent required for the use of the delivery performance in accordance with the contract or contractually agreed, the supplier shall provide the principal with the documentation, interface information and – in the case of software – the source code, including build/configuration instructions and necessary tools/keys, in a common format, as required for use, maintenance and modification.

(5) The supplier shall inform the principal without undue delay of any work results eligible for protection (in particular inventions). The supplier shall – to the extent legally permissible and necessary – transfer or procure the transfer of the rights in such work results to the principal and make all declarations and perform all acts of cooperation necessary for this purpose (e.g. signatures, priority documents). Claims under employee invention law (e.g. under the Arbeitnehmererfindungsgesetz / German Employee Inventions Act) shall be handled by the supplier in such a manner that the principal's legal position under this § 18 is not impaired.

(6) The supplier shall ensure that its employees, freelancers and subcontractors effectively grant or transfer the rights necessary to fulfil the requirements of this § 18. The supplier shall furnish evidence thereof in an appropriate form upon request.

(7) The supplier warrants that the use of the delivery performance and the work results in accordance with the contract does not infringe any third-party rights. The supplier shall indemnify the principal and its customers against any and all third-party claims for infringement of rights and shall assume the reasonable costs of legal defence. The principal shall inform the supplier of any such claims and provide the necessary support; further statutory claims shall remain unaffected.

(8) The use of third-party software or open-source components that may trigger obligations to disclose, distribute or license source code or other "copyleft" obligations shall only be permissible with the prior consent of the principal in text form. The supplier shall fully disclose all relevant licence terms to the principal prior to use.

(9) All transfers and grants of rights under this § 18 shall – unless expressly agreed otherwise – be fully compensated by the contractual remuneration.

§ 19 Termination of Contract

(1) The principal may terminate the contract, in whole or in part, at any time prior to full performance of the services, without observance of a notice period and without stating reasons, by notice in text form.

(2) In the event of ordinary termination, the supplier shall receive (a) remuneration for services demonstrably rendered in accordance with the contract up to the date on which the termination takes effect and which are of use to the principal, and (b) proven additional costs directly caused by the termination that are unavoidable despite

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
19	21		

commercially reasonable mitigation measures. The supplier must allow deductions for saved expenditure and for any substitute earnings obtained or maliciously foregone. The aggregate of payments under lit. (a) and (b) shall be limited to the agreed total remuneration.

(3) Further claims of the supplier on account of ordinary termination shall, to the extent legally permissible, be excluded.

(4) Both parties shall be entitled to extraordinary termination for cause. Cause shall be deemed to exist in particular where (a) a material breach of contract is not remedied despite the setting of a reasonable deadline, (b) the supplier suspends payments, or (c) an application for the opening of insolvency proceedings is rejected for lack of assets or insolvency proceedings are opened, and the proper performance of the contract is thereby concretely jeopardised. Extraordinary termination shall require text form.

(5) The legal consequence of extraordinary termination attributable to the supplier shall be that the principal shall only remunerate partial services demonstrably rendered free of defects and of use to the principal up to the date on which the termination takes effect; further claims of the supplier shall, to the extent legally permissible, be excluded. Further claims of the principal shall remain unaffected.

(6) Statutory and contractual rights of withdrawal shall remain unaffected; declarations of withdrawal shall require text form.

§ 20 Right to Audit

(1) The supplier undertakes to grant the principal and the principal's customers as well as any authorities, upon prior notice and during normal business hours, access to its business premises and to allow inspection of all documents connected with an order, in order to enable the principal, its customer and the authority to verify the proper performance of the supplier's services and the accuracy of all 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.

§ 21 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, courtesy discounts or Christmas presents.

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

Identification Number		General Conditions of Purchase	
FB-EK-0094			
Page	of	of the Robert Hofmann GmbH	
20	21		

§ 22 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.

§ 23 Written Form; Saving Clause

(1) Amendments and supplements to this contract, including this clause, shall require at least text form unless a stricter form is prescribed. Individual agreements between the parties shall take precedence over these Conditions of Purchase.

(2) Should any provision of this contract be or become invalid or unenforceable in whole or in part, the validity of the remaining provisions shall remain unaffected. In place of the invalid or unenforceable provision, such valid provision shall be deemed to have been agreed as comes closest to the economic purpose of the invalid provision. The same shall apply to any gaps in the contract.