

Version	4
Date:	05.05.2021
Responsible:	C. Di Donato
Classification:	Public

1. Scope of application, German law

- 1.1. Our orders are subject to these terms & conditions of purchase and to no others. Our terms & conditions of purchase shall also apply if, in cognisance of supplier terms & conditions conflicting with or differing from our terms & conditions of purchase, we accept a delivery or make payments.
- 1.2. Deviations from these terms & conditions of purchase shall only be effective if they have been confirmed by us in writing. Confirmed deviations shall in each case apply to the specific individual case and be inapplicable to future cases.
- 1.3. These terms & conditions of purchase shall supersede all previous terms & conditions of purchase.
- 1.4. It is agreed that the law of the Federal Republic of Germany shall apply. Application of the UN CISG Convention is hereby excluded.

2. Purchase orders, change of control

- 2.1. Purchase orders shall only be binding if in written form. The same shall apply to other agreements reached before or after concluding a contract.
- 2.2. Our purchase orders may only be accepted within one week of the order date.
- 2.3. We reserve copyrights and title to offer documents (drawings, calculations and other documents). These offer documents may not be made accessible to third parties without our express prior written consent and must be returned to us, without need of specific request, after execution of the order. In the case of electronic transmission they must be erased from all data carriers, irrevocably and without need of specific request.
- 2.4. The supplier shall not be entitled to have services rendered by third parties without our prior written consent.
- 2.5. In the event of a direct or indirect change of control and ownership (shareholder structure) at the supplier, the supplier shall without delay inform us thereof in writing. In this case we shall be entitled to cancel our orders immediately. The right to cancel may be exercised for a period of four weeks as from receipt of the said information. Such cancellation shall not entitle the supplier to assert any claims for damages.
- 2.6. Deliveries of volumes exceeding those ordered may be placed in storage at the supplier's expense. The supplier shall be informed thereof. Such storage shall not constitute acceptance of the delivery.
- 2.7. The supplier shall only be entitled after prior written consent from us to effect deliveries which deviate from the order specifications. Even after consent has been given, the suppliers shall be obliged, on request, to provide us with the relevant samples free of charge. The general acceptance of the sample shall not release the supplier from its other

contractual obligations. It shall also not constitute acceptance of the final product.

3. Prices, terms of payment

- 3.1. The prices stated in the purchase order are fixed prices (DAP, Incoterms 2020).
- 3.2. Taxes, customs duty and other charges – with the exception of VAT – shall be paid by the supplier.
- 3.3. After receipt of deliveries, our payments will be made subject to deduction of 3% cash discount within 14 days of receipt of invoice or net within 60 days. The payment shall neither represent a statement on the quality of the delivery nor restrict our rights.
- 3.4. Our rights to set off and withhold payment shall be as provided in statute law.
- 3.5. The supplier is obliged to state our order number and the other order details (date, quantity, etc.) on all shipping documents, delivery notes and invoices; if the supplier fails to do so, any processing delays resulting therefrom shall not be our responsibility.
- 3.6. In the event of delay in payment, we shall only be liable up to the level of the statutory default interest rate.

4. Delivery time

- 4.1. The agreed delivery times or delivery dates shall be binding. The delivery date shall be the day on which the delivery arrives at the delivery address stipulated by us.
- 4.2. In the case of delay in delivery for which the supplier is responsible, we must, after a reminder, be compensated for all damage or loss incurred as a result of the delay. A reminder shall not be necessary if a period for the performance of the service is determined according to the calendar. After a deadline set by us has expired to no avail, we may require payment of damages instead of service performance.
- 4.3. In the event of default on delivery we shall be entitled – irrespective of whether the supplier is responsible therefor – to withdraw from the contract after expiry to no avail of a reasonable deadline set by us.
- 4.4. If it becomes apparent that delivery dates cannot be adhered to, the supplier shall get in touch with us without delay.
- 4.5. Deliveries must be made Monday to Thursday between 7 am and 4 pm, or Friday between 7 am and 3 pm. The signing of the delivery note or the physical acceptance of the goods delivered shall not involve any statement as to whether the delivery meets specifications.
- 4.6. Should we not be in a position to formally accept delivery, due to force majeure, which includes strikes, lockouts, disruptions of transport or of operations in our company for which we are not to blame, we shall, for that period of time, be released from our acceptance obligation. Claims by the supplier for a consideration and damages shall in these cases be excluded.

5. Transfer of risk, retention of title by supplier


- 5.1. Deliveries shall be effected on DAP terms (Incoterms 2020).
- 5.2. Title to the goods delivered shall pass to us as of delivery to us. Any possible retentions of title by the supplier will not be accepted by us.

6. Quality and documentation

- 6.1. The deliveries must conform to statutory provisions, state of the art science and technology and, in particular, environment regulations. They must also match the agreed specifications.
- 6.2. The supplier is required to set up and maintain a documented quality assurance system of appropriate nature and scope and consistent with state of the art technology. The supplier must be the holder of at least an ISO9001 certificate, which is to be regularly renewed. Valid certification under IATF is expected of suppliers of purchased parts (e.g. stamping parts, raw materials such as coil materials and profiles).
The supplier must prepare records, in particular of quality tests, which are, on request, to be placed at our disposal.
- 6.3. The supplier shall on request demonstrate to us the operational capability of its quality assurance system.
- 6.4. The supplier is not entitled to modify the manufacturing process without our express written consent. The supplier shall also not be entitled to supply a different quantity than that ordered.
- 6.5. The supplier undertakes to observe, in its business operations, the statutory standards of the manufacturing country, the customer country and all countries of origin and to take account of comprehensive aspects of protection of the environment.
- 6.6. The supplier is obliged under section 1502 of the Dodd-Frank act to provide us with information on its use of so-called conflict minerals.
- 6.7. The supplier is obliged to treat information from Waldaschaff and its customers in confidence and protect it in accordance with ISO27001 or TISAX. Should unauthorized third parties nevertheless obtain confidential information, the responsible buyer must be informed immediately and the information security incident reported to WA.
- 6.8. In justified cases, the supplier has to allow and grant short term visits and audit rights in order to check sustainability, quality and information security standards.

7. Notice of defects – liability for defects

- 7.1. We are obliged to inspect the delivery for possible defects within a reasonable period of time; a complaint is deemed filed in due time if it is dispatched within ten working days reckoned as from the receipt of the goods or,

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in the case of hidden defects, as from the time of detection (we are required to demonstrate only dispatch of such notice).

7.2. The supplier undertakes to conduct its own quality assurance test of outgoing goods. We are only obliged to complain about possible defects – but not to investigate the goods.

7.3. Our rights relative to defects of quality and title are subject to the relevant provisions of statute law, which are supplemented as follows:

a) The period of limitation for claims on grounds of defects is two years reckoned as from the installation of the product – but at the latest 30 months as from the date of delivery, except where the law provides for a longer period. In cases where formal acceptance is provided for in law or by contract, the period shall commence as of acceptance.

b) In the case of defective deliveries we are entitled to require, at our option, rectification or replacement. In case of imminent risk or if the supplier defaults on the rectification we have required or if the supplier refuses to rectify or if the rectification we have required is unsuccessful, we shall be entitled, at the supplier's expense, to remedy the defects ourselves or have them remedied, or to procure replacements. It shall be at our equitable discretion to decide when "imminent risk" is present.

c) The period of limitation mentioned in 7.3.a) shall commence anew for rectified parts or parts delivered as replacements as from the date of rectification or replacement delivery.

7.4. The suppliers shall be liable for every degree of culpability. We do not accept any supplier clauses limiting liability

7.5. If third parties assert claims against us on grounds of the defectiveness of our products and the defectiveness is due to a product of the supplier, the supplier shall on first request indemnify us against such claims for damages.

8. Insurance

The supplier is obliged to take out adequate insurance against all risks relative to product liability and on request to provide us with evidence thereof.

9. Property rights

9.1. The supplier represents and warrants that the products it delivers are free of the industrial property rights of third parties existing inside the European Union, the USA, Canada, Mexico and Japan.

9.2. Should third parties assert claims against us on grounds of infringement of property rights, the supplier shall on first request indemnify us against such claims. Such indemnification shall also apply to our customers. This obligation to indemnify shall lapse if the supplier has manufactured the objects of delivery in accordance with our drawings, models or the equivalent descriptions. If in

such case the supplier has reason to expect an infringement of property rights, it shall inform us thereof without delay.

10. Manufacturing equipment

10.1. Models and apparatus, moulds and tools ("manufacturing equipment") supplied by us must be insured against accidental loss and deterioration. They must be correctly maintained and professionally stored for use. The pertinent costs shall be borne by the supplier.

10.2. All the manufacturing equipment provided by us, including data, shall continue to be our property and shall be returned to us in correct condition, free of charge, after the execution of our order or on request. Data transmitted electronically must be irrevocably erased by the supplier, of its own accord, from all data carriers. WALDASCHAFF's title to the manufacturing equipment provided must be clearly apparent to third parties. The manufacturing equipment must be marked as the property of WALDASCHAFF (e.g. by means of name plates etc.).

10.3. The processing or remodelling of the manufacturing equipment provided is done by the supplier on our behalf. If the manufacturing equipment is processed together with other objects which are not our property, we shall acquire shared ownership of the new product proportionate to the value of our product as compared with the other processed products at the time of processing.

11. Place of performance

The place of performance for all deliveries and services is the place of destination stipulated by us (as a rule the point of delivery at the works concerned).

12. Statutory and official regulations

The supplier undertakes to comply with all the applicable statutory and official regulations and to pass on this requirement to its own suppliers.

13. Confidentiality / Information Security

13.1. The supplier is obliged to keep all the illustrations, drawings, calculations and other documents and information it has received strictly confidential. These materials may only be disclosed to third parties with our express permission. The confidentiality obligation shall also apply after the contract has been executed and shall only lapse when and insofar as the information has become public knowledge.

14. Place of jurisdiction

14.1. The sole place of jurisdiction for all disputes arising from the supply relationship is the domicile of our company. This shall also apply if the supplier has no general place of jurisdiction in Germany.