

LIPP Mischtechnik GmbH
Boveristraße 40 – 42, 68309 Mannheim (Käfertal)

§ 1 General Provisions/Scope of Application

- (1) These General Conditions of Purchase (hereinafter: GCP) shall be an integral part of our contractual declaration (contract offer or acceptance) on the conclusion of:
 - a) Purchase contracts for which we are the purchaser,
 - b) contracts for work (including construction contracts) and contracts for manufacture and supply [Werklieferungsvertrag], in which we are the customer,
 - in cases of a) and b) irrespective of elements of other contract types agreed in addition, provided however that the contract as a whole is regarded as one of the aforesaid contract types. In a mixed-type contract, these GPC shall apply to those parts of the contract which are to be assessed according to the law on the sale of goods, the law on contracts for work or the law on contracts for manufacture and supply.
 - c) Service contracts or the parts of the contract to be assessed according to the law on service contracts where we are the employer, but in this case only §§ 1-3 and 11-15 shall apply.
- (2) Unless expressly agreed otherwise, these GCP shall be exclusively directed to contract partners who are entrepreneurs within the meaning of § 14 of the German Civil Code [Bürgerliches Gesetzbuch - BGB].
- (3) Any general terms and conditions [Allgemeine Geschäftsbedingungen] as meant in § 305 (1) sentence 1 of the German Civil Code (BGB) submitted by the contract partner in its contractual declarations or referred to by the contract partner in any other way shall not form part of the contract. We neither recognize these nor do we agree to their application. This shall also apply if we react to a contractual declaration of the contract partner with conclusive behavior (agreement implied in fact) or refer to his declarations without expressly objecting the general terms and conditions of the contract partner. Our GCP shall apply exclusively. Individual contractual agreements between the contract partner and us shall remain unaffected and shall always take precedence over these GCP.
- (4) Insofar as provisions are neither made in individual contractual agreements nor in our GCP, the statutory provisions shall be deemed agreed. Insofar as the contract partner has provided general terms and conditions which have been incorporated by operation of law into the contract despite the provision in paragraph 3 above and there is no provision in our GCP for a matter regulated by those general terms and conditions provided by the contract partner, the statutory provisions shall also apply exclusively.
- (5) These GCP do not constitute a waiver of the rights granted to us by law.

§ 2 Quotation, contract acceptance

- (1) Remuneration shall be excluded for a quotation or a cost estimate of the contract partner. Costs shall not be reimbursed.
- (2) An acceptance of the contract by our conclusive behavior is excluded. Only a contract acceptance declared at least in text form shall be legally binding. Acceptance of the contract declared orally or by telephone or otherwise shall require subsequent confirmation in text form in order to be legally valid.

§ 3 Prices, invoices and supporting documents

- (1) Unless expressly agreed otherwise, the prices stated in the contract shall be fixed prices for the entire duration of the contractual relationship. A Value Added Tax [Umsatzsteuer] is included in the amount unless the prices are designated as net prices.
- (2) Any discount [Skonto] or reduction [Nachlass] granted by the contract partner shall apply to all prices, including those newly agreed in the course of the contractual relationship. A discount shall always be calculated from the date of receipt by us of a proper invoice including the evidence pursuant to paragraph 5.
- (3) The agreed prices become mature [fällig] on the expiry of 30 days from the fulfilment of all contractual requirements for maturity. Those contractual requirements are, in particular without limitation, the completion of performance or, in the case of an agreed or legally stipulated right to partial payments, the completion of the respective part of performance, as well as the receipt by us of a proper invoice (in accordance with the following paragraph 4) including the agreed supporting documents (in accordance with paragraph 5). Interest on maturity [Fälligkeitszinsen] shall not be payable by us.
- (4) Invoices shall be deemed to be in order if they are issued in paper form, contain the accounting details notified by us, clearly indicate the type of invoice (e.g. partial invoice, final invoice), list the works, services and/or goods to be invoiced together with the agreed prices in an auditable manner and comply with the statutory provisions, in particular the Value Added Tax Act [Umsatzsteuergesetz]. Electronic invoicing is possible only under certain requirements and if agreed beforehand.
- (5) The supporting documents shall include, on the one hand, the expressly agreed documents and on the other hand, the performance records and test documents customary in business transactions and in the industry. In the case of construction work, a valid certificate of exemption from tax deduction for construction work issued by the competent tax authority shall also be submitted with the first invoice at the latest.
- (6) If, due to the type of contract, we are liable as a guarantor for social insurance contributions in accordance with § 28e German Social Security Code [Sozialversicherungsgesetzbuch SGB], volume IV or § 150 SGB volume VII the contract partner shall be obliged, upon our request, but no later than upon acceptance of its works, to submit valid payment or clearance certificates from the social security bodies [Einzugsstellen für Sozialversicherungsbeiträge] for social insurance contributions covering the entire period of performance. At our request, suitable written proof of payment of the minimum wage for the performance period shall also be submitted, insofar as our liability as a guarantor for the minimum wage comes into consideration in accordance with § 13 Minimum Wage Act [Mindestlohngesetz MiLoG] in conjunction with § 14 Employee Assignment Act [Arbeitnehmer-Entsendegesetz - AEntG].

§ 4 Place and time of performance, hindrances to performance

- (1) Unless otherwise agreed, the contract partner shall supply goods (delivery) in accordance with INCOTERMS 2020 DDP (Delivered Duty Paid) to the place of delivery determined in the contract; in case of doubt, this shall be the place of use as communicated by us, otherwise the registered office of our branch which conducted the contract negotiations with the Contract partner. If, in contrast to above provision, the price has been agreed on the basis of a different mode of delivery, for example ex works (EXW INCOTERMS 2020), the place of delivery shall not be affected, however the contract partner shall determine the most economic mode of delivery for us unless special instructions are given by us.

- (2) The time of dispatch of the goods as well as the details of the transport shall be notified to us in writing in good time in advance.
- (3) The agreed dates of performance shall be binding; a reminder shall not be required for default [Verzug] to occur. The contract partner shall be obliged to inform us immediately in writing if circumstances arise or become apparent to him which indicate that an agreed performance date cannot be met. The information does however not prevent default to occur. Any express or implied acceptance of the delayed performance shall not constitute waiver of claims for compensation.
- (4) Time is of the essence [relatives Fixgeschäft] and the agreed dates of performance shall be deemed fixed dates even without express designation if the contract partner was aware prior to the conclusion of the contract that we would require its timely performance in order to fulfill a contract with our customer in due time. Upon failure of the contract partner to perform in time we shall be entitled to rescind [zurücktreten] the contract without setting a deadline or, if a termination [Kündigung] instead of or in addition to rescission is provided for by law for the type of contract, to terminate the contract for good cause. We reserve further rights and claims.
- (5) Acceptance of a delivery can only take place during our normal business hours.
- (6) If we are in default of acceptance [Annahmeverzug], the contract partner may demand compensation for its additional expenses [Aufwendungsersatz] in accordance with the statutory provisions. However, it shall only be entitled to further rights if we are responsible [Vertretenmüssen] for the breach of a contractual obligation to cooperate.
- (7) Performance before the due date or in parts shall not be permitted unless this has been agreed with us in advance in each case. Over- or under-deliveries shall only be permissible after prior agreement with us.
- (8) The delivery shall be insured by the contract partner at its own expense against transport damage and transport loss.

§ 5 Default, Contractual penalty

- (1) Default [Verzug] of performance may lead to an exceptionally high loss. This is particularly the case if we require the performance of the Contract partner in order to fulfill a contract with our Customer on our part.
- (2) In the event of default, we shall be entitled to set a contractual penalty [Vertragsstrafe] as minimum compensation (§§ 341 para. 2 in conjunction with 340 para. 2 of the German Civil Code (BGB)) at our reasonable discretion, irrespective of the actual occurrence of damage or loss. Only the respective final date (referred to in the contract as completion date, delivery date or similar) shall be subject to a contractual penalty. The amount of the contractual penalty to be determined for each commenced working day [Arbeitsstag] of default shall be limited to 0.3% of the net total price of the contract. The total contractual penalty is limited to 5% of the net total price. In the event of a dispute the amount of the penalty may be reviewed and adjusted by the competent court. Any claim for damages in excess thereof shall remain unaffected; the forfeited contractual penalty shall be set off against this claim as a minimum amount. A contractual penalty shall be asserted by us at the latest with the final payment. If the contract partner proves that we have incurred no damage or only significantly lower damage as a result of the default, the contractual penalty shall be reduced accordingly.

§ 6 Provision of materials and documents, Retention of title

- (1) Insofar as we provide materials to the contract partner, we shall retain title thereto. Any processing, mixing or combining of such materials with other matter by the Contract partner shall always be carried out on our behalf.
- (2) The materials provided may only be used in accordance with the contract. It must be marked by the contract partner at its own expense as property of ours and stored separately from any of its own and of third party's property.
- (3) The contract partner shall keep the materials provided free from encumbrances of any kind and notify us without undue delay [unverzüglich] of any impending seizure by a third party, providing all necessary information. Likewise, it shall be obliged to disclose the state of ownership to the third party involved in order to avoid erroneous enforcement. We shall be entitled at any time to inspect, mark, modify and take back the materials provided at the place of performance and/or at the plant of the contract partner. The contract partner shall reasonably cooperate in these measures. We shall give reasonable notice in advance of entering the contract partner's premises for the aforesaid purposes.
- (4) A retention of title for the contract partner to the goods to be delivered is not agreed.
- (5) Drawings and plans, work instructions, other documents and electronic files which the contract partner receives from us for the purpose of performance may only be used for the fulfilment of the contract. They shall remain our property and shall be returned to us upon request or upon completion of the performance at the latest. The contract partner shall destroy or delete any copies it may have made, as far as there is no statutory obligation to retain them.

§ 7 Documents as part of the performance

- (1) Part of the obligation to perform is the provision free of charge of the electronic files and documents agreed upon and customary in the industry. This includes, in particular without limitation, such documents as are required for placing the works, services and/or the goods on the market, either alone or in connection with our overall product, at the prospective place of use notified at the time of conclusion of the contract, for instance declarations of conformity in accordance with the Product Safety Act [Produktsicherheitsgesetz] and/or certificates of origin and/or classification and parts lists for the application for an export permit or a negative certificate [Nullbescheid].
- (2) The contract partner undertakes to prepare or procure these documents in good time so that we are able to inspect them at the latest at the time of acceptance of the performance or acceptance of the goods. If the contract partner can only provide documents after this point in time, we shall be entitled, without prejudice to other rights and claims, to make an appropriate part of the final payment dependent on the handover of these documents.

§ 8 Quality of Goods and Services, Ancillary services, Obligation to inspect and inform

- (1) The agreed properties of the goods, works or services shall include the properties of the latest state of the art and technology. Insofar as the latest state of the art and technology is not approved at the notified place of expected use and/or for the notified purpose (e.g. in

the case of certain construction material), the best quality approved at the notified place of expected use and for the purpose shall be the quality owed.

- (2) The contract partner shall perform works or manufacture and supply by its own company. The use of subcontractors requires our prior written consent.
- (3) The contract partner shall notify us immediately, at least in text form, of any reservations and concerns, for example, about the intended use communicated by us or about the agreed or instructed method of performance, about the preparatory works, about the quality of the materials provided by us and/or about the properties of the goods.
- (4) In the case of delivery of goods or performance of works according to our drawings or plans, the contract partner shall diligently and in good time verify our specifications and notify us of any anomalies.
- (5) The contract partner must carry out quality assurance in his company which are appropriate and latest state of the art and technology in the industry, in particular without limitation, a reliable outgoing goods inspection, and provide us with proof of the measures upon request. We shall be entitled to inspect the quality assurance measures. For this purpose, we shall be entitled to reasonably request suitable documents and to inspect the premises of the contract partner, subject to prior notification within a reasonable period of time. An inspection carried out by us shall not release the contract partner from its obligation to ensure quality.
- (6) We are obliged to inspect the goods for obvious defects, in particular transport damage and obvious deviations in quality and quantity, and to notify the contractual partner of these. The notice of defect shall be deemed to be in time if it is received by the contractual partner without undue delay, at the latest, however, within a period of ten working days, calculated from receipt of the goods or, in the case of hidden defects, from discovery.
- (7) Packaged goods which, to the knowledge of the contract partner, will be stored and/or further transported by us, do not have to be unpacked by us before and during storage or transport in order to be inspected. Any advisable [tunlich] inspection of these goods shall only be carried out in random samples.

§ 9 Warranty

- (1) We shall always be entitled to choose the type of remedy [Wahl der Nacherfüllungsart].
- (2) In a purchase contract or a contract for manufacture and supply we shall be entitled, in addition to our statutory rights in the event of defects, to remedy the defect ourselves after the unsuccessful expiry of a reasonable period specified for the contract partner, in analogy of § 637 (1) of the German Civil Code (BGB), and to demand reimbursement of the necessary costs, unless the contract partner lawfully refuses remedy. § 637 (2) and (3) of the German Civil Code (BGB) shall also apply analogously to such contracts; in particular, we may demand an advance payment for the expenses required to remedy the defect.
- (3) Unless otherwise agreed, our claims for defects are subject to statutory limitation, however each limitation period is extended by a period of three months. Insofar as we are also entitled to non-contractual claims due to a defect, the limitation of these shall not occur earlier than in accordance with the general statutory provisions of §§ 195 - 213 of the German Civil Code (BGB).
- (4) The limitation period for claims for defects pursuant to the above paragraph shall be suspended during the period of remedy measures by the contract partner without acknowledgement of legal responsibility or as a gesture of goodwill. The suspension shall also occur for the reasonable period of a justified, speedy self-remedy by us. Further statutory or contractual provisions on suspension and recommencement of the limitation period shall remain unaffected.

§ 10 Securities, Insurances

- (1) If advance payments have been agreed, we shall be entitled to demand security in the amount of the advance payment. Security in the form of a directly enforceable guarantee [selbstschuldnerische Bürgschaft] from a bank domiciled in the European Union is permissible. The contract partner may offer us another equivalent security instead; we shall be entitled to choose among several securities offered instead of the aforementioned bank guarantee.
- (2) If the contract partner demands an instalment on remuneration [Abschlagszahlung] in accordance with § 650c (3) sentence 1 of the German Civil Code (BGB), we shall be entitled to demand security in analogy with subsection (1) in the amount of the instalment to secure the claim for repayment.
- (3) In the case of contracts for work, we shall be entitled to demand security for the fulfillment of all contractual obligations in the amount of up to 10% of the net total price of the contract. The security shall be provided by withholding of the respective amount of payments to the contract partner. In the case of instalments, however, we are only entitled to withhold up to 10% of the respective net instalment invoice amount, i.e. accumulation is not permitted. From the time of acceptance of the works, the security shall be converted into a security for claims for defects and remaining contractual claims in the amount of 5% of the net final invoice amount. Any excess security resulting therefrom shall be paid out by us upon acceptance; any shortfall in security resulting therefrom shall be replenished by the contract partner. The contract partner may provide equivalent security in accordance with §§ 232 et seq. of the German Civil Code (BGB) in order to avoid or exchange withholding amounts. A directly enforceable guarantee by a bank domiciled in the European Union is permissible.
- (4) Until the expiry of the limitation period for claims based on defects, but at least until the expiry of three years from the end of the calendar year in which the works were completed and/or goods delivered, the contract partner shall maintain a business liability insurance policy with coverage customary in the industry and shall provide us with evidence of this upon request. The contract partner shall increase the amount of coverage and/or the insurance coverage appropriately if it can be expected that the coverage customary in the industry is not sufficient for the risks assumed under the contract.

§ 11 Code of Conduct, Responsibility for human rights and environmental concerns

- (1) The contractual partner is obliged to always act in accordance with our "Code of Conduct" when fulfilling the contract, within the scope of its own business activities, and to fulfil the expectations and obligations placed on our contractual partners therein. Our Code of Conduct is available at <https://www.streicher.de/agb/aeb/verhaltenskodex> and can also be requested from us at any time.
- (2) The contractual partner shall make reasonable and necessary efforts to ensure, by means of contractual requirements for its direct suppliers pursuant to § 2 para. 7 German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz), that they also fulfil the expectations and obligations set out in our "Code of Conduct" and, for their part, oblige their direct suppliers to do the same.

- (3) The contractual partner guarantees unhindered access to the complaints procedure set up by us (so-called "whistle blower system") for the employees working for him. In particular, it shall not undertake any actions that obstruct, block or impede access to the whistle blower system. The contractual partner is obliged to contractually pass on the obligations mentioned in sentences 1 and 2 to its direct suppliers and to ensure that the obligations are passed on in the supply chain.
- (4) We are entitled to regularly monitor compliance with the expectations and obligations listed in our "Code of Conduct" in a lawful and appropriate manner. This includes information rights, such as the completion of self-disclosure forms by the contractual partner, information about its suppliers or the implementation of preventive or remedial measures or the submission of certifications by the contractual partner. In addition, we are entitled to carry out risk-based audits at the contractual partner's locations regularly or for specific reasons during normal business hours after reasonable advance notice, either ourselves or through persons commissioned by us; these may include on-site inspections and discussions with freely selected employees.
- (5) The contractual partner shall be obliged to provide us, at our request, with information and documents that we require in order to be able to comply with all regulatory requirements arising from the contractual relationship, in particular those arising from the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz).
- (6) The contractual partner shall provide appropriate training or education to ensure that the responsible employees of its business have an appropriate understanding of the expectations and obligations set out in our "Code of Conduct" and the applicable laws. The contractual partner is also obliged to participate in training and education on human rights and environmental obligations and their appropriate addressing in the further supply chain as well as the related requirements from our "Code of Conduct", insofar as we offer such to the contractual partner; these can be addressed to both the management and the responsible employees of the contractual partner.
- (7) In the event of violations of our "Code of Conduct" by the contractual partner, the contractual partner must put an end to the violation within a reasonable period of grace set for it. If a remedy is not possible within foreseeable period of time, the contractual partner shall notify this immediately and prepare a concept with a time schedule for ending or minimizing the violation. If the grace period expires fruitlessly or the implementation of the measures contained in the concept does not bring about a remedy after the expiry of the time schedule, we may terminate the contract after the fruitless expiry of the deadline set if threatened so when the grace period was set. A statutory right to extraordinary termination, in particular in the case of serious, persistent or recurring violations, shall remain unaffected, as shall the right to claim damages.

§ 12 Rescission and termination

- (1) Without prejudice to our statutory rights, we shall be entitled to rescind [zurücktreten] from the contract or, if the German Civil Code (BGB) provides for termination for good cause [Kündigung aus wichtigem Grund] for the relevant type of contract, to terminate the contract if the contract partner fails to comply with its obligation under Section 3 (6) of these GCP at our request within a reasonable period of time. We shall be entitled to this right in particular if there are indications of a delay in payment of social security contributions or the minimum wage and the estimated probable amount of our liability as guarantor exceeds the value of the contract performance security provided by the contract partner.
- (2) Without prejudice to our statutory rights, we shall also be entitled to rescind the contract if our contractual relationship with our Customer ceases to exist, in whole or in parts relevant to this contract, without us being responsible for the reasons for this. The same shall be good cause for termination if termination for good cause is provided for by law for the type of contract. The contract partner shall only be entitled to compensation if it is not responsible for the reason for the discontinuation and only as far as we, for our part, receive compensation from our Customer for those works or goods not rendered which the contract partner owed us, less our overheads.

§ 13 Confidentiality

- (1) The contract partner shall be obliged to maintain secrecy with regard to information from our company that has become known to it in connection with the business relationship, in particular the documents provided, regardless of their form, insofar as they are not already publicly accessible without the contract partner's intervention. In particular, it shall take appropriate measures in its company and at its subcontractors to keep the probability of loss, unauthorized disclosure and data piracy as low as possible.
- (2) At our request, the contract partner shall specify the measures taken for this purpose. If the contract partner is subject to a disclosure obligation, it shall agree with us in advance on the manner of disclosure.

§ 14 Assignment, offsetting

- (1) The contract partner may only assign claims it has against us to third parties with our prior consent.
- (2) The contract partner shall only be permitted to set off a claim if its claim is undisputed or is finally recognized by a court's judgement [rechtskräftig festgestellt].

§ 15 Place of jurisdiction, applicable law, partial invalidity

- (1) Disputes arising from or in connection with the contract shall be decided by the courts of ordinary jurisdiction. The courts at the place of the registered office of our company shall be the place of jurisdiction. However, we shall also be entitled, at our discretion, to take legal action at any other competent court.
- (2) The contract shall be governed exclusively by the substantive laws of Germany, to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG).
- (3) Should any provisions of the contract be wholly or partially invalid or void, the remaining provisions shall remain unaffected. The contracting parties undertake to agree on a substitute provision that achieves the economic purpose of the omitted provision as far as possible.