



**General Purchase Terms and Conditions of
WAREMA Renkhoff SE, Marktheidenfeld
WAREMA International GmbH, Marktheidenfeld
WAREMA Sonnenschutztechnik GmbH, Limbach-Oberfrohna
WAREMA Kunststofftechnik und Maschinenbau GmbH**

Section 1 General

- (1) Our General Purchase Terms and Conditions apply solely against and for companies within the meaning of Section 310 Subs. 1 Civil Code for all current business relationships with suppliers, and for all future business relationships in so far these involve legal transactions of a related nature. Earlier general terms and conditions, which may or may not differ from the present terms, lose their validity.
- (2) Environmental protection and especially the sustainable use of resources is an important objective of WAREMA. To meet these requirements when procuring products, facilities and services, we select the supplier whose products and services are the most energy efficient and environmentally friendly among other equally suitable products and services.
- (3) The contractual partners promise to treat all not manifest commercial or technical details becoming known to them during the business relationship as business secrets. Subsuppliers are to be bound by a corresponding confidentiality clause. If one of the contractual partners ascertains that an unauthorized third party has gained possession of confidential information or confidential documents or records have been lost, it shall immediately inform the other contractual partner thereof.

We reserve property rights to and copyright of illustrations, drawings, calculations and other documents; they may not be made accessible to any third party without our express written consent. They are to be used solely for production as per our order. They are to be kept confidential vis-à-vis all and any third parties.

Section 2 Conclusion of contracts

- (1) If Supplier does not accept our order in writing within 8 calendar days after receipt, we shall be entitled to revoke the said order.
- (2) Only orders placed in writing shall be legally binding. Orders placed orally or over the telephone shall require our subsequent written confirmation before they become binding. The same shall apply to oral side agreements and changes to the contract. Orders, call-downs and also changes and additions thereto can also be effected via remote data transmission or machine-readable data media. Emails encrypted pursuant to the Signature Act shall be deemed as written form.

Section 3 Delivery date, default with delivery, force majeure

- (1) The agreed delivery dates and periods are binding. Definitive for meeting a delivery date or deadline is the receipt of the goods at our nominated shipping point or point of use or the timeliness of successful acceptance.
- (2) Apparent delivery delays are to be notified to us immediately in writing stating the reasons and the expected duration of the delay.
- (3) If Supplier is in default with delivery, we shall be entitled to the statutory rights.

After the fruitless expiration of a reasonable period set by us, we shall be entitled in particular to opt for damages instead of performance to demand, to source a replacement from a third party or rescind the contract. The claim to performance shall be excluded as soon as we have demanded damages instead of performance.

Section 4 Prices, shipping, packaging

- (1) The agreed prices are fixed prices and exclude supplementary claims of any nature. The prices include costs for packaging, freight, transport and transport insurance to our stated shipping address or point of use and also for customs formalities and duties. The manner in which prices are set shall be without prejudice to the agreement on the place of fulfillment.
- (2) Our order number shall be stated on all shipping documents, bills of lading, delivery notes, invoices and correspondence with us. Supplier shall bear the consequences of failing to comply with this requirement.
- (3) Shipping shall be at Supplier's risk. The risk of any deterioration, including accidental loss, shall be borne by Supplier up to delivery to our requested shipping address or point of use.
- (4) Supplier's duty to take back packaging shall be governed by statutory provisions. The goods shall be packed so as to avoid transport damage. Packaging material may be used only to the scale necessary to achieve this goal. Only environmentally friendly packaging materials may be used. The returning of packaging shall be governed by a separate agreement.

Section 5 Invoicing and payment

- (1) Invoices are to be submitted in duplicate with all corresponding documents and data after delivery separately and in the due and proper form. Incorrectly submitted invoices shall be deemed received only when they have been corrected.

- (2) Payment shall be effected either within 14 calendar days with 3% cash discount or after 30 calendar days strictly net, calculated from supply/performance and receipt of invoice.
- (3) In so far as certificates for material testing have been agreed, they shall form a key supply component and have to be submitted to us 8 working days after receipt of our order at the latest. The payment period for invoices shall begin with receipt of the agreed certificate.
- (4) If circumstances in Supplier's economic situation arise after the contract becomes binding, or become known to us only thereafter, which after due and appropriate consideration leave Supplier's creditworthiness open to question, we shall be entitled to make any advance or performance payments dependent on the provision of reasonable collateral or to fully or partially rescind the contract. This shall also apply in particular if insolvency proceedings have been opened into Supplier's assets or the opening of the same has been rejected for want of estate.

Section 6 Guarantee, warranty, product liability

- (1) Supplier guarantees and warrants that all deliveries/services are to the latest state of the art, the pertinent legal provisions and the regulations and guidelines of public authorities, employers' liability insurance associations and professional organizations.

The supplier guarantees that his products meet the requirements of directive (EC) no. 1907/2006 (REACH). Changes in the supplied products due to the REACH directive must immediately be reported in writing by the supplier and suitable measures need to be arranged with WAREMA if necessary. The same applies if a supplied product contains substances of very high concern (SVHC) that meet the criteria of art. 57 of the directive and are contained in the product with a concentration of more than 0.1 mass percents. If a product contains several substances of this type, the limit value applies to each individual substance.

- (2) Supplier promises to use environmentally friendly products and processes for all deliveries/services and also in third-party deliveries or ancillary performances in so far as economically and technically possible. Supplier shall be liable for the environmental compatibility of the supplied products and packaging material and for all consequential damage and losses arising from breach of its statutory disposal duties.

Supplier promises to furnish the pertinent safety data sheets for the products to be supplied within 8 working days after receipt of our order at the latest. Supplier shall hold us free and harmless from all recourse claims from third parties in the event that we do not receive the safety data sheets at all or in time. The same shall apply to all subsequent changes.

- (3) We shall report apparent faults in the supply/performance to Supplier in writing immediately after they have been ascertained during the normal course of business.
- (4) We shall be entitled to have faults in supply/performance, which also include non-achievement of guaranteed data and the absence of assured properties, that have

been reported during the warranty period immediately rectified through reworking or replacement delivery by Supplier upon request and free of charge, including all ancillary costs. After fruitless expiration of a reasonable period set by us for reworking or replacement delivery, we shall be entitled to the statutory

rights, including rescission and price reduction. We expressly reserve the right to claim damages. This shall also apply to claims for damages instead of performance.

- (5) If Supplier culpably fails to meet its warranty obligations within a reasonable period set by us, we shall be entitled to carry out the necessary actions ourselves or have them carried out by a third party at Supplier's expense and risk - without prejudice to any warranty obligations. In urgent cases, we shall be entitled to carry out the reworking ourselves or have it carried out by a third party even without coordination. We shall be entitled to rectify minor faults ourselves - so as to meet our damage minimization duty - without prior coordination without this being prejudicial to any warranty obligations or claims. All the necessary expenses shall be borne by Supplier. The same shall apply if there is a risk of unusually high losses or damage.
- (6) The warranty period shall be five years, unless expressly agreed otherwise. It shall begin with the handover of the supply item to us or to our nominated third party at the shipping point or point of use stipulated by us. In the case of equipment, machines and plant, the warranty period shall begin with the acceptance date as shown in our written acceptance declaration. If acceptance is delayed without Supplier being answerable therefor, the warranty period shall begin with provision of the supply item ready for acceptance.

The warranty period for spare parts shall be two years from installation/commissioning and shall end four years after supply at the latest. Sentence 2 shall apply mutatis mutandis.

- (7) For supplied parts that cannot remain in operation during examination and/or rectification of a fault, the pertinent warranty period shall be prolonged by the duration of the interruption to use.

For reworked or newly supplied parts the warranty period shall begin anew with the completion of reworking or, if acceptance has been agreed. Where appropriate, acceptance is to be requested from us in writing.

- (8) The warranty claim shall be time barred six months after submission of the complaint within the warranty period, however not before the end thereof.
- (9) If we are resorted to for breach of official safety regulations or under domestic or foreign product liability provisions or laws owing to a fault in our product that is due to goods sourced from Supplier, we shall be entitled to demand reimbursement of this loss upon first request, in so far as it has been caused by the supplied products. This loss encompasses all costs we incur in conjunction therewith, also the costs of a precautionary recall action. We shall inform Supplier about the content and scale of the recall actions to be carried out - in so far as possible and reasonable - and give it an opportunity to comment on the matter.

The supply items shall be labelled to our specifications such that they are permanently identifiable as Supplier's products.

Supplier promises to carry out quality assurance appropriate in nature and scale and to the latest state of the art and to prove the same to us upon request. To this end and in so far as we consider this necessary, a corresponding Quality Agreement shall be concluded.

Supplier promises to insure itself against all product liability risks including recall risk to a reasonable amount and present the insurance policy for our inspection upon request.

Section 7 Industrial property rights

- (1) Supplier guarantees that all deliveries are free from third-party industrial property rights and in particular that the supply and use of the supply items does not infringe any third-party patents, licences or other industrial property rights.
- (2) Supplier shall hold us and our customers free and harmless from any third-party claims under such infringements of industrial property rights upon first written request and shall also bear all the costs we incur in conjunction therewith.
- (3) We shall be entitled to obtain the entitled party's approval to use the supply items and services in question at Supplier's expense.

Section 8 Reservation of title, materials and items provided, tools, confidentiality

- (1) In so far as we provide parts, materials or tools, we hereby reserve title thereto. Processing or working by Supplier shall be carried out for us. If the reserved goods are inseparably combined with other items not owned by us, we shall acquire co-ownership of the new item in the ratio of the value of the reserved goods to the other items to be processed at the time they were so processed.
- (2) If the item we provided is inseparably mixed with other items we do not own, we shall acquire co-ownership of the new item in the ratio of the value of the reserved goods to the other mixed items at the time they were so mixed. If the items are mixed in such a manner that Supplier's item is to be regarded as the main item, it is hereby agreed that we shall acquire pro-rata co-ownership; Supplier shall hold sole ownership or co-ownership for us.
- (3) Supplier shall not be entitled to use the parts and materials we provide for purposes other than those that we specify, in particular it shall not transfer ownership of the provided parts or materials to a third party.
- (4) If tools are produced for us under separate agreements, our bearing of the tool costs shall be agreed separately. In such cases, the one-off tool price contains all the produc-

tion costs including any corrective measures and samples. We reserve title to tools we provide. Supplier promises to use the tools solely to produce goods we order.

Supplier promises to insure tools we own to their replacement value against fire, water damage and theft at its own expense, and also to carry out any necessary maintenance and inspections in good time at its own expense. Any incidents shall be reported to us immediately. If Supplier culpably fails to do so, this shall be without prejudice to any claims for damages.

- (5) Supplier promises all to keep illustrations, drawings, calculations and other documents and information it receives strictly confidential. They may be revealed to a third party only with our express consent.

The confidentiality clause shall also apply after the ending of this contract. It shall lapse if and in so far as the production know-how in the illustrations, drawings, calculations and other documents provided has become generally known.

Section 9 Supplier declaration

- (1) Prior to initial delivery, Supplier shall ensure that we receive a long-term supplier's declaration with preferential origin status for the current calendar year without request. The long-term supplier's declaration shall be sent to us at the beginning of each year without request. If changes arise during the course of the calendar year that are the basis of the long-term supplier's declaration, we are to be notified immediately to that effect.
- (2) Supplier promises to enable inspection of certificates of origin by the customs authorities and both furnish any information necessary to that end and also provide any necessary official confirmations.
- (3) Supplier promises to reimburse us for the loss that we incur from the stated origin not being accepted due to an incorrect certificate or the responsible authorities not being able to verify the same. The liability shall however be subject to culpable behaviour.

Section 10 Illegal employment, minimum wages and contributions to social security

- (1) The Supplier expressly warrants that it complies with the legal and collective bargaining provisions which apply to the place where the contract is to be performed and to the Supplier's company, and that any third parties engaged by the Supplier shall also comply with said provisions (legal minimum wages, payment of contributions to social insurance and to social security benefits funds, etc.). In the event of a violation of Section 1 German Minimum Wage Act (MiLoG), the Supplier undertakes to fully indemnify WAREMA against claims pursuant to Section 13 MiLoG in conjunction with Section 14 German Act on the Posting of Workers (AEntG).

a. German suppliers

- (aa) The Supplier is hereby apprised that WAREMA will monitor compliance with minimum wages. The Supplier declares itself ready to submit, on request by WAREMA, proof of compliance with minimum wage provisions (e.g. records of hours worked and remuneration).

nerations paid therefor) and to grant a right of inspection of (anonymous) payrolls. When subcontracting performance to subcontractors, the Supplier shall be obligated to obtain from said subcontractors, or from the employees thereof, adequate consent to the inspection of the documents relevant in this regard.

- (bb) In the event that proof is not provided, WAREMA shall be entitled to deny payments in a reasonable amount. Should the Supplier fail to satisfy its obligation to provide proof despite being twice requested to do so, WAREMA shall have the right to terminate the contract and claim damages. This also applies if the Supplier should violate its obligation to comply with the German Minimum Wage Act.
- (cc) In the event of a violation of both the provisions of the German Minimum Wage Act and the obligations to provide proof, WAREMA reserves the right to claim liquidated damages in the amount of 10,000 euros for each instance of violation.
- (dd) If, when an invoice becomes due, the entirety of the attestations and proof specified in Item (1) has not been received, WAREMA shall have the right to refuse performance.

b. Foreign suppliers

- (aa) Foreign subcontractors shall also be obligated, on the basis of the German Minimum Wage Act (MiLoG), to pay the legal minimum wage in accordance with Section 1 MiLoG.

The Act applies to employment locations in Germany, independent of the citizenship or residence of the employed person. It also applies accordingly to frontier commuters and migrant workers, provided that said persons work regularly within the territory of the Federal Republic of Germany. However, the registered office of the company is not relevant to the applicability of the Act. This has already been established by the express obligation contained in Section 20, which stipulates that employers whose registered office is located outside of Germany are included in the scope of the Act if and to the extent that they employ employees in Germany.

- (bb) The Supplier undertakes to submit up-to-date proof of compliance with minimum wage requirements at the beginning of the business relationship, by 1 January of each additional fiscal year, and on request by WAREMA in the course of the year. In the event of a violation of Section 1 German Minimum Wage Act (MiLoG), the subcontractor shall fully indemnify WAREMA against claims pursuant to Section 13 MiLoG in conjunction with Section 14 German Act on the Posting of Workers (AEntG).
- (cc) The Supplier is hereby apprised that WAREMA will monitor compliance with minimum wages. The Supplier declares itself ready to submit, in accordance with the above requirement, proof of compliance with minimum wage provisions (e.g. records of hours worked and remunerations paid therefor) and to grant a right of inspection of (anonymous) payrolls. When subcontracting performance to subcontractors, the Supplier shall be obligated to obtain from said subcontractors, or from the employees thereof, adequate consent to the inspection of the documents relevant in this regard.
- (dd) In the event that proof is not provided, WAREMA shall be entitled to deny payments in a reasonable amount. Should the Supplier fail to satisfy its obligation to provide proof despite being twice requested to do so, WAREMA shall have the right to terminate the contract and claim damages. This also applies if the Supplier should violate its obligation to comply with the German Minimum Wage Act.
- (ee) In the event of a violation of both the provisions of the German Minimum Wage Act and the obligations to provide proof, WAREMA reserves the right to claim liquidated damages in the amount of 10,000 euros for each instance of violation.
- (ff) If, when an invoice becomes due, the entirety of the attestations and proof specified in Item (1) has not been received, WAREMA shall have the right to refuse performance.

- (2) Furthermore, the Supplier expressly warrants that all employees are employed lawfully and that no undeclared work or illegal employment shall be carried out.

Section 11 Export/import regulations

- (1) Proofs of origin requested by WAREMA shall be made available by the supplier with all required data and without delay. The same applies to VAT-related proofs for international and intra-Community deliveries.
- (2) The supplier shall inform WAREMA without delay if a delivery is subject to or partially subject to export restrictions.
- (3) The supplier guarantees adherence to the "secure supply chain" regulations as they are defined in Council Regulations (EG) 2580/2001, 881/2002 and (EU) 753/2011. In particular, this means that the supplier ensures that goods to be produced, stored or made available for transport are only produced and stored at secure production facilities, that transport is secure, that the goods are protected from unauthorised access and that the personnel handling these goods have been trained accordingly. The supplier shall also inform business partners of these obligations.
- (4) The supplier agrees to adhere to all applicable export/import regulations and any associated embargo regulations, embargos or sanctions.
For this purpose, the supplier ensures, by means of suitable organisational measures, that the regulations of the EU in particular and, to the extent applicable, the corresponding US regulations are taken into account.

Section 12 Closing provisions

- (1) Changes or additions to these General Supply Terms and Conditions shall require the written form. This also applies to changes to this written form clause. Oral side agreements are null and void.
- (2) In addition, the above shall be governed only by the law of the Federal Republic of Germany to the exclusion of the UN Convention Relating to a Uniform Law on the International Sale of Goods.
- (3) The legal forums shall be the court with local and material jurisdiction over the location of our registered offices. However, we reserve the right to file our claims in any other permissible legal jurisdiction.
- (4) Supplier shall not be entitled to place the order or key parts thereof to a third party without our prior written consent.
- (5) Unless expressly agreed otherwise, place of fulfillment for the supply obligation shall be the shipping address or point of use desired by us; for all other obligations of both parties place of fulfillment shall be our registered offices.



- (6) If any of the above provisions are or become partially or totally invalid or not implementable, this shall not affect the validity of the remaining provisions. The fully or partially invalid provision shall be replaced by a permissible provision most closely meeting the commercial purpose of the void provision.