General Purchasing Terms and Conditions

of Rheinspan GmbH & Co. KG

(Last edited: August 2020)

§ 1 Sphere of Validity, Form

(1) These Allgemeinen Einkaufsbedingungen [General Purchasing Terms and Conditions] (AEB) shall be valid for all business relationships with our business partners and suppliers ("Seller"). The AEB shall be valid only if the Seller is an entrepreneur (§ 14 BGB [German Civil Code]), a juridical person under public law or a special foundation under public law.

(2) The AEB shall be valid particularly for contractual agreements for the sale and/or delivery of movable goods ("Goods") without taking into consideration whether the Seller produces the Goods on his own or buys them from suppliers (§§ 433, 650 BGB). Insofar as nothing to the contrary has been agreed, the AEB shall be valid in the version which is valid at the point in time that the order is made by the buyer and/or, in any case, in the version last submitted to him in text form as the Framework Agreement – including for any similar future contractual agreements without our being required to make reference to them once again in each individual case.

(3) These AEB shall be valid exclusively. Any General Business Terms and Conditions of the Seller which are deviating, opposing or supplemental shall only then and insofar become a contractual component if we have expressly approved their validity in writing. This approval requirement shall be valid in each case, e.g. also then if we accept his deliveries without any conditions while being aware of the General Business Terms and Conditions of the Seller.

(4) Any agreements concluded individually with the Seller in the particular case (including any ancillary agreements, supplements and amendments) shall be prevailing in each case over these AEB. For the content of such agreements, subject to proof to the contrary, a written agreement and/or our written confirmation shall be prevailing.

(5) Any legally-relevant declarations and notifications from the Seller with regards to the contractual agreement (e.g. setting notice periods, warning letters, withdrawal from the contractual agreement) must be rendered in writing, i.e. in written or text form (e.g. letter, e-mail, fax). Any statutory form requirements and additional documentation requirements – particularly in cases of doubt regarding the legitimacy of the declaring party – shall remain unaffected.

(6) References to the validity of the statutory directives shall be only for the purposes of clarification. Thus, even without such a clarification, the statutory directives shall be valid insofar as they have not been directly changed or expressly excluded in these AEB.

§ 2 Conclusion of the Contractual Agreement

(1) Our order shall be considered to be binding by no earlier than the written submission or confirmation thereof. Before accepting the order, the Seller must notify us of any obvious errors (e.g. typing mistakes or computational errors) and incomplete information on the order – including the order documents – for the purposes of making corrections and/or providing the missing required information; otherwise, the contractual agreement shall not be considered to be concluded.

(2) The Seller shall be obliged to confirm our order in writing within 2 weeks or particularly by unconditionally sending the Goods (acceptance).

(3) Any belated acceptance shall be considered to be a new offer/bid and shall require our acceptance.

§ 3 Delivery Timeframe and Delivery Default

(1) The delivery timeframe that we state on the order shall be binding. A delivery before the designated delivery date shall be permitted only with our prior express written consent. The Seller shall be obliged to promptly notify us in writing if he anticipates that he will not be able to meet the agreed delivery timeframes – regardless of the reasons.

(2) If the Seller fails to render his contractual performance or not within the agreed delivery timeframe or enters into delivery default, then our rights shall be determined – particularly with regards to the rescission of the contractual agreement and damage compensation – in accordance with the statutory directives. For the fulfilment of the delivery timeframe, the date that the Goods are received at the delivery destination shall be prevailing. The provisions in Para. 3 shall remain unaffected.

(3) If the Seller is in delivery default, we may – in addition to any more extensive statutory claims – demand lump-sum compensation for our delivery default damages in the amount of 1% of the net price per full calendar week, but nonetheless a total of not more than 5% of the net price for the Goods delivered behind schedule. We reserve the right to document that we have suffered higher damages. The Seller reserves the right to document that we have suffered no damages whatsoever or only substantially lower damages.

§ 4 Contractual Performance, Delivery, Transfer of Risk, Delivery Acceptance Default

(1) Without our prior written consent, the Seller shall not be entitled to have the services owed by him rendered by third parties (e.g. subcontractors). Partial deliveries shall require our prior express consent. The name of the person who has issued this consent must be stated on the delivery document. The Seller shall assume the procurement risk for his services/products if nothing to the contrary has been agreed in the individual case (e.g. subject to availability).

(2) The delivery shall be made within Germany “free to the door” to the delivery destination stated on the order. If the delivery destination is not stated and nothing to the contrary has been agreed, then the delivery must be made to our commercial residence in

Germersheim. The respective delivery destination shall also be the place of performance for the delivery and any subsequent performance (obligation to fulfil).

(3) A delivery note which states the date (issuance and shipment), the content of the delivery (article number and number of items) as well as our order identifier information (date and number) must be enclosed with the delivery. If the delivery note is missing or is incomplete, then we shall not be responsible for any resulting delays in the related processing and payment. Separate from the delivery note, we must be sent a corresponding shipping note with the same content.

(4) The risk of the accidental destruction and the accidental deterioration of the Goods shall be transferred to us upon handover at the place of performance (DAP in accordance with Incoterms 2010). Insofar as delivery acceptance has been agreed, this shall be prevailing for the transfer of risk. Otherwise, in the event that delivery acceptance has been agreed, the statutory directives for contractual law for work and services shall be correspondingly valid. It shall equate to the handover and/or delivery acceptance if we find ourselves in delivery acceptance default.

(5) The statutory directives shall be valid for our delivery acceptance default. However, the Seller must also then expressly offer us his services/products if a designated or a designatable calendar timeframe has been agreed for an action or cooperative action upon our part (e.g. supplying materials). If we enter into delivery acceptance default, then the Seller may, in accordance with the statutory directives, demand the reimbursement of his additional expenditures (§ 304 BGB). If the contractual agreement concerns a specific item to be produced by the Seller (individual production), then the Seller shall be entitled to more extensive rights only if we are obliged to cooperate and are responsible for the lack of cooperation.

§ 5 Replacement Parts for Obsolete Serial Production Requirements

The Supplier shall be obliged – even after the discontinuation of serial production – to supply replacement parts for the duration of 5 years at appropriate prices. Replacement parts can also be supplied from on-going production subject to our consent. The consent shall be granted only if we incur no additional expenses by so doing and quality is not lowered. We shall approve a premature ending of the willingness to deliver after the passage of 5 years if final coverage is economically feasible and the requirement is foreseeable.

§ 6 Prices and Payment Terms and Conditions

(1) The price stated on the order shall be binding. All prices are understood to include the statutory VAT if this has not been separately indicated.

(2) Insofar as nothing to the contrary has been agreed in the individual case, the prices are understood to include delivery to the designated delivery destination (DAP in accordance with Incoterms 2010) including packaging.

(3) For each delivery or each service, an invoice must be submitted to the respective postal address which is separate from the shipment. Invoices must fulfil the requirements

prescribed in § 14 Para. 4 UstG [German VAT Act] which agrees in its wording with our order reference data and contains our order no. The exact name of the division awarding the order and the date of the order must be indicated in the invoice's text. The supplier shall be liable for all consequences created from the failure to fulfil these obligations insofar as he cannot document that he is not responsible for this.

(4) The agreed price shall become payable within 30 calendar days after the rendering in full of the delivery and services (including any agreed delivery acceptance) as well as the receipt of a proper invoice. Invoices which do not fulfil the requirements specified in § 14 Para. 4 UStG or are incorrect shall substantiate no payment due date for the invoices. If we make payment within 14 calendar days, the Seller shall grant us a 3% discount on the net amount of the invoice. In the event that a bank transfer is made, the payment shall be considered to have been promptly made if our bank transfer order is received by our bank before the payment timeframe lapses; we shall not be responsible for delays upon the part of the banks handling the payment transaction.

(5) In the event of a flawed delivery or service, we shall be entitled to withhold the payment until proper contractual performance has been made and indeed without the forfeiture of rebates, discounts and similar payment advantages. Any more extensive claims shall remain unaffected. In the event of the premature acceptance of the deliveries, the payment timeframe shall only then begin to run on the delivery date specified on the order or upon the receipt of the invoice – based upon which date is later.

(6) We shall owe no interest on late payments. The statutory directives shall be valid for late payments.

(7) We shall be entitled to offsetting and retention rights as well as to assert the defence of the failure to render contractual performance in the statutory scope. We shall be entitled particularly to withhold payments that have come due as long as our claims from the incomplete or defective services against the Seller are still valid.

(8) The Seller shall have an offsetting or retention right only owing to legally-upheld or undisputed counterclaims.

§ 7 Third-Party Rights

(1) No third-party proprietary rights may be violated as the result of the delivery and its exploitation. We shall notify the supplier of any claims asserted by third parties. We, upon our own behalf, shall not recognise such claims. In this regard, we shall hereby authorise the supplier to handle the legal defence in the dispute with the third parties, both in court and out-of-court.

(2) In the event of a violation of third-party proprietary rights, the supplier shall, at his own expense, ward off third-party claims which the third parties assert against us owing to the violation of proprietary rights as the result of the rendering of the deliveries and services by the supplier. The supplier shall indemnify us from all claims arising from the use of such proprietary rights.

(3) If the exploitation of the delivery by us is restricted by means of valid third-party proprietary rights, then the supplier must, at his own expense, either acquire the corresponding approval or modify or replace the affected portions of the delivery in such a manner that the exploitation of the delivery violates no third-party proprietary rights and that this, at the same time, fulfils the contractual agreements.

§ 8 Confidentiality and Reservation of Ownership

(1) We reserve the ownership rights and copyrights to illustrations, plans, sketches, calculations, instruction manuals, product specifications and other documents. Such documents must be used exclusively for the contractual performance and must be returned to us after the fulfilment of the contractual agreement. The documents must be kept confidential from third parties and indeed even after the end of the contractual agreement. The confidentiality obligation shall only then be rendered invalid if and insofar as the know-how contained in the submitted documents has become generally known.

(2) The aforementioned provision shall be correspondingly valid for substances and materials (e.g. software, finished and semi-finished products) as well as for tools, templates, models and other objects which we provide to the Seller for manufacturing purposes. As long as they have not been processed, such objects must be stored at the Seller's expense and insured in an appropriate scope against destruction and loss.

(3) We reserve the ownership rights to tools; the supplier shall be obliged to use the tools exclusively for the production of the Goods which we have ordered. The supplier shall be obliged to insure the tools belonging to us at replacement value at his own expense against damages from fire, water and theft.

(4) The supplier shall be obliged to promptly implement the maintenance and inspection work required for the tools specified in Para. 3 as well as all maintenance and repair work at his own expense. He must immediately notify us of any disruptions; if he culpably fails to do so, we shall be entitled to assert the statutory damage compensation claims.

(5) Any processing, mixing or combining (continued processing) of the supplied objects shall be undertaken by the Seller for us. The same shall be valid for the continued processing of the supplied Goods by us so that we are considered to be the manufacturer and acquire ownership to the product by no later than with the implementation of the continued processing in accordance with the statutory directives.

(6) The transfer of the ownership of the Goods to us must be made absolutely and without taking the payment of the purchase price into consideration. However, if we accept an offer to acquire ownership from the Seller in the individual case which is contingent upon the payment of the purchase price, the Seller's reservation of ownership shall lapse by no later than upon the payment of the purchase price for the delivered Goods. We shall also remain authorised, during the course of ordinary business dealings which includes before the payment of the purchase price, to resell the Goods subject to the assignment in advance of the resulting payment claim (alternatively, the validity of the reservation of ownership which is simple and extended for a resale). Thus, in each case, all other forms

of the reservation of ownership shall be excluded – particularly the reservation of ownership which is expanded, transferred and extended for a resale.

§ 9 Defective Delivery

(1) For our rights for material and legal defects in the Goods (including the incorrect delivery and short deliveries as well as improper mounting, defective mounting, as well as flawed operational or instructional manuals) and for other contractual violations by the Seller, the statutory directives shall be valid insofar as nothing to the contrary is stipulated below.

(2) The Seller shall be liable, in accordance with the statutory directives, particularly for ensuring that the Goods have the agreed quality features upon the transfer of risk to us. In each case, those product specifications which – particularly by naming them or making reference to them in our order – are the object of the respective contractual agreement or have been integrated into the contractual agreement in a similar way to these AEB shall be considered to be an agreement regarding quality features. In this regard, it is irrelevant whether the product specifications originate from us, from the Seller or from the manufacturer.

(3) In deviation from § 442 Para. 1 Clause 2 BGB, we shall be entitled to assert the claims for defects in unrestricted fashion even then if we were still unaware of the defect upon the conclusion of the contractual agreement owing to gross negligence.

(4) For the commercial obligation to examine and make notification of defects, the statutory directives shall be valid (§§ 377, 381 HGB [German Commercial Code]) subject to the following proviso: Our obligation to examine shall be restricted to defects which become recognisable during our incoming goods controlling within the parameters of a superficial inspection including of the delivery documents (e.g. transport damage, inaccurate delivery and short deliveries) or during our quality control during random sampling procedures. Insofar as delivery acceptance has been agreed, no obligation to examine shall be valid. Otherwise, it depends to what extent an examination is feasible subject to the consideration of the circumstances of the individual case within the parameters of proper business dealings. Our obligation to make notification of defects for belatedly-discovered defects shall remain unaffected. Irrespective of our obligation to examine, our objection (notification of defects) shall in each case then be considered to be prompt and timely if it is sent within 10 calendar days after its discovery and/or, for obvious defects, after delivery.

(5) Subsequent performance shall also include the dismantling of the defective Goods and the reinstallation thereof insofar as the Goods were installed in another object based upon its intended usage purpose. The costs incurred for the purposes of the examination and subsequent performance by the Seller (including any dismantling and installation costs) shall be assumed by the Seller even then if it is discovered that no defect actually existed. Our liability to pay damage compensation for any unjustified demand for the elimination of a defect shall remain unaffected; in this regard, however, we shall be liable only if we had recognised that no defect actually existed or we had failed to recognise that no defect actually existed owing to our own gross negligence.

(6) If the Seller fails to fulfil his obligation to render subsequent performance – as we so choose, through the elimination of the defect (rectification) or through the delivery of flawless Goods (replacement delivery) – within an appropriate timeframe which we have set, then we may eliminate the defect on our own and demand that the Seller reimburse us for our required expenditures and/or demand that he pay us a corresponding advance payment. If the subsequent performance by the Seller is unsuccessful or unreasonable for us (e.g. owing to a special urgency, a risk to operational safety or the looming creation of disproportionate damages), the setting of a notice period shall not be required; we shall promptly notify the Seller of such sets of circumstances – insofar as this is possible, in advance.

(7) Otherwise, in the case of a material or legal defect, we shall be entitled, in accordance with the statutory directives, to reduce the purchase price or withdraw from the contractual agreement. Moreover, in accordance with the statutory directives, we shall have a claim to damage compensation and the reimbursement of expenditures.

§ 10 Supplier Recourse

(1) We shall be entitled in unrestricted fashion to our statutorily-prescribed claims for recourse within a supply chain (supplier recourse in accordance with §§ 478, 479 BGB) in addition to the claims for defects. We shall be entitled particularly to precisely demand the type of subsequent performance (rectification or replacement delivery) from the Seller which we owe to our end customer in the individual case. Our statutorily-prescribed right to choose (§ 439 Para. 1 BGB) shall not hereby be restricted.

(2) Before we recognise or satisfy a claim asserted by our end customer (including any reimbursement of expenditures in accordance with §§ 478 Para. 2, 439 Para. 2 BGB), we shall notify the Seller and, while briefly depicting the factual circumstances of the claim, request a written statement of position. If the statement of position is not provided within an appropriate timeframe and no mutually-agreed solution can be found, then the claim for defects that is actually granted by us shall be considered to be owed to our end customer; in this case, the Seller shall be obliged to provide proof to the contrary.

(3) Our claims from supplier recourse shall also then be valid if the Goods have been subjected to further processing by us or one of our end customers, e.g. through installation into another product, before their sale to a consumer.

§ 11 Manufacturer's Liability

(1) If the Seller is responsible for product damage, he must indemnify us in this regard from third-party claims if the cause lies in his sphere of organisation and control and he himself is liable in the external relationship.

(2) Within the parameters of his indemnification obligation, the Seller must reimburse the expenditures in accordance with §§ 683, 670 BGB which are incurred from or in conjunction with a third-party claim including any recall campaigns which we implement. Insofar as this is possible and reasonable, we shall notify the Seller of the content and scope of

recall measures and provide him the opportunity to submit a statement of position. Any more extensive statutory claims shall remain unaffected.

(3) The Seller must conclude and maintain a product liability insurance policy with a lump-sum coverage amount of at least 10 million EUR for personal injury/property damage.

§ 12 Statute of Limitations

(1) The reciprocal claims of the contractual parties shall become statute-barred in accordance with the statutory directives insofar as nothing to the contrary has been stipulated in the following.

(2) Deviating from § 438 Para.1 No. 3 BGB, the general statute of limitations period for claims for defects shall be 3 years after risk is transferred. Insofar as delivery acceptance has been agreed, the statute of limitations period shall begin to run upon delivery acceptance. The 3-year statute of limitations period shall also be correspondingly valid for claims arising from legal defects whereby the statute of limitations period for third-party claims for the restitution of property (§ 438 Para. 1 No. 1 BGB) shall remain unaffected; claims arising from legal defects shall also in no case become statute-barred as long as the third party can assert the right – particularly owing to a lack of a statute of limitations – against us.

(3) The statute of limitations period under sales law, including the aforementioned extension, shall be valid – in the statutory scope – for all contractual claims for defects. Insofar as we are entitled to non-contractual claims for damages owing to a defect, the standard statute of limitations period shall be valid in this regard (§§ 195, 199 BGB) if the application of the statute of limitations under sales law results in the individual case in a longer statute of limitations period.

§ 13 Energy Efficiency

(1) The supplier has been instructed that Rheinspan GmbH & Co. KG has introduced an energy management system in accordance with DIN EN ISO 50001 and that aspects of energy efficiency and energy consumption for energy consumption-relevant products constitutes a decision-making criterion during the assessment of offers/bids.

(2) If more energy-efficient (“more economical”) alternatives exist besides the services and/or products offered by the supplier, we request the independent, optional expansion of the supplier’s offering by these more economical variants. The improvement of energy efficiency is a strategic goal of Rheinspan GmbH & Co. KG and shall be correspondingly taken into consideration in the assessment of offers/bids.

§ 14 Supplier Code

We shall maintain business relationships exclusively with companies which are willing to subject themselves to the same ethical principles such as these which are valid for the Nolte Group. The supplier shall be obliged to follow the “Nolte Supplier Code” and fulfil all obligations which are created from this conduct code. If he does not do this and we thus lose a customer, the supplier must pay us damage compensation in this regard.

§ 15 Choice of Laws and Legal Venue

(1) For these AEB and the contractual relationship between us and the Seller, the law of the Federal Republic of Germany shall be valid subject to the exclusion of international uniform law – particularly of the United Nations Convention on Contracts for the International Sale of Goods.

(2) If the Seller is an entrepreneur in accordance with the Handelsgesetzbuch, a juridical person under public law or a special foundation under public law, the exclusive – also international – legal venue for all disputes arising from the contractual relationship shall be our commercial residence in Germersheim. The same shall be valid if the buyer is an entrepreneur in accordance with § 14 BGB. However, we shall in all cases also be entitled to take legal action in the place of performance for the delivery obligation in accordance with these AEB and/or a prevailing individual agreement or in the Seller's general legal venue. The prevailing statutory directives – particularly regarding exclusive competences – shall remain unaffected.

§ 16 Data Protection

We wish to point out that, in accordance with § 33 Bundesdatenschutzgesetz [German Data Protection Act], any data collected in conjunction with the business relationship shall be stored in files.

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