

Kurtz Ersa Terms and Conditions of Purchasing

Document

§ 1 Standard terms and conditions

- (1) These purchasing terms and conditions apply exclusively to orders by Kurtz Holding GmbH & Co. Beteiligungs KG and all German-based companies associated with Kurtz Holding GmbH & Co. Beteiligungs KG and also by Ph. Kurtz Eisenhammer GmbH & Co. KG (hereinafter called Kurtz Ersa for short). Any supplier's rival terms and conditions or ones varying from these terms and conditions are not recognised unless we have expressly consented in writing to their validity. These purchasing terms and conditions apply even if we accept delivery or the service without reservation and with knowledge of the supplier's rival or variant terms and conditions.
- (2) These terms and conditions apply to business people (§ 14 Para. 1 BGB [Civil Law]), corporations under public law and public law special assets.
- (3) They also apply to future transactions with the supplier based on an ongoing business relationship.

§ 2 Order and order confirmation

- (1) Our agents authorised to contract are authorised to place only written orders. Any oral agreements must therefore be confirmed in writing to be valid.
- (2) Orders are to be confirmed by the supplier within 5 (five) working days, stating the company reference number and the order number and specifying the binding price and delivery date. If there is no order confirmation within this period, the data on the order are deemed to be accepted.
- (3) The supplier's quotes are always provided free of charge, in particular with regard to any required foundation, layout or other drawings or other documents.
- (4) All our quote documents, in particular drawings, plans, calculations and technical specifications remain our property and may not be made accessible or made known to third parties without our written consent.
- (5) Any tools and models transferred by us that are produced according to our instructions may not be made accessible to third parties. Moreover, the supplier is prohibited from producing any parts whatsoever for third parties with the tools transferred by us. The supplier is liable to us for all damage or loss incurred by us or third parties arising from failure to observe these rules.
- (6) If the order refers to rules or content that vary from these purchasing terms and conditions, the rules/content in the order are deemed to have precedence.

§ 3 Prices

- (1) The prices stated in the order are binding ("fixed prices"). If there is no variant agreement, the price includes delivery "DAP (per Incoterms 2020) to the destination address as per the order, including packaging". In particular, this price includes the costs of lorry road tolls, packaging and other surcharges. All prices are deemed to be before the addition of the Value Added Tax applying as at the date of the order.

These prices are only deemed to be agreed when we have confirmed them.

§ 4 Delivery / transfer of risk / packaging / proof of origin

- (1) Delivery is at the supplier's expense and risk. The place of fulfilment is always the delivery address shown on the order.

Kurtz Ersa Terms and Conditions of Purchasing

Document

- (2) If as an exception we assume the transport costs on the basis of a special agreement, the supplier must choose the most favourable and suitable transport options for us. In this event, we would refer to the fact that we are a prohibition/waiver customer within the meaning of the Allgemeinen Deutschen Spediteurbedingungen (ADSp [standard German carrier] terms).
- (3) The supplier bears the risk associated with the goods themselves until acceptance of the goods by us or our agent at the place to which the goods are to be delivered in accordance with the order.
- (4) When packing, marking and sending of its products, the supplier must observe all relevant legislation and our logistic policy.
- (5) The order references, reference numbers, and other statements in connection with order fulfilment specified by us and mentioned in the order are to be marked on all dispatch notes, delivery notes, packing notes, bills of loading, invoices, on the outer packaging etc. If the supplier fails to do so, we will not be liable for delays in processing.
- (6) The supplier is required to package, mark and ship hazardous products in accordance with the relevant German and international regulations. The supplier will fulfil all these relevant obligations (within the meaning of Section 3, No. 32, of EG Regulation 1907/2006/EG [hereinafter "REACH Regulations"]) in accordance with the REACH Regulations concerning delivery of the goods. In particular, the supplier will, in all cases, provide the client with a safety data sheet prescribed in Section 31, No's 1 to 3, of the REACH Regulations in the language of the recipient country.
- (7) In the event of delivery earlier than agreed, we reserve the right to return the goods at the supplier's expense. In the event of early delivery, the goods will be stored by us until the delivery date at the supplier's expense and risk.
- (8) We accept partial deliveries only by express agreement. The outstanding quantity is to be noted with the agreed partial deliveries.
- (9) The supplier is obliged to take back the packaging of the items delivered. If, however, the packaging materials remain with us and they cannot be recycled (e.g. composite material) and/or their disposal by the supplier or a third party engaged by it cannot be assured, we reserve the right to return the packaging materials to the supplier at its expense or to dispose of them at its expense.
- (10) Our packing rules are to be observed. We reserve the right to amend these packing rules with the supplier's agreement and within the context of the usual standards. The supplier is liable for damage as a result of defective packaging.
- (11) With all deliveries of goods to us, the supplier has to make statements with reference to the part number about the origin and customs tariff number. With goods originating in the EU, the supplier shall supply us with these statements automatically via a long-term supplier declaration or a one-off supplier declaration. Any amendments are to be reported to us without delay and free of charge.
- (12) The figures determined by our incoming goods inspection numbers of units, weights and dimensions shall apply subject to any proof to the contrary.

§ 5 Delivery period, delivery delay, contractual penalty

- (1) The delivery time stated in the order is binding and is guaranteed by the supplier. Receipt of the goods at the destination specified by us counts with regard to the observance of the delivery time.

Kurtz Ersa Terms and Conditions of Purchasing

Document

- (2) If delivery does not take place within the agreed period, the supplier is liable for all the consequences arising for us from late delivery for which it is responsible. Any delays with deliveries are to be reported without delay. The supplier shall bear any additional costs for urgent or express goods dispatches resulting from failure to observe the agreed delivery time. If delivery is late, we are entitled to cancel the contract or to make a purchase to cover late delivery after the expiry without success of a reasonable extension period set for making good. If in the individual case it is unreasonable to wait out an extension period, the setting of an extension period may be dispensed with.

In the event of late delivery, we are entitled to demand a contractual penalty in the amount of 0.5% of the order value up to a maximum of 5% of the order value for each week or part week of delay. The right to claim further compensation is reserved. In so far as we have claimed compensation, the contractual penalty will be added to this. The supplier is entitled to prove to us that there was no or less damage or loss as a result of the delay. We are obliged to declare that we reserve the right to impose a contractual penalty within 10 working days at the latest, counting from the acceptance of the late delivery. The right to make further claims is reserved.

The supplier is subject to the ancillary contractual obligation to inform us in writing without delay of any delay in delivery dates relating to all or individual parts of the delivery, stating the reason and the expected duration of the delay. In the event of breach of this duty to notify, for which it is to blame, the supplier is liable for the resulting loss or damage. The liability for delay is unaffected by this.

§ 6 Acceptance and inspection of the goods

- (1) In cases of Force majeure and other unforeseeable events and ones for which we are not to blame such as strikes, lockouts and natural disasters entitle us to postpone acceptance for the duration of the event.
- (2) With over-deliveries of over 10% or deliveries more than 10 calendar days early, we reserve the right to return the extra goods or goods delivered too early at the supplier's expense.
- (3) Any obligation on our part to inspect the goods is restricted to the immediate inspection of the delivery to determine whether it displays any externally visible transport damage or externally visible defects. Insofar as we are obliged to make an immediate complaint, this shall in any case be deemed timely, if externally visible defects are notified within 10 working days following the transfer of risk or receipt (whichever occurs later) and hidden defects are notified within 10 working days following their discovery. Insofar as a longer period is required for the inspection of the delivery or service, the longer term shall apply.

§ 7 Payment and invoices

- (1) We can process invoices only if they contain the order number and order date in accordance with the instructions on the order. The date of receipt of the invoice is deemed to be the date of its receipt at Kurtz Ersa. The supplier is liable for all consequences arising from failure to observe this duty unless it can prove that it is not to blame for them. If the supplier has delivered before the agreed delivery date, the above-mentioned dates are calculated not from the actual delivery date but from the agreed one.
- (2) The supplier is obliged to raise a correct invoice in accordance with the provisions of the German Value Added Tax Act (UStG.). According to this Act, the supplier must in particular put the tax number issued to it by the German Inland Revenue authorities or the Value Added Tax ID number issued to it by the Federal Finance Agency on the invoice.
- (3) Any additions or reductions to costs are to be shown separately on the invoice.
- (4) Unless otherwise agreed in writing, we will pay the purchase price with 3% discount within 30 days, counting from delivery and receipt of the invoice or net within 90 days following delivery and receipt of the invoice.

Kurtz Ersa Terms and Conditions of Purchasing

Document

- (5) In the event of delivery of defective goods, we are entitled to refuse payment until replacement goods have been duly delivered.
- (6) The supplier may not assign the receivables due to it or to arrange for third parties to collect them without our prior written consent, which may not be unfairly withheld. If extended reservation of title applies, consent is deemed to have been granted. If despite Sentence 1 the supplier assigns its receivables due from us to a third party without our consent, the assignment is nevertheless valid. However, we may pay either the supplier or the third party as we choose, thereby discharging the debt.
- (7) In addition to the rights of set-off and retention granted by law, we are entitled to set-off or deduct against amounts payable under a supply contract, claims to which we are entitled against the supplier under a supply contract or another agreement or amounts owed to us by the supplier.
- (8) Any advance payments or interim payments do not imply any recognition of the contractual conformity or fulfilment of the service provided by the supplier.

§ 8 Guarantee, claims for defects, complaints, liability

- (1) The supplier, who is not merely an intermediary, must guarantee the products delivered by it regardless of blame for defects. If the supplier has given a guarantee regarding the characteristics of the products delivered by it or accepted the procurement risk, it is liable for these regardless of blame.
- (2) The guarantee is for 36 months – without shift limitations – from transfer of the risk. It recommences on the day of correction of any defect if the supplier corrects the defects while being aware of its guarantee obligations.
- (3) Besides any guarantees under Point 8.2, we are entitled without restriction to make all statutory claims for defects. In particular we reject any restrictions of statutory claims for defects including compensation claims resulting from these.
- (4) We are only obliged to inspect the goods in the context of a reasonable period based on the ordinary course of business with regard to identity, conformity of content between individual call off and delivery and evident and externally visible damage in transit. We check the goods delivered regarding quantity and identity and for other quality variations exclusively on the basis of the delivery documentation and the marking on the outermost packaging of the goods. There is no additional obligation upon us to conduct a technical incoming goods inspection. We will report to the supplier any defects discovered by us or our customers in the context of the circumstances of the ordinary course of business. With evident and externally visible defects the complaint is deemed to be in good time provided if it is received by the supplier within a period of 5 working days counting from receipt of the goods or with hidden defects from their discovery. If inspection of the goods is made difficult by circumstances originating with the supplier, the period shall be extended accordingly.
- (5) If there is a defect, the supplier is obliged to submit to us via 8 D-Report a report on the cause of the fault, the determination of the fault and the proposed measures for correcting the fault within 10 working days following receipt of our complaint. If such a report cannot be provided within the period, taking into account all the circumstances of the individual case, this period will be extended by a reasonable period.
- (6) In the event of the delivery of faulty goods, the supplier must, according to our choice, replace these by a delivery of goods free of defects or correct the defects by rework (subsequent fulfilment). If the supplier cannot do this or if it does not do so within a reasonable period, we may cancel the contract and return the goods at the supplier's risk and cover our requirements elsewhere. The resulting additional costs are to be borne by the supplier. In urgent cases we may in consultation with the supplier rework the goods ourselves or have this done by a third party. Any resulting costs shall be borne by the supplier. With purchase contracts, in cases of special urgency in which it is no longer possible to inform the supplier of the defect and the threatened loss or damage and to grant it a short period to assist, we are entitled to correct defects, make good damage and make

Kurtz Ersa Terms and Conditions of Purchasing

Document

purchases to cover our requirements at the supplier's expense. With contracts for work, we have the statutory right to perform the work ourselves. In this event, if there is a risk to operational safety and/or to prevent unusually high losses or damage to us or third parties, we are entitled to correct defects, make good damage and make purchases to cover our requirements at the supplier's expense and without its prior consent. In the above-mentioned cases we will make the defective goods or their defective parts available to the supplier upon its request and at its expense. We are nevertheless entitled to claim a right of retention against this obligation as long as the supplier has not reimbursed us for costs resulting from defects.

In the event of supplementary performance, the supplier must clearly print the indication "replacement/complaint" together with the complaint number in the direct vicinity of our order number on the delivery note, so that the delivery can be correctly allocated and booked in the incoming goods department.

- (7) Our entitlement to make claims for defects expires 36 months following the transfer of risk. If there are longer statutory terms, they shall apply. With goods intended for further processing by the supplier, the expiry period commences on the date on which the defect claim expiry period for the product into which we have incorporated the goods commences but in any event six months following delivery of the goods to us at the latest.
- (8) Expiry of claims is postponed whilst the goods are subject to inspection for defects or to rework with the supplier or its agents.
- (9) With parts reworked, repaired or exchanged within the expiry period, the expiry period recommences on the date on which the supplier has fully satisfied our claims for subsequent fulfilment in awareness of its duty of subsequent fulfilment.
- (10) If the same kind of defect or functional fault occurs in over 10% of the same type of item delivered within a period of three years following delivery to us, there is a type or series claim. In this event we are entitled to demand at the supplier's expense the replacement of an entire series of contractual items or our products into which the contractual items have been incorporated, even if there are still no symptoms of the defect evident in some individual items or products.

§ 9 Quality assurance, performance requirements, documentation, REACH, POP, TSCA, conflict minerals

- (1) The supplier undertakes to observe the acknowledged rules of the technology and in particular the regulations, standards and Directives issued by the law, the supervisory authorities, the trade associations and VDE and VDMA regarding design, accident prevention and environmental protection. The latest versions of the standards and Directives mentioned by Kurtz Ersa as at the date of delivery apply.
- (2) Electrical components have to be labelled in accordance with the latest energy efficiency standards. Energy consumption is a major selection criterion when it comes to purchasing electrical plant and components. The supplier must therefore inform Kurtz Ersa of the energy consumption of the products to be provided. Should the supplier have more energy-efficient alternatives to the products requested by Kurtz Ersa, Kurtz Ersa is to be informed accordingly.
- (3) Upon delivery the supplier must submit a manufacturer's and/or EC conformity declaration for all the goods concerned.
- (4) Legislation such as the *Altfahrzeuggesetz* (Old Vehicle Act, 2000/53/EC) and *Elektro- und Elektronikaltgerätegesetz* (Old Electrical and Electronic Devices Act, EC Directives WEEE and RoHS) exclude the introduction to the market of specific substances in defined applications. The supplier undertakes to ensure that none of the parts/products supplied by it contain any forbidden substances and that none will contain any in the future.

Kurtz Ersa Terms and Conditions of Purchasing

Document

In the event that the product supplied contains hazardous substances or hazardous preparations under the Chemikaliengesetz (Chemicals Act) § 19 (2) or Gefahrstoffverordnung (Hazardous Substances Decree) § 4, before the first delivery the supplier is obliged to send a safety datasheet in written form or as a Word file in electronic form to our person dealing with the matter shown on the relevant order. This sheet must comply with the relevant applicable standard for safety datasheets.

- (5) The supplier is required to ensure that all substances contained in the goods have been validly pre-registered, registered (or are exempt from registration requirements) and, if appropriate, have, in compliance with the relevant requirements in the REACH Regulations, been approved for the uses disclosed by the client. If the goods are products within the meaning of Section 7 of the REACH Regulations, the previous sentence will apply to the substances released by these products. The substances prohibited in Regulation EU 2019/1021 (POP) must not be contained in the goods delivered to us. The substances listed in the TSCA (Section 6) and the 5 newly added substances must not be contained in goods delivered to us.

The supplier will inform us immediately if a substance contained in a component in or of a product is present in a concentration exceeding 0.1 percent by mass that fulfils the criteria of Sections 57 and 59 of the REACH Regulations (so-called "substances of very high concern"). This also applies to packaging products. The provisions of the European Regulation (EG) No. 1907/2006 on the registration, evaluation, authorisation and restriction of Chemicals (REACH) are to be observed.

- (6) Supplier agrees to comply with the conflict minerals provisions of Section 1502 of the „Wall Street Reform and Consumer Protection Act“ (“Dodd-Frank Act”). If conflict minerals are required in the course of production or for the function of the products delivered by the supplier, their origin must be disclosed. Upon request, the supplier must provide Kurtz Ersa the documentation required by the Dodd-Frank Act on the use and origin of conflict minerals completely and immediately.
- (7) Provisions regarding export control and foreign trade data

The supplier must comply with all the requirements of the applicable national and international customs and foreign trade law ("foreign trade law"). By two weeks following the order at the latest and in the event of changes the supplier must provide us without delay and in writing with all the information and data that we need to comply with export business law for exporting, importing and re-exporting, in particular:

all applicable export list numbers including the Export Control Classification Number per the U.S. Commerce Control List (ECCN);

the statistical goods number in accordance with the current goods classification for export trade statistics and the HS (Harmonised System) code and country of origin (non-preferential origin) and;

if requested by Kurtz Ersa, supplier declarations on the preferential origin (in the case of European suppliers) or certificates regarding preference (in the case of non-European suppliers);

China Compulsory Certificate – CCC

If the supplier violates his obligations, he shall bear all expenses and losses incurred by us as a result, unless the supplier is not responsible for the breach of duty.

- (8) Reservation clause

Our fulfilment of the contract is subject to the reservation that there are no hindrances arising from national or international regulations on foreign trade law and no embargoes and/or other sanctions that prevent fulfilment.

Kurtz Ersa Terms and Conditions of Purchasing

Document

§ 10 Product liability, indemnification, insurance

- (1) In so far as the supplier is responsible for a product claim, it is obliged upon first request to indemnify us against compensation claims by third parties if the cause is within its control or organisational sphere and it is itself liable in the external relationship.
- (2) The supplier must also reimburse us for all reasonable expenditure per §§ 683, 670 and §§ 830,840, 426 of the German Civil Code (BGB) incurred by us as a result of a fault caused by the supplier arising from or in connection with a recall or information campaign run by us (for example warnings in media). We will as far as possible and reasonable inform the supplier on the scope and content of the measures to be taken and give it an opportunity to express an opinion. Other statutory claims are unaffected by this.
- (3) The supplier is obliged to take out a globally (including USA and Canada) valid extended product liability and recall costs liability insurance policy with a cover amount for personal injury/damage to goods and damage to assets of at least € 5 million for each individual claim, to maintain this without interruption during the period of this agreement and to evidence it to us upon request. At our request the supplier must also submit the countersignature of this agreement by the insurer. If we have any entitlement to further compensation claims, these are unaffected.

§ 11 Liability for legal defects

- (1) The supplier guarantees that no third party rights have been breached through its fault in connection with its supply and it indemnifies us against any third party claims. The supplier's indemnification relates to all expenditure and losses incurred by us as a result of or in connection with third party claims.
- (2) The expiry period for these claims is 5 years, commencing with the conclusion of the relevant contract.

§ 12 Intellectual property rights

- (1) The supplier agrees that we are granted the non-exclusive, irrevocable and transferable right without restriction as to time or place to use and sell the products to be delivered and the services to be provided by the supplier included the know-how contained therein as well as the documentation due and the source and object codes of any software (hereinafter referred to collectively as "Supplies"). The same applies to the supplier's graphics, company trademarks, other business designations, brands and working titles contained in the Supplies.
- (2) This includes the right to convert, change and expand the Supplies and also to sell the products thus created in ways other than in the original version of the Supplies.
- (3) The supplier guarantees that no third party rights are breached through its fault in connection with the supply of the products, the supplier being aware that we sell products supplied to us worldwide. If a third party makes a claim against us for breach of its rights, the supplier is obliged to indemnify us against these claims upon our first written request.

§ 13 Copyright, Confidentiality, Engagement of Third Parties, the Minimum Wage

- (1) The supplier's obligation to maintain confidentiality is particularly important to us - also in view of the fact that we ourselves are often subject to a strict obligation of confidentiality towards our customers. Accordingly, the supplier is also obliged to maintain strict confidentiality with regard to sources of supply.
- (2) If we have concluded a separate non-disclosure agreement with the supplier, in the event of conflicts or differences, that separate agreement shall have precedence.

Kurtz Ersa Terms and Conditions of Purchasing

Document

- (3) The supplier is obliged to impose on all its employees the comprehensive duty of secrecy/confidentiality incumbent upon it in the case of each individual order. If the supplier breaches this duty, we reserve the right to claim a contractual penalty and/or compensation in accordance with the terms below and/or the legislation.
- (4) If the supplier has received diagrams, drawings, calculations and/or other documents or items from us, we reserve our property rights and copyright in these. They are to be used exclusively for the manufacture of our order. Upon completion of the order, they are to be returned to us without us having to ask for them.
- (5) The supplier is obliged to keep all samples, drawings, calculations, other documents, information and/or items received strictly secret. They may be disclosed to third parties only with our express consent. The duty of secrecy applies even after termination of the business relationship. It expires when and in so far as the manufacturing know-how contained in the diagrams, drawings, calculations and other documents provided has become general knowledge.
- (6) The supplier is permitted to refer in information and advertising materials to the existing business connection with us only with our express written consent.
- (7) The supplier is liable for all losses or damage suffered by us as a result of the breach of one of these duties.
- (8) In the event of a culpable breach of this duty where the supplier is to blame, we may also at our own fair discretion determine a reasonable contractual penalty and demand it from the supplier. The supplier has the option to ask the relevant court with jurisdiction over Kurtz Ersa to review the reasonableness of the contractual penalty. In so far as compensation is claimed, it will be added to the contractual penalty.
- (9) The supplier undertakes to inform us in writing in advance of the placement of any subcontract orders and to obtain written consent in advance for this subcontracting. We will refuse consent only for good reason. In any event, the engagement of third parties does not affect the direct legal responsibility of the supplier to us.
- (10) Subcontractors are to be obliged to undertake mutatis mutandis the same duty of confidentiality and secrecy as in No's 5 to 8.
- (11) The supplier will ensure that its employees or those employees of its subcontractors or temporary employment agencies assigned to execute contracts with the client are each paid in accordance with the German Minimum Wage Act or, if the services to be performed fall within the sphere of the German Temporary Employee Secondment Act, that they are paid the statutory minimum wage applying to the relevant industry. The supplier will also ensure that it will comply with mandatory obligations to pay contributions to social insurance organisations, employers' accident insurance and other joint organisations such as the parties to the collective pay agreements referred to in Section 8 of the Temporary Employee Secondment Act.
- (12) In selecting subcontractors or temporary employment agencies, the supplier will verify that the prerequisites in No. 11 have been fulfilled and will require these subcontractors or temporary employment agencies to give written undertakings that these prerequisites will be complied with. The supplier will also require these subcontractors or temporary employment agencies to give written undertakings that they will require compliance with the requirements by those subcontractors or temporary employment agencies subcontracted further by them.
- (13) Should warranted claims for payment of such contributions be asserted against us by an employee of the supplier or a contracted subcontractor – regardless of status – or a temporary employment agency for payment of the statutory minimum wage or minimum industry wage or by one of the organisations of the parties to a pay agreement referred to in Section 8 of the German Temporary Employee Secondment Act as though we were a guarantor, the supplier will release us from these claims.
- (14) We will be entitled to terminate the agreement with a subcontractor without notice if justified claims are asserted against us resulting from our liability as a guarantor in accordance with the German Minimum Wage Act or the German Temporary Employee Secondment Act.

Kurtz Ersa Terms and Conditions of Purchasing

Document

- (15) Furthermore, the supplier will be liable to us for all damage caused to us by culpable failure to comply with obligations in accordance with No's 11 and 12.

§ 14 Assignment, prohibition of offset, reservation of title, ancillary supplies and tools provided by the ordering party

- (1) Rights arising from the order may only be assigned to third parties with mutual consent. Kurtz Ersa's consent is deemed to be granted if the supplier has granted its own suppliers an extended reservation of title in the ordinary course of business.
- (2) Charges and offsets against Kurtz Ersa are only permissible if the supplier's claims are undisputed or have been legally established. The same shall apply to rights of retention and rights to refuse performance.
- (3) An extended or expanded retention of title on the part of the supplier with regard to the goods delivered to us is not recognized.
- (4) If we supply parts to the supplier, we retain ownership of them. Processing or conversion by the supplier is done on our behalf. If our goods subject to reservation of title are processed with other items that do not belong to us, we obtain joint ownership in the new thing in proportion to the value of our thing (purchase price plus VAT) to the other processed items as at the date of the processing.
- (5) We retain ownership in tools, equipment and other manufacturing resources. The supplier is obliged to use the tools etc. exclusively for the manufacture of the goods ordered by us and to keep these secret and to return them to us free of charge at any time upon request. Passing them on to third parties or using them for the supplier's own purposes is not permitted. The supplier undertakes to insure the tools, equipment and other manufacturing resources belonging to us at replacement value at its own expense against damage or loss due to fire, water and theft. At the same time, the supplier assigns to us as of now all compensation claims arising from this insurance. We hereby accept this assignment. The supplier is obliged to perform all necessary maintenance and inspection work and all overhauls and repair work to tools etc. at its own expense and in good time. It must inform us immediately of any faults. If it neglects to do this through its own fault, our compensation claims are unaffected.
- (6) If tools, equipment, manufacturing resources etc. are manufactured or, after payment by us, purchased by the supplier for the order, these become our property and are to be marked by the supplier as our property. If we pay for only part of these items, we acquire joint ownership in the thing to the extent of the contribution paid by us. The above terms apply mutatis mutandis to the items manufactured and/or purchased for us.

§ 15 Ban on advertising

The supplier may not advertise the business relationship with us or our goods or refer publicly to these without our prior written consent.

§ 16 Code of Conduct / social responsibility

Kurtz Ersa, its suppliers and business partners take joint responsibility for human rights and the environment in the course of their business activities. Kurtz Ersa expects their behavior to be in line with our corporate ethical values. The aim is for the supplier to comply with the principles laid down in the Code of Conduct. If the supplier is not able to do so on its own, Kurtz Ersa will provide appropriate support within the scope of its prioritization in achieving the target.

The Code of Conduct is available on the internet at: <https://www.kurtzera.com/konzern/compliance> and includes in particular requirements on safety, health, the environment, human rights, employee standards and anti-corruption. The supplier undertakes, irrespective of a possible legal obligation, to the best of its knowledge

Kurtz Ersä Terms and Conditions of Purchasing

Document

and belief, to support Kurtz Ersä in complying with the due diligence obligations laid down in the Supply Chain Due Diligence Act (SCDDA) and, if necessary, to address these appropriately within its supply chain to its direct and indirect suppliers. In the event of an increased risk, Kurtz Ersä has the right to check whether the supplier meets the requirements of its possible due diligence obligations or whether there are risks or threats to protected legal positions by means of on-site inspections at the supplier's premises, audits carried out by itself or by audits carried out by commissioned third parties and by using recognized certification systems or audit systems, insofar as they guarantee the implementation of independent and appropriate controls. The supplier is obliged to provide Kurtz Ersä with all relevant information related to risks or threats to protected legal positions that are required to fulfill our statutory due diligence obligations, whereby the supplier's business secrets shall remain unaffected. Audits shall be announced to the supplier by Kurtz Ersä in advance (usually at least 10 (ten) working days in advance), except in the event of imminent danger or if the purpose of the audit would be frustrated by an announcement. If Kurtz Ersä identifies human rights and environmental risks to the supplier as part of its risk analysis, appropriate preventive measures will be taken immediately. Appropriate preventive measures may include Kurtz Ersä imparting the necessary knowledge up to the obligation of the supplier to carry out training and further education to enforce the contractual assurances. If the violation of a human rights-related or environmental obligation has already occurred at the supplier or is imminent, appropriate remedial action must be taken immediately to prevent or end this violation or to minimize the extent of the violation. If the violation cannot be terminated or minimized in the foreseeable future, Kurtz Ersä shall draw up a remediation plan with a timeline together with the supplier and request the supplier to implement the appropriate remedial measures developed in the remediation plan within a deadline, and to terminate the violation. If it is foreseeable that the supplier will not comply with the requirements set out in the remediation plan, Kurtz Ersä may impose an appropriate contractual penalty, which will benefit an organization for the protection of human rights, temporarily suspend the business relationship or block the supplier until the supplier has ended the violation. Kurtz Ersä has the right to terminate the business relationship, including all supply contracts, if the violation or infringement is assessed as very serious, the implementation of the measures developed in the remediation plan does not cure the situation after the time specified in the concept has elapsed, no other less severe means are at disposal and increasing the ability to exert influence has no prospect of success. The right to extraordinary termination without setting a grace period, in particular in the case of particularly serious violations, remains unaffected, as does the right to compensation.

§ 17 Agents

The supplier is responsible for the supplies and services of its own suppliers as it is for its own supplies and services. The supplier's own suppliers are therefore deemed to be its agents.

§ 18 Place of fulfilment, law and jurisdiction

- (1) The place of fulfilment for supplies and services is the destination and for payments it is the registered office of the relevant Kurtz Ersä Company.
- (2) German law applies to all claims arising from and in connection with the joint business relationship, with the exclusion of the German law on the conflict of international laws. The application of the UN Convention on the International Sale of Goods (CISG) is excluded.
- (3) For all disputes arising directly or indirectly from this contractual relationship, the sole place of jurisdiction is the registered office of the relevant Kurtz Ersä Company or, upon Kurtz Ersä's request, the supplier's place of jurisdiction.
- (4) If individual terms of these terms and conditions are or become invalid, the validity of the remaining provisions is not affected by this.

Kurtz Ersa Terms and Conditions of Purchasing

Document

§ 19 Data Privacy

In accordance with the provisions of the German Privacy Act, we wish to point out to the supplier that we use electronic data-processing equipment to process its personal and company-related data required for managing our commercial relationships. The supplier undertakes to observe data privacy provisions. The supplier agrees that personal data obtained by Kurtz Ersa during the course of business relationships may be stored and processed within the meaning of the statutory provisions relating to data privacy insofar as this is necessary to conduct business.

To ensure better readability, we have refrained from using gender-specific wording in this document. This does not constitute a judgment. All mentions are gender-neutral.