

General

**Purchase Conditions
for**

LEANTECHNIK AG

1 General

1.1

The LEANTECHNIK AG Purchase Conditions apply exclusively; any Terms and Conditions published by the supplier that contradict or depart from these Purchase Conditions and in particular the supplier's sales and delivery conditions shall not be recognised by LEANTECHNIK AG except in cases where LEANTECHNIK AG has expressly accepted the validity of such terms and conditions in writing in its order. LEANTECHNIK AG objects any additional, conflicting or contradictory terms or conditions in offers, order confirmations or confirmations by the supplier. The present Purchase Conditions shall also apply if LEANTECHNIK AG, while being aware of any supplier conditions deviating from or conflicting with the Purchase Conditions of LEANTECHNIK AG, accepts or pays for the delivery of products, machines, tools, raw materials, software, equipment, parts, or any other materials and services (e. g. work performance of any kind or services, like e. g. assemblies, construction site work, acceptances and commissioning) of the supplier (hereinafter referred to as: "subject of agreement"). The present Purchase Conditions apply to procurement processes, like e. g. products, machines, tools, raw materials, software, equipment, parts, and other materials and services (e. g. work performance of any kind or services, like e. g. assemblies, construction site work, acceptances and commissioning).

1.2

The LEANTECHNIK AG Purchase Conditions shall also apply to all future deliveries and services provided by the supplier to LEANTECHNIK AG. Unless agreed otherwise, the General Purchase Conditions shall apply as amended at the time of an order placed by the customer and/or in any case in the textual form provided as a framework agreement also for similar future contracts without requiring a special notification in every individual case.

1.3

Legally valid statements and notifications to be provided by the supplier to us subsequently to the contract closure (e. g. deadlines, reminders, notice of withdrawal) shall only be valid if made in writing.

2 Conclusion of contract and modifications to the contract

2.1

Offers shall be submitted to LEANTECHNIK AG free of charge.

2.2

The supplier shall expressly state any deviations from the request for proposal in its offer to LEANTECHNIK AG.

2.3

Orders, agreements, framework agreements and call-offs, as well as any modifications or extensions to these, must be made in writing.

2.4

The contents of our written order shall apply exclusively. Oral agreements prior to or at the time of conclusion of the contract are not valid unless confirmed in writing by LEANTECHNIK AG. Paragraph 2.1 shall remain unaf-

ected thereof. Oral agreements following the conclusion of the contract, and in particular subsequent modifications and extensions to the LEANTECHNIK AG Purchase Conditions – including the present clause relating to the requirement for the written form – as well as additional agreements of any type shall also not be applicable unless confirmed in writing by LEANTECHNIK AG.

2.5

Cost estimates are binding and shall give rise to no remuneration unless expressly agreed to the contrary.

2.6

The supplier shall be obligated to confirm the order within 2 weeks in writing and in particular by shipping the goods without reservation.

3 Delivery, scope of service and delivery date

3.1

The delivery shall include all parts required for the contractual use and according to the agreed quality, even if such parts are not fully mentioned in the order text.

3.2

The supplier will review all specifications, scopes of work and other information, as well as any provisions, parts and other materials provided for the performance of the delivery contract with regards to their suitability for the purpose intended by LEANTECHNIK AG and the final customer of LEANTECHNIK AG. If deviations to or corrections of the provided materials or the subject of agreement are required or advisable, the supplier shall inform LEANTECHNIK AG immediately. LEANTECHNIK AG will inform the supplier consequently in writing whether and which modifications, if any, the supplier shall perform. If the supplier considers that such modifications could lead to a change of the agreed costs of the subject of agreement or the agreed deadlines cannot be met due to such modifications, the supplier shall be obligated to immediately inform LEANTECHNIK AG hereof. The parties shall mutually agree upon the consequences with regards to the increased or reduced costs and the agreed deadlines within a reasonable time. If such agreement cannot be reached within a reasonable period of time, LEANTECHNIK will decide at its equitable discretion.

3.3

The supplier will ensure that it is aware in due time of any and all information and circumstances that are relevant for the fulfilment of its contractual obligations and the intended use by LEANTECHNIK AG of its deliveries. The supplier can only assert a lack of required documents, if the supplier has requested such documents in writing in due time and has not received these documents within a reasonable period. The supplier must make sure that the supplier's deliveries include all services required for a proper and safe use. In addition, the supplier must make sure that the deliveries are suited for the intended purpose and correspond to the current state of the art.

3.4

In rendering service, the supplier shall comply with all relevant standards, laws and legal provisions, in particular safety, environmental, hazardous substance and accident prevention regulations under any applicable law, as

well as the generally accepted safety-technical rules and corresponding specifications provided by LEANTECHNIK AG and the final customer.

3.5

LEANTECHNIK AG shall be entitled to request amendments of the deliveries and in particular engineering and design modifications at any time prior to the acceptance. The supplier agrees to implement such modifications immediately based on the existing contract conditions. If the supplier considers that such modifications could lead to a change of the agreed costs of the subject of agreement or the agreed deadlines cannot be met due to such modifications, the supplier shall be obligated to immediately inform LEANTECHNIK AG hereof. The parties shall mutually agree upon the consequences with regards to the increased or reduced costs and the agreed deadlines within a reasonable time. If such agreement cannot be reached within a reasonable period of time, LEANTECHNIK will decide at its equitable discretion.

3.6

Deviations from orders are permitted only following LEANTECHNIK AG's prior written approval.

3.7

Agreed deadlines and periods of fulfilment are binding. Compliance with delivery deadlines or delivery periods shall be determined on the basis of the time of reception by LEANTECHNIK AG. Unless agreed otherwise, the place of performance shall be the registered office of LEANTECHNIK AG in Oberhausen. The supplier shall bear the packaging, transport and insurance costs.

3.8

If the supplier has assumed responsibility for installation or assembly, and in the absence of any agreement to the contrary or unless other provisions apply, the supplier shall bear all necessary additional expenses such as, for example, travel expenses, out-of-pocket expenses, accommodation expenses, the provision of tools and other utilities, and per diem allowances.

3.9

If agreed deadlines are not adhered to then the relevant legal provisions shall apply. If the supplier should foresee any difficulties relating to manufacture, materials provisioning, adherence to delivery deadlines or other circumstances that might prevent it from delivering its products or services on time or delivering them in the agreed quality, the supplier must inform LEANTECHNIK AG of this in writing without delay.

3.10

The acceptance without reservation of deliveries or services supplied after the agreed deadline does not imply any renunciation of claims to damages accruing to LEANTECHNIK AG due to the late delivery or service.

3.11

Partial deliveries are not permitted unless LEANTECHNIK AG has expressly agreed to these.

3.12

Unless evidence to the contrary is presented, the values determined by LEANTECHNIK AG during its incoming

goods inspections shall be deemed correct for the determination of quantities, weights, dimensions etc.

3.13

LEANTECHNIK AG has the right to use software that forms part of the scope of product delivery, together with the associated documentation, to the extent provided for by law (§§ 69a ff. of the German Copyright Act), as well as to use the agreed performance features of such software to the extent required for the use of the product as provided for in the contract. LEANTECHNIK AG may also make a backup copy without any express agreement being required.

3.14

All deliveries must be accompanied by a delivery note in two copies, indicating the order number, the item number (if available), the delivery quantity and the order date, unless specified otherwise in the order.

3.15

The supplier must make the goods available in due time under consideration of the usual lead time for loading and shipment, unless a delivery freight prepaid to the Customer's site has been agreed. The supplier shall be liable for transport damages also in the latter case.

3.16

In case of a late delivery on account of the supplier and if no liquidated damages have been agreed, LEANTECHNIK AG shall be entitled to request a lump-sum reimbursement of its damages caused by the delay, amounting to 0.5 % of the net price per full calendar week, but in no case exceeding 5 % of the net price of the delayed goods or services. LEANTECHNIK AG reserves the right to assert any evidenced higher damage. The supplier shall be entitled to evidence that LEANTECHNIK AG has not incurred any damage or only a significantly lower damage.

3.17

The acceptance of a delayed delivery or service without reservation does not imply a waiver by LEANTECHNIK AG of its reimbursement claims related to such delayed delivery or service until the complete settlement of the amount to be paid by LEANTECHNIK AG.

3.18

Any further legal right shall remain unaffected.

3.19

Any subcontracting of orders to third parties requires the prior written approval of LEANTECHNIK AG. In case of a breach of the present Purchase Conditions by the supplier, LEANTECHNIK AG shall be entitled to terminate the contract for cause with immediate effect (termination for cause).

4 Software

4.1

If and to the extent that the supplier is obligated to provide software deliveries, the supplier will grant LEANTECHNIK AG a non-exclusive, transferable and time- and place-unlimited licence. The licence fee shall be included in the agreed price.

4.2

In case of existing third-party intellectual property rights and copyrights with regards to the software, the supplier will procure that LEANTECHNIK AG is granted a licence with the extent stipulated in paragraph 4.1 and 4.3.

4.3

LEANTECHNIK AG shall furthermore be entitled to reproduce, edit or decompile the software to the extent that this is required to enable the compatibility of the software with other software programmes or to correct software errors.

5 Building sites and assembly conditions for services provided to LEANTECHNIK AG

5.1

If the supplier provides services or any part thereof at the construction site (place of performance) of LEANTECHNIK AG or any third-party construction site upon LEANTECHNIK AG's request, the supplier agrees to observe all legal safety and accident prevention regulations applicable for the work entrusted to the supplier.

5.2

The supplier shall select its employees for certain safety-critical activities with due care. The supplier shall assign a site manager for the overall construction period until the date of acceptance and notify the site manager's name in writing to LEANTECHNIK AG. Any change of the site manager must be notified immediately to LEANTECHNIK AG and is subject to the approval by LEANTECHNIK AG.

5.3

The supplier agrees to inspect the construction site already upon the submission of its offer and/or during the contract negotiations. Any obstacles and difficulties must be clarified and priced in the offer submission and/or during the contract negotiations. If the supplier fails to notify such obstacles and difficulties, all obstacles and difficulties impairing the proper performance that are identifiable during a careful inspection shall be included in the agreed prices.

5.4

The supplier must observe all safety-relevant regulations and understand all conduct rules at the construction site prior to and during the performance of the works, and shall be obligated in particular, to:

- a) Participation of all deployed workers in the initial training given by the building site coordinator. The supplier's building site manager shall ensure that all deployed workers have signed the safety training. New workers shall report to the building site coordinator before their work assignment. An assignment may only be given after completed safety training and written confirmation from the new worker. If no safety training is necessary, LEANTECHNIK AG shall inform the supplier of this. The supplier is obliged to obtain the information about a potential safety training. If no safety training is necessary, the supplier's services shall begin as agreed in the order.
- b) New employees shall be familiarised by the supplier's site manager with the special building site con-

ditions (organisation, locations, safety equipment).

- c) The construction site must be cleaned up regularly.
- d) The supplier shall ensure that all of their employees participate in the safety meetings convened by the site coordinator.
- e) All safety signs must be strictly observed.
- f) The site coordinator's instructions must be followed.
- g) Commissioning areas may only be entered upon permission from and agreement with the system operator.

5.5

The supplier will provide all required safety equipment, unless agreed otherwise in the respective order. If the supplier identifies any safety deficiencies during the performance of its deliveries, the supplier must interrupt the work and report the identified deficiencies to the site coordinator or the project manager assigned by LEANTECHNIK AG. The supplier will resume its work only after the deficiencies have been inspected.

5.6

The supplier shall be responsible for the compliance of its employees with the safety regulations. The supplier will inform the site coordinator in advance about the planned start date and date of completion as well as the place and the staff deployment for its work.

5.7

In case of a repeated violation of the safety regulations, LEANTECHNIK AG shall be entitled to terminate the contract.

5.8

The supplier shall bear the risk of accidental perishing or deterioration in relation to any equipment or materials provided to the supplier by LEANTECHNIK AG.

5.9

In addition, the supplier agrees to provide the following deliveries, which are included in the agreed prices:

- a) Itemisation of all inventory documents and revision plans as well as delivery of operating documents, operating rules and maintenance instructions (referred to collectively as "documentation" hereafter) unless otherwise agreed before acceptance of the service.
- b) Documentation must be delivered in German and English, both in text form on paper and in digital format, free of charge to LEANTECHNIK AG before acceptance of the service. LEANTECHNIK AG is entitled to request the documentation in another language. This will be done at the request of LEANTECHNIK AG and will be offered by the supplier at a reasonable price. The supplier is responsible for the complete translation into the requested language.
- c) If the supplier documentation is not provided to LEANTECHNIK AG in a timely manner, LEANTECHNIK AG will not accept the service. If acceptance is granted by LEANTECHNIK AG in spite of this condition, this does not release the supplier from liability for improper documentation. Furthermore, the supplier is not entitled to payment if the required documentation is not delivered to LEANTECHNIK AG even after LEANTECHNIK AG has accepted the service.

- d) The supplier is obliged to assist LEANTECHNIK AG in preparing documentation for the end customers of LEANTECHNIK AG. The supplier shall provide a reasonable quote in advance.
- e) The supplier is responsible for disposing of packaging materials, waste etc. relating to this assignment.
- f) Constant deployment of at least one German-speaking worker at the building site (even abroad) in all key positions.
- g) Checking the documents delivered to and yet to be delivered to the supplier for completeness and factual appropriateness; the supplier is obliged to review all information. If the supplier believes there are discrepancies, they must inform LEANTECHNIK AG of these immediately in writing.
- h) The supplier shall observe the generally accepted codes of practice and common trade usage rules. If properties of material or service defined in written or unwritten rules are required in structural engineering practise, these qualities shall be considered to be contractually agreed. If there are multiple technically possible ways to perform the service, the better quality method should be chosen.

5.10

Subject to paragraph 5.1 the supplier agrees to provide any materials (e. g. construction and other materials, spare parts), as well as utilities (i. e. tools, equipment, machines, vehicles, scaffolds, construction sheds, energy water, etc.) required for the performance of the delivery without additional costs. The supplier shall provide corresponding delivery notes for the delivery of the aforementioned materials to the operations of LEANTECHNIK AG and its final customers. The supplier must remove any excess materials and utilities that are no longer needed, immediately upon completion of the order. When leaving the operations of LEANTECHNIK AG, the supplier shall evidence the prior delivery. The supplier agrees to allow LEANTECHNIK AG and/or third parties designated by LEANTECHNIK AG the shared use of the provided utilities.

5.11

If a provision of materials and/or utilities or any part thereof by LEANTECHNIK AG has been agreed, the supplier agrees to collect such materials and/or utilities at the respective locations of LEANTECHNIK AG's operations, indicating the order number and the intended use, and to inspect such materials and utilities immediately. The related risk shall pass to the supplier upon handover. Any complaints must be notified to LEANTECHNIK AG immediately in writing. LEANTECHNIK AG rejects any later complaints. The supplier shall be responsible for the storage and safeguarding of the materials and utilities. When leaving the operations of LEANTECHNIK AG, the supplier shall evidence the prior delivery of materials and utilities. LEANTECHNIK AG assumes no liability for materials and utilities delivered by the supplier and other properties of the supplier stored at the construction site and shall not be obligated to indemnification. The supplier shall be responsible for insuring the materials and utilities against fire and explosion risks.

5.12

Unless specified otherwise in the individual order, the assembly or similar services are part of the agreed fixed-price charge.

5.13

If a consideration based on hourly rates has been agreed in an individual order, the supplier will invoice the actual expenditure by including an hourly time sheet signed by the LEANTECHNIK AG project manager. Invoices without an included and signed hourly time sheet cannot be processed and the respective payment will not become due and payable.

5.14

Unless agreed otherwise in the individual order, the fixed price charge and the hourly-rate charge include all expenditures of the supplier, and in particular travel and accommodation costs, out-of-pocket expenses, material costs, the use of facilities, etc.

5.15

If the supplier must perform any work at times or under conditions deviating from the stipulated order conditions or require additional expenses for reasons, for which the supplier is not accountable, the supplier shall inform LEANTECHNIK AG about such additional expenses and obtain the approval from LEANTECHNIK AG prior to performing the additional work. If the supplier fails to inform LEANTECHNIK AG accordingly, the supplier shall not be entitled to claim reimbursement for the additional expenses.

5.16

- i) The supplier is liable for all expenses and costs incurred by LEANTECHNIK AG and their end customers as the result of improper documentation.

The following conditions apply subject to paragraph 10.1 and 10.2 for all assembly, construction site and commissioning services. The agreed prices include the fees for all services required to deliver the order (in particular staff, materials, utilities and the deliveries described in the present conditions). This also includes deliveries not expressly mentioned in the order, as well as all required test runs and commissioning activities to the extent that these are part of the corresponding individual deliveries. The agreed prices also include all services, ancillary services and measures up to the acceptance that are required to protect the deliveries from damages and weather impacts. The agreed price shall remain unaffected of salary, material price, social security contribution or tax increases, etc. up to the acceptance date. Value-added-tax adjustments are exempted from the aforementioned provision. LEANTECHNIK AG shall not be obligated to reimburse additional working time incurred by the supplier's supervisors for writing work, etc. This also includes the preparation of the daily time sheets and the time and material expenditure related to the fulfilment of the obligations.

5.17

The supplier agrees to perform changed and/or additional services upon LEANTECHNIK AG's request, if these services are required for the performance of the contractual deliveries. The aforementioned provision shall not apply if the supplier's operation is not prepared for such services. The supplier's compensation is based on the pricing for the contractual deliveries under consideration of the special costs of the requested deliveries. If LEANTECHNIK AG requests altered deliveries or deliveries that are not included in the initial contract, the supplier shall be entitled to claim a special compensation, provided that the supplier

er immediately notifies LEANTECHNIK AG of such claim in writing and submits an amendment offer in due time, and the compensation amount is agreed with LEANTECHNIK AG prior to the performance of the deliveries. These additional deliveries can only be invoiced after the receipt of a written order from LEANTECHNIK AG. No claim for an additional compensation shall occur, if the amendment asserted by the supplier is based on circumstances that are identifiable from the offer documents (Scope of Work) or during the construction site visit for a careful supplier and if the supplier has failed to notify the additional costs upon the conclusion of the contract. These deliveries shall be considered as ancillary deliveries, if they are included in the prices requested in the Scope of Work. Change and amendment requests shall only be valid if issued in writing by LEANTECHNIK AG.

5.18

The following conditions apply in addition subject to paragraph 12.1-12.5 for all assembly, construction site and commissioning services:

If the supplier's delivery scope should include an acceptance of the supplier's deliveries in a plant at LEANTECHNIK AG or of its final customer, a test operation and functional test will be performed prior to the acceptance unless LEANTECHNIK AG stipulates that such test operation or functional test is not required. LEANTECHNIK AG reserves the right to perform the test operation and functional test without the supplier's supervision. This does not exempt the supplier from its liability for damages incurred during the test operation of the plant/machine, unless the supplier evidences that the operating staff of LEANTECHNIK AG has failed to observe the operating instructions provided and explained by the supplier. The supplier will provide the corresponding staff for the test operation and functional test free of charge, if so requested by LEANTECHNIK AG. The start of the test operation requires the coordination with the site management of LEANTECHNIK AG and the other involved companies, as well as with the production and maintenance activities of LEANTECHNIK AG. The start of the test operation and functional test or any other events during the test operation and functional test do not imply the transfer of risk, the acceptance or the start of the warranty period and/or period of limitation. The period of limitation for all deliveries of the contract with regards to assembly services, construction site works and commissioning amounts to 5 years, beginning on the date of acceptance.

6 Export control

6.1

The supplier agrees to observe all applicable requirements of the national and international export, customs and foreign trade law for all goods and services to be delivered and to obtain all required export licences, unless the applicable export, customs and foreign trade law requires us or a third party to apply for the export licences instead of the supplier.

6.2

The supplier shall provide to us as early as possible and in any case prior to the delivery date all information and date in textual form (itemised in the order confirmation, the delivery note and the invoice), we require to observe all applicable legal export, customs and foreign

trade regulations for the import and export in case of a resale and re-export of the goods and services, and in particular for every individual good/service, the following "export control and foreign trade information":

- a) the Export Control Classification Number (ECCN) according to the U.S. Commerce Control List (CCL), if the product is subject to U.S. Export Administration Regulations (EAR)
- b) whether the goods were manufactured or stored in the United States or were manufactured with the use of US/American technology
- c) the German Export List number (Ausfuhrliste / AL), as well as the number of the EU-Dual-Use regulation
- d) the statistical item number according to the current goods classification of external trade statistics or the HS ("harmonised system") code
- e) the country of origin (non-preferential origin)
- f) if requested by LEANTECHNIK AG: Supplier declarations on preferential origin (for European suppliers) or certificates of preferences (for non-European suppliers)

6.3

In case of changes of the origin or properties of the goods or services or the applicable export, customs and foreign trade law, the supplier shall update the export control and foreign trade information immediately and submit the updated version in textual form.

6.4

The supplier shall exempt, indemnify and hold harmless LEANTECHNIK AG from and for all incurred required expenses and damages, as well as third-party claims under legal provisions resulting from a lack of or incorrect export control and foreign trade data that are to be submitted or have been submitted by the supplier according to the aforementioned provisions.

7 Force majeure

LEANTECHNIK AG shall be entitled to terminate the contract or any part thereof in cases of force majeure, including labour disputes, business disruptions not caused by LEANTECHNIK AG, riots, governmental acts and other unavoidable events, unless these events persist for an insignificant period of time. No claims can be asserted against LEANTECHNIK AG.

8 Dispatch notes and invoices

8.1

LEANTECHNIK AG can specify the transport route and mode of shipment as well as the means of transport and type of packaging. Unless agreed to the contrary, deliveries must be made free at place of destination. The INCOTERMS in their current version at the time of conclusion of the contract shall apply as a trading clause.

8.2

The specifications included in orders, framework agreements and call-offs of LEANTECHNIK AG apply. Invoices must be presented in two copies and must specify the invoice number and other relevant identifiers and be sent to the relevant printed address. The invoice must not be included in the delivery. Invoices transmitted electronically must be sent to the email address indicated in the order. Incorrect invoices and invoices not submitted

through the specified means will be regarded as invalid and will not be processed. The supplier shall bear the consequences of such delay. LEANTECHNIK AG reserves the right to charge any additional costs resulting from improper submission of invoices to the supplier.

8.3

No payment delay shall exist until the supplier has issued a reminder.

8.4

The supplier's right to offset and retention is limited to legally confirmed and undisputed counterclaims.

9 Pricing, transfer of risk

9.1

Unless otherwise expressly agreed, the prices and deliveries are deemed as "Delivery Duty Paid" (DDP) according to the Incoterms in the version effect at the time the contract is signed, including packaging and insurance. Sales taxes are not included. The supplier bears the risk for the goods until accepted by LEANTECHNIK AG or its designated agent at the location to which the goods are to be delivered in accordance with the order.

9.2

The supplier is not entitled to subcontract the deliveries to be provided by the supplier to third parties (e. g. subcontractors) without written permission by LEANTECHNIK AG.

10 Price and payment terms

10.1

Prices are exclusive of value-added tax and are fixed prices. The prices are deemed freight prepaid to the place of delivery indicated by the Contractor. Unless agreed otherwise in individual cases, the price includes all deliveries and ancillary deliveries of the supplier (e. g. assembly, installation) as well as all ancillary costs (e. g. proper packaging, transport costs). The supplier agrees to take back packaging material upon LEANTECHNIK AG's request. Special conditions for assembly services, acceptances, construction site works and commissioning services must be considered in paragraph 5.16.

10.2

Any hourly rates included in the offer shall only be included for cost transparency. Exceptions from the aforementioned provision require an expressive written agreement stipulating that the invoicing shall be based exclusively on the agreed hourly rates.

10.3

In the absence of any agreement to the contrary, invoices will be settled either within 21 days less 4% discount or within 45 days without discount as of the date when the payment claim becomes due and both the invoice and the goods are received or the service is rendered. Payments shall be made subject to verification of the invoice. The payment shall neither constitute an acknowledgement of fulfilment nor a waiver of claims arising from material defects.

10.4

If a payment schedule has been agreed, payments will be made upon receipt of the respective partial invoice according to the deadlines and amounts agreed in the payment schedule. Any payment prior to the acceptance of the overall delivery by LEANTECHNIK AG is considered as down-payment without confirmation of the deliveries to date as completed. The invoice for the final instalment shall in any case be issued only after the complete delivery and – if specified in the contract or required by legal regulations – the acceptance of the overall delivery. LEANTECHNIK AG is entitled to retain the final instalment or up to 10 % of the order value until the end of the warranty period. The supplier is entitled to replace such retention with a joint and several guarantee (upon first request and under waiver of the benefit of discussion) issued by a bank or a loan insurance company.

10.5

Payments by LEANTECHNIK AG shall be deemed as duly made if the remittance order is received by the bank of Leantechnik AG prior to the payment due date. LEANTECHNIK AG shall not be liable for delays caused by banks involved in the payment process.

10.6

In the event of an incorrect delivery, LEANTECHNIK AG shall be entitled to retain proportionate payment until proper completion of the delivery.

11 Claims due to material defects and recourse

11.1

Acceptance is made subject to inspection of the delivery for freedom from defects, in particular with regard to correctness, completeness and suitability. LEANTECHNIK AG is entitled to inspect the contractual item insofar as and immediately the normal conduct of business makes this possible. Any identified defects will be notified by LEANTECHNIK AG immediately after their discovery. LEANTECHNIK AG is only obliged to inspect the goods and notify the supplier of any defects in accordance with § 377 of the German Commercial Code (HGB) insofar as such defects are apparent. In this case, the notification of defects may take place up to 10 working days after reception of the goods. In the case of written notifications, the date of dispatch is taken to indicate compliance with this period. Furthermore, the supplier renounces the right to make objections on the basis of delayed notification in cases where defects are identified.

Notwithstanding § 442, section 2, sentence 2 of the BGB (German Civil Code), Leantechnik AG shall be fully entitled to claims for defects, even if the defect has not been identified due to gross negligence.

11.2

In the absence of provisions to the contrary, the legal regulations relating to material defects and defects of title shall apply.

11.3

In all cases, LEANTECHNIK AG has the right to determine the mode of subsequent fulfilment.

11.4

If the supplier does not start to eliminate the defect immediately after being requested to do so then, in urgent cases, and in particular in order to prevent acute risks or avoid extensive loss or damage, LEANTECHNIK AG has the right, at the supplier's expense, to undertake this itself or entrust such work a third-party. Claims for material defects shall expire after 3 years in derogation from § 438, section 1, no. 3 of the BGB (German Civil Code). This period of limitation starts with the hand-over of the contractual item (transfer of risk).

11.5

In the event of defects of title, the supplier shall additionally release LEANTECHNIK AG from any third-party claims.

11.6

For parts of the delivery which are restored or repaired within the period of limitation, the period of limitation shall recommence at the time at which the supplier has completely fulfilled LEANTECHNIK AG's claims for subsequent fulfilment.

11.7

If expenses are incurred by LEANTECHNIK AG as a result of the deficient delivery of the contractual item, and in particular transport, travel, labour, materials costs or costs due to incoming goods inspections that exceed the habitual scope, then any such costs will be borne by the supplier.

11.8

If LEANTECHNIK AG takes back products manufactured and/or sold by LEANTECHNIK AG as a consequence of a deficiency in a contractual item delivered by the supplier or if the sales price practised by LEANTECHNIK AG is reduced because of this or if a claim is made on LEANTECHNIK AG in any other way for this reason, then LEANTECHNIK AG reserves the right to exercise recourse against the supplier, whereby no additional period needs to be granted in respect of the claims for defect of LEANTECHNIK AG in the legally prescribed cases.

11.9

LEANTECHNIK AG is entitled to demand compensation from the supplier for expenses incurred by LEANTECHNIK AG in its relations with its end customers because the latter have made compensation claims against LEANTECHNIK AG in respect of the expenses incurred for the purposes of subsequent fulfilment and, in particular, transport, travel, labour and materials costs.

11.10

The period of limitation in respect of paragraph 11.8 and 11.9 shall expire at the earliest 2 months after the date at which LEANTECHNIK AG has fulfilled the claims made on LEANTECHNIK AG by its end customer and at the latest, however, 5 years following delivery by the supplier.

11.11

If a material defect is identified within 6 months following the transfer of risk then it is assumed that the defect was present at the time of transfer of risk unless such an assumption would be inconsistent with the nature of the goods or of the defect.

12 Acceptance and transfer of risk

12.1

If an acceptance is required for a certain type of delivery due to applicable law or contractual agreements, the delivery shall be deemed as accepted upon issuance of a written acceptance certificate by LEANTECHNIK AG. If LEANTECHNIK fails to meet its obligation to attend the acceptance test after the supplier's written notification of readiness for acceptance, the delivery shall be deemed as accepted 6 weeks after having been put in service and written notification of readiness for acceptance by the supplier, provided that LEANTECHNIK AG has not asserted any defects impairing the acceptance during this period. Paragraph 5.18 must be considered in addition for the acceptance of assembly services, construction site works and commissioning services.

12.2

If the contractual deliveries by the supplier are integrated with an overall delivery by LEANTECHNIK AG to its final customer, the acceptance of the supplier's delivery will take place only after the acceptance of the overall delivery of LEANTECHNIK AG by the final customer, without requiring an expressive declaration. Payment shall in no case be considered as an acceptance of the subject of delivery.

12.3

Unless agreed otherwise in writing in a separate contract, the transfer of risk shall occur upon the date of acceptance of the delivery. If no acceptance is required according to the aforementioned provision, the transfer of risk shall occur upon the full completion of the delivery.

12.4

If the delivery is performed by the supplier, the transfer of title to LEANTECHNIK AG shall occur upon the performance of the delivery. Otherwise the title of the delivery shall pass to LEANTECHNIK AG upon the provision of the delivery.

12.5

Any retention of title with regards to the deliveries by the supplier to LEANTECHNIK AG is excluded, unless LEANTECHNIK AG agrees to a retention of title in a separate written agreement.

13 Product liability and recalls

In the event of a product liability claim being made against LEANTECHNIK AG, the supplier is obliged to release LEANTECHNIK AG from such claims to the extent that the loss or damage has been caused by a defect in the contractual item delivered by the supplier. A liability due to a default shall be incurred only in case of defaults for which the supplier is accountable. Insofar as the cause of the damage lies within the scope of responsibility of the supplier, the supplier bears the onus of proof for this. In such cases, the supplier will bear all costs and expenses including the costs of any legal actions or recall operations. Statutory provisions shall also be applicable. The supplier will take out an insurance against all insurable risks arising from product liability, including the risk of recall, for a proper amount. The supplier shall submit the insurance policy for review upon LEANTECHNIK AG's request. The supplier shall maintain a quality assurance

system suitable in terms of type and extent according to the current state-of-the-art and evidence such system upon LEANTECHNIK AG's request. The supplier is recommended to establish and maintain a suitable and corresponding risk management system.

14 Spare parts obligation

The supplier agrees to provide LEANTECHNIK with additional subjects of agreement or parts thereof as spare parts for a period of 10 years from the date of delivery of the subject of agreement, unless a compatible or adequate part can be delivered due to technical progress. This provisioning obligation shall not apply, if no spare parts demand of LEANTECHNIK AG can be identified due to the type of delivery. LEANTECHNIK AG expressly reserves the right to indicate products related to the spare parts obligation in orders, framework agreements and call-offs without being obligated to do so. The supplier shall be obligated to cooperate in this regard and in particular with regards to the gathering of information about products with a spare parts obligation at LEANTECHNIK AG.

15 Free issue equipment

15.1

Designs, samples, production utilities, models, data media, prototypes, illustrations, drawings, documents, materials, equipment, components, parts, containers, packagings, tools, measuring instruments, devices, samples, etc. provided by the supplier to LEANTECHNIK AG and any materials delivered by lending and under the supplier's custody for normal use (hereinafter referred to as "free issue materials") shall not be the property of the supplier but rather remain property of LEANTECHNIK AG, unless otherwise expressly agreed.

15.2

Free issue materials will be controlled and inspected immediately by the supplier. Any complaints must be notified to LEANTECHNIK AG immediately in writing. The supplier may use the free issue materials only for processing the orders issued by LEANTECHNIK AG and use or allow the use of the free issue materials for any other purposes without the prior written permission of LEANTECHNIK AG.

15.3

Free issue materials must be clearly identified as the property of LEANTECHNIK AG and stored safely and separately from other materials with the due diligence of a prudent businessman free of charge for LEANTECHNIK AG. The supplier shall handle the free issue materials carefully and properly and maintain such materials in good condition, replace the materials as required at its own cost and indemnify and hold harmless LEANTECHNIK AG for any claims, costs and damages resulting from or related to the installation, use, storage or repair of the free issue materials. The supplier shall bear the risk related to the free issue materials while under its custody or control. The supplier shall be obligated to insure the free issue material against all insurable risks for an amount corresponding to the replacement value at its own cost. The supplier hereby assigns its claims towards the insurance to LEANTECHNIK AG in advance. LEANTECHNIK AG hereby accepts this assignment.

15.4

LEANTECHNIK AG or third parties designated by LEANTECHNIK AG shall be entitled at any time, to access the operating site of the supplier during normal business hours in order to inspect the free issue materials and the related documents.

15.5

LEANTECHNIK AG shall be entitled at any time and without indicating a reason, to demand the return of the free issue materials. If so requested by LEANTECHNIK AG, the supplier shall return and prepare the free issue materials for shipment immediately or deliver the free issue materials to LEANTECHNIK AG. The related reasonable transport costs shall be borne by LEANTECHNIK AG. The supplier is not entitled to claim any right of retention or lien.

15.6

If the free issue material is processed, the property of the new or modified material shall pass to LEANTECHNIK AG already during processing. The supplier will store the new or modified material free of charge for LEANTECHNIK AG with the due diligence of a prudent businessman.

15.7

The property of any auxiliary models, tools, models, moulds, etc. (hereinafter referred to as "tools") produced by the supplier and required for the contractual performance shall pass to LEANTECHNIK AG upon their creation. Tools are therefore to be treated as free issue materials of LEANTECHNIK AG. LEANTECHNIK AG shall be entitled at any time and at its own discretion to request the delivery of the tools against payment of the justified production costs of the tools that have not been amortised by payments or a parts price at the time of such request. The supplier shall also be obligated to immediately deliver the aforementioned tools if no agreement about the production costs to be settled according to the aforementioned rule has been achieved. Any right of retention is excluded. LEANTECHNIK AG shall be entitled at any time to request the supplier to destroy the tools free of charge for LEANTECHNIK AG upon completion of the order. The destruction of the tools is subject to the written permission of LEANTECHNIK AG.

16 Assignment

Claims against LEANTECHNIK AG may only be assigned with our written permission, unless such assignment is expressly allowed under applicable law irrespective of this assignment restriction. Any form of extended or prolonged retention of title is excluded.

17 Conduct of works

Any persons who, for the purpose of fulfilment of the contract, carry out work at the LEANTECHNIK AG company site must adhere to the provisions of the relevant site rules. Any liability for injuries incurred by these persons is excluded unless such injuries result from a wilful or negligent breach of the obligations of the legal representatives or vicarious agents of LEANTECHNIK AG. The supplier shall be responsible for obtaining information, like e. g. the plant regulations.

18 Markings

The processing and/or modification of the delivered goods is permitted as is the removal of type plates or affixed identifications or indications of origin. LEANTECHNIK AG may also affix its own labels.

19 Documents and confidentiality

19.1

All commercial or technical information (including characteristics that can be deduced, for example, from the objects, documents or software that are handed over, as well as any other knowledge or experience) made available to the supplier by LEANTECHNIK AG must, for as long as and insofar as it is not demonstrably public knowledge, be kept in confidence from third parties and may be made available in the supplier's own business only to persons who must necessarily be called on to use it for the purpose of making supplies to LEANTECHNIK AG and who are also committed to a confidentiality obligation in this regard. Such information remains the exclusive property of LEANTECHNIK AG. Such information may not be reproduced or used for commercial purposes – except for supplies made to LEANTECHNIK AG – without the prior written agreement of LEANTECHNIK AG. At LEANTECHNIK AG's request, all information originating from LEANTECHNIK AG (if applicable, also including any copies or drawings made) and any objects made available on loan by LEANTECHNIK AG must be immediately returned or destroyed. LEANTECHNIK AG reserves all rights all rights to such information (including copyrights and the right to register industrial property rights such as patents, utility models, semiconductor protection, etc.). Insofar as such information was made available to LEANTECHNIK AG by third parties, the reservation of rights also applies on behalf of these third parties.

19.2

The supplier may not itself use or offer or supply to third parties any products produced on the basis of documents developed by LEANTECHNIK AG, such as drawings, models or similar, or on the basis of confidential specifications or with LEANTECHNIK AG's tools or tools constructed to replicate these.

19.3

If no other regulations are made in the order, the confidentiality obligation shall remain in place for five (5) years following delivery and/or service.

19.4

The supplier may only advertise their business relationship with written permission from the Customer.

20 Compliance with the Minimum Wage Law, Security, Exceptional Right of Termination

20.1

The supplier guarantees that all employees employed by the supplier are receiving timely wages at all times in at least the amount of the legal minimum wage currently in effect. The supplier shall in turn oblige subcontractors and lenders with whom they maintain contractual relationships.

20.2

For subcontractors and lenders with whom the supplier or the supplier's subcontractors maintain contractual relationships, the supplier guarantees that each of the employees employed by the supplier's subcontractors will receive continuous and timely remuneration at least equal to the applicable statutory minimum wage.

20.3

LEANTECHNIK AG is entitled to check the obligation of the supplier to pay the minimum wage by inspection of business documents in compliance with legal data protection regulations. For this, the supplier must, upon request by LEANTECHNIK AG, provide verifiable evidence free of charge within a reasonable period of time, in particular the documents pursuant to § 17 MiLoG (Minimum Wage Act) and payroll lists in anonymous form. The supplier shall in turn oblige subcontractors and lenders with whom they maintain contractual relationships.

20.4

The supplier fully exempts LEANTECHNIK AG from liability in accordance with § 13 MiLoG. If a claim is made on LEANTECHNIK AG by employees of the contractor, by employees of subcontractors of the supplier or by employees of lenders, with whom the supplier maintains contractual relations, in accordance with § 13 MiLoG, the supplier will assume all costs of the claim regardless of fault. In order to secure this right of recourse, the supplier is obliged to provide LEANTECHNIK AG, upon request, with security in the form of an irrevocable and unconditional directly enforceable guarantee at the first request of a credit institute or credit insurer approved to carry out such business in Germany in an appropriate amount. The costs of the guarantee must be borne by the supplier.

20.5

If the supplier violates the obligations of paragraph 1 or if a claim is made on LEANTECHNIK AG by employees of the supplier or by employees of subcontractors of the supplier or by employees of lenders used by the supplier in accordance with § 13 MiLoG, LEANTECHNIK AG is entitled to cancel orders and other agreements - even in part - without observing a period of notice.

21 REACH regulation/Export control/Conflict materials

21.1

If Regulation (EC) No. 1907/2006 of 18. December 2006 ("REACH Regulation") applies to the delivery services, the supplier warrants that these meet the requirements of the REACH Regulation and all national provisions adopted in implementation of this Regulation ("REACH"). The supplier guarantees the fulfilment of all REACH obligations, including (pre-)registration and provision of REACH-compliant safety data sheets and IMDS data sheets. If delivery services are not provided in accordance with REACH, LEANTECHNIK AG reserves the right to withdraw from blanket or individual orders or to terminate them. The supplier undertakes to inform LEANTECHNIK AG immediately of any changes which affect compliance with REACH. The supplier exempts LEANTECHNIK AG from all claims of third parties due to non-compliance with REACH. The non-fulfilment of the requirements and obligations resulting from REACH constitute a defect triggering the warranty rights.

21.2

The supplier shall inform LEANTECHNIK AG of the necessary official approvals and reporting obligations for the import and operation of the delivery services. In particular, the supplier is obliged to comply with the export control regulations applicable at the time of delivery. They shall inform LEANTECHNIK AG unsolicited in writing of any export control marking of the subjects of agreement or parts thereof according to applicable law at the time of delivery, in particular according to the valid EU and US regulations, at the latest upon delivery. For each subject of agreement, or parts thereof, affected by the export control, the relevant export control list and the list item must be designated. If the owed services are technologies in the sense of technical knowledge, which are subject to the US export control regulations (EAR, ITAR), the European Dual Use Regulation or the German export list, the supplier is obliged to inform LEANTECHNIK AG of this in writing when submitting an offer.

21.3

The supplier is obliged to provide, at their own expense, all declarations and information to be provided in accordance with Regulation (EC) No. 1207/2001, to allow inspections by the customs authorities and to obtain the necessary official confirmations.

21.4

The supplier warrants that the delivered parts and products do not contain any conflict resources. The Bonn International Center for Conversion, established in 1994, defines conflict resources as follows: "Conflict resources are natural resources whose systematic exploitation and trade in the context of a conflict can lead to the most serious violations of human rights, violations of international humanitarian law or the implementation of international criminal law. The supplier must also ensure that the parts and products supplied do not contain any "conflict minerals" pursuant to Title 15, Section 1502 of the US Dodd-Frank Act, e.g. Columbit tantalite (tantalum), cassiterite (tin), gold, wolframite (tungsten or other derivatives) originating in the Democratic Republic of Congo or in one of its neighbouring countries (Angola, Burundi, Central African Republic, Republic of Congo, Rwanda, Southern Sudan, Tanzania, Uganda and Zambia) - the so-called DRC region. The supplier has implemented appropriate measures to meet these requirements.

22 Data protection

22.1

The supplier shall ensure that all persons entrusted with the provision of services comply with the statutory provisions on data protection, in particular in the processing of personal data. An obligation of these persons to maintain data secrecy, which is required by data protection law, must be undertaken before the first commencement of their activities and LEANTECHNIK AG must be provided with evidence upon request.

22.2

If the supplier processes personal data within the scope of the provision of services, they undertake to conclude an agreement on data processing with LEANTECHNIK AG in accordance with the LEANTECHNIK AG standard. This will be made available by LEANTECHNIK AG

upon request of the supplier. The supplier shall ensure that any further agreements required for the processing of personal data are also concluded by their subcontractors. In individual cases, it may be necessary for these to be concluded directly between LEANTECHNIK AG and the subcontractors.

23 Place of Performance, Place of Jurisdiction and applicable law

23.1

The place of fulfilment is the location to which the goods are to be delivered in accordance with the order.

23.2

The place of jurisdiction for all disputes – including international disputes – arising directly or indirectly from any contractual relations resulting from the present Purchase Conditions is the registered office in Oberhausen. LEANTECHNIK AG is entitled, at its own discretion, to institute proceedings against the supplier at the court at the place of its head office or branch office or at the court of the place of fulfilment.

23.3

The only law that shall apply to the contractual relationships shall be the law of the Federal Republic of Germany to the exclusion of conflict of law provisions and the United Nations Convention on Contracts for the International Sale of Goods.

23.4

If individual provisions of the present General Purchase Conditions should be or become invalid, all other provisions shall remain unaffected hereof. In such cases, the parties to the contract are obliged to extend the invalid provisions by corresponding provisions with legal effect. The same applies accordingly for any gaps in the present General Purchase Conditions.