

General Terms and Conditions of Purchase of EMW filtertechnik GmbH

I. Scope of Applicability

1. All deliveries, performances, and offers provided by our suppliers are exclusively subject to these General Terms and Conditions of Purchase. They are an integral part of all contracts that we conclude with our suppliers regarding the deliveries or performances offered by them. They shall also apply to all future deliveries, performances or offers of our suppliers, even if they are not expressly or separately agreed upon.
2. General terms and conditions of our suppliers or third parties shall not apply, even if we do not object to their applicability in the individual case. Even if we refer to a letter containing general terms and conditions of a supplier or a third party or if it refers to such terms and conditions, this does not constitute consent to the applicability of those general terms and conditions.
3. When in doubt, commercial clauses shall be interpreted in accordance with the Incoterms® issued by the International Chamber of Commerce, Paris (ICC) in the version valid at the time of conclusion of the contract.

II. Orders and Contracts

1. Our purchase orders, agreements and delivery schedules as well as any amendments our supplements thereto require written or text form (e.g. letter, email, fax).
2. We shall be entitled to revoke our order free of charge if the supplier does not confirm the order to us unchanged within two weeks upon receipt. Decisive for timely acceptance is the receipt of the declaration of acceptance by us. Delivery call-offs (*Lieferabrufe*) within the framework of order and call-off planning (*Bestell- und Abrufplanung*) become binding if the supplier does not object within two working days of receipt.
3. The supplier must inform us of obvious errors and incompleteness of the order including the order documents for the purpose of correction or completion before acceptance.
4. At any time, we shall be entitled to withdraw from the contract by written declaration stating the reason if
 - (a) we are no longer able to use the ordered products in our business operations or are only able to use them at considerable expense due to circumstances for which the supplier is responsible (e.g. non-compliance with legal requirements) and which occurred after the conclusion of the contract or
 - (b) after the conclusion of the contract, the financial circumstances of the supplier deteriorate in such way that delivery in accordance with the contract cannot be expected.

III. Time of Delivery, Delivery, Transfer of Risk, Transport

1. The time of delivery (delivery date or delivery period) that is specified in the order or is otherwise applicable under these General Terms and Conditions of Purchase shall be binding. Early deliveries are only permissible after express written confirmation from us. The supplier shall comply with the delivery times agreed for the deliveries and performances. In the case of deliveries and performances, for compliance with the time of delivery the handover of the defect-free goods with the necessary shipping documents at the place specified in the order (place of delivery) during normal business hours shall be decisive. If a delivery with assembly/ service has been agreed between the supplier and us, the handover of the defect-free goods after proper execution of the assembly/ service shall be decisive for the timeliness of the delivery. Insofar as acceptance is stipulated by law or contractually agreed, the time of acceptance shall be decisive.
2. The supplier is required to inform us immediately in writing if circumstances arise or become apparent according to which the time of delivery cannot be met.
3. If the day on which the delivery is to be made at the latest can be determined based on the contract, the supplier shall be in default upon expiry of this day without this requiring a dunning letter from us.
4. In the event of a delay in delivery, we shall be entitled to the statutory claims without limitation, including the right to withdraw from the contract and the claim for damages instead of performance after the fruitless expiry of a reasonable extension period.
5. In the event of a delay in delivery, we shall be entitled to demand a contractual penalty of 0.5% of the respective net order value for each week of the delay in delivery up to a maximum of 5% after prior written warning to the supplier. Such contractual penalty shall be offset against the damage caused by the delay that is to be compensated by the supplier. Even if we do not reserve the right to claim the contractual penalty when accepting the delivery, the contractual penalty can be claimed up to the final payment. We are entitled to assert the contractual penalty in addition to performance of contract. All further claims and rights are reserved.
6. The supplier is not entitled to make partial deliveries without our prior written consent.
7. Irrespective of the agreed pricing, in the case of delivery without installation or assembly, passing of the risk shall be upon receipt at the delivery address specified by us; in the case of delivery with installation or assembly upon successful completion of our acceptance. Commissioning or usage shall not replace our declaration of acceptance.
8. A delivery note with order number, article number, delivery quantity, delivery address and separate specification has to be enclosed with the consignment. The supplier shall be responsible for proper and appropriate packaging and loading as well as proper corrosion protection.

IV. Prices, Terms of Payment, Invoice Details

1. The prices stated in the order are binding. The agreed prices are net prices plus any legally owed value-added tax. All invoices shall be issued for the deliveries made and performances carried out in accordance with the statutory requirements applicable to invoices under the value-added tax laws of the countries to whose value-added tax laws the invoiced deliveries/ performances are subject. When applying a credit note procedure (*Gutschriftverfahren*), the supplier shall provide us with all data necessary to comply with the requirements of the applicable value-added tax laws.
2. In the absence of any written agreement to the contrary, the price shall include delivery and transport to the shipping address specified in the contract, including packaging and any insurance regarding transport or liability.
3. Insofar as the price does not include packaging according to the agreement and the remuneration for the packaging - which is not only provided on loan - is not expressly determined, it is to be charged at the verifiable cost price. At our request, the supplier must take back the packaging at his own expense.
4. Unless otherwise agreed, we shall pay the purchase price within 14 days of complete delivery of the goods or performance of the service and respectively a receipt of a correct and verifiable invoice with a 5% discount, within 30 days with a 3% discount or within 90 days net. The receipt of our transfer order at our bank shall be sufficient for the timeliness of the payments owed by us.
5. All order confirmations, delivery documents and invoices shall state our order number, the article number, delivery quantity, address of delivery and separate specifications. Should one or more of these details be missing and processing by us be delayed as a result in the normal course of business, the payment deadlines stated in clause IV. 4. shall be extended by the period of the delay.
6. Payments do not imply recognition of the delivery or performance as being in accordance with the contract. In case of defective or incomplete delivery or performance, we shall be entitled, without prejudice to our other rights, to withhold payments on claims arising from the business relationship to a reasonable extent until proper performance. The cession of the supplier's claims against us to any third party is excluded. In the event of a statutory delay in payment, we shall owe interest on arrears in the amount of five percentage points above the base interest rate pursuant to § 247 BGB (BGB: German Civil Code).

V. Right of Set-off and Right of Retention

1. We shall be entitled to the right of set-off and the right of retention as well as the plea of non-performance of the contract to the extent provided by law. In particular, we are entitled to withhold due payments as long as we are still entitled to claims from incomplete or defective deliveries or performances against the supplier.
2. The supplier shall only be entitled to the right of set-off and retention in respect of claims that are undisputed by us or have been established by declaratory judgment.

VI. Obligations of Notice and Due Diligence

1. If the supplier has been informed of the intended use of the deliveries or other performance, or if this intended use is recognisable to the supplier even without express reference, the supplier is obliged to inform us immediately if the deliveries or services of the supplier are not suitable for fulfilling this intended use.
2. The supplier shall notify us in writing immediately of any changes in the type of composition of the processed material or the constructive design compared to the similar deliveries or other performances provided up to date.

VII. Protection of Property

1. We reserve the ownership or copyright to orders placed by us, commissioning as well as drawings, illustrations, calculations, descriptions and other documents made available to the supplier. The supplier may not make them accessible to third parties, nor disclose them, nor use or reproduce them himself or through third parties without our express consent. He has to return these documents to us in full at our request if they are no longer required by him in the ordinary course of business or without our request if negotiations do not lead to the conclusion of a contract. Any copies made by the supplier must be destroyed in this case; the only exceptions to this are storage within the framework of statutory storage obligations and the storage of data for backup purposes within the framework of normal data backup.
2. Tools, devices and models which we make available to the supplier or which are manufactured for contractual purposes and which are charged to us separately by the supplier remain our property or pass into our ownership. They must be identified by the supplier as our property, carefully stored, secured against damage of any kind and only used for the purposes of the contract. The supplier is obliged to insure the tools belonging to us at replacement value against fire, water and theft damage at his own expense. At the same time, the supplier hereby assigns to us all claims for compensation arising from this insurance; we hereby accept the assignment. The costs of maintenance and repair of these items shall be borne by the contracting parties - in the absence of any other agreement - in equal parts. However, insofar as these costs are attributable to defects in such items manufactured by the supplier or to improper use on the part of the supplier, its employees or other vicarious agents, they shall be borne solely by the supplier. The supplier shall notify us immediately of any damage to these items which is not merely insignificant. Upon request, he shall be obliged to return these items to us in proper condition if they are no longer required by him for the performance of contracts concluded with us.
3. Retention of title by the supplier shall only apply insofar as they relate to our payment obligation for the respective products to which the supplier retains title. In particular, extended or prolonged retentions of title are not permitted.

VIII. Warranty Claims

1. In the event of material defects and defects of title (including incorrect and short delivery as well as improper assembly, defective assembly, improper operating or operating instructions) and in the event of other breaches of duty by the supplier, the statutory provisions shall apply to our rights, unless otherwise stipulated below.

2. The supplier warrants that all deliveries and services a) are free of defects within the meaning of §§ 434, 435 BGB (if applicable: in conjunction with § 650 BGB) or § 633 BGB, b) comply with the agreed quality and, in particular, c) comply with the performance descriptions, specifications, samples, drawings and other requirements placed on them, d) are suitable for the specific uses and applications for which they are ordered by us, e) comply with the latest state of the art, f) comply with all applicable statutory requirements and standards, in particular with regard to the environment, safety, labelling and labour laws and regulations, g) are free from defects in materials and workmanship, h) are free from defects, in particular in design, manufacture and material, h) are of customary market quality and suitable for normal use, i) comply with the requirements set out in clause VIII. 8. of these General Terms and Conditions.

3. Defective deliveries shall be replaced without delay by deliveries free of defects or defective performances shall be repeated free of defects. In the event of development or construction errors, we shall be entitled to immediately assert the rights provided for in clause VIII. 5.

4. Rectification of defective deliveries or other performances shall require our consent. During the time in which the object of the delivery or performance is not in our custody, the supplier shall bear the risk.

5. If the supplier fails to remedy the defect within a reasonable period of time granted to him, we may, at our discretion, withdraw from the contract or reduce the remuneration and claim additional damages in each case.

6. In urgent cases (in particular in the event of a risk to operational safety or to prevent exceptionally high damage), to remedy minor defects and in the event of a delay in remedying a defect, we shall be entitled to remedy the defect and any resulting damage ourselves at the supplier's expense or to have it remedied by a third party at the supplier's expense after prior information and fruitless expiry of a short extension period appropriate to the situation. This also applies if the supplier delivers or performs late and we have to remedy defects immediately in order to avoid our own delay in delivery.

7. The limitation period for our claims arising from material defects shall be 36 months from the transfer of risk in accordance with clause III. 7. of these General Terms and Conditions, unless the mandatory provisions of Sections 478, 479 BGB apply; the limitation period for our claims arising from defects of title shall be ten years from the transfer of risk in accordance with clause III. 7 of these General Terms and Conditions. The limitation period shall be suspended for the period that begins with the dispatch of our notice of defect and ends with the fulfilment of our claim for defects.

8. If the supplier has to deliver or perform in accordance with our plans, drawings or other special requirements, the conformity of the delivery or performance with the requirements shall

be deemed expressly assured. Should the delivery or service deviate from the requirements, we shall be entitled to the rights specified in clause VIII. 5. immediately. Incidentally, those product descriptions which - in particular by designation or reference in our order - are the subject matter of the respective contract shall be deemed to be an agreement on the quality. It makes no difference whether the product description originates from us, from the supplier or from the manufacturer.

9. In the case of goods with digital elements or other digital content, the supplier shall owe the provision and updating of the digital content in any case to the extent that this results from a quality agreement pursuant to clause VIII. 8. or other product descriptions by the manufacturer or on its behalf, in particular on the internet, in advertising or on the goods label.

10. An inspection of incoming goods shall take place with regard to obvious defects. We will give notice of obvious defects to the supplier within eight days after receipt of the goods at the place of delivery. We shall give notice of hidden defects within eight days of their discovery. The date of dispatch of the notification to the supplier shall be decisive for compliance with the time limit. In this respect, the supplier waives the objection of late notification of defects.

IX. Supplier Recourse

1. We shall be entitled to our legally determined claims for expenses and recourse within the supply chain (supplier recourse pursuant to §§ 478, 445a, 445b or §§ 445c, 327 para. 5, 327u BGB) without restriction in addition to the claims for defects. In particular, we are entitled to demand exactly the type of subsequent performance (repair or replacement) from the supplier that we owe our customer in the individual case; in the case of goods with digital elements or other digital content, this also applies with regard to the provision of necessary updates. Our statutory right of choice (§ 439 para. 1 BGB) shall not be restricted hereby.

2. Before we acknowledge or fulfil a claim for defects asserted by our customer (including reimbursement of expenses pursuant to §§ 445a para. 1, 439 paras. 2, 3, 6 sentence 2, 475 para. 4 BGB), we shall notify the supplier and request a written statement, briefly setting out the facts of the case. If a substantiated statement is not made within a reasonable period of time and if no amicable solution is reached, the claim for defects actually granted by us shall be deemed to be owed to our customer. In this case, the supplier shall have the burden of proof to the contrary.

3. Our claims from supplier recourse shall also apply if the defective goods have been combined with another product or further processed in any other way by us, our customer or a third party, e.g. by fitting, attachment or installation.

X. Product Liability

1. The supplier shall be responsible for all claims asserted by third parties for personal injury or property damage attributable to a defective product supplied by him and shall be obliged to indemnify us against any liability resulting therefrom. Within the scope of its indemnification obligation, the supplier shall reimburse expenses pursuant to §§ 683, 670 BGB arising from or

in connection with a third party claim including recall actions carried out by us. We shall inform the supplier about the content and scope of recall measures - as far as possible and reasonable - and give him the opportunity to comment. Further legal claims remain unaffected.

2. The supplier is obliged to maintain product liability insurance at his own expense with a sum insured of at least EUR 5,000,000.00, which, unless otherwise agreed in individual cases, does not need to cover the recall risk or punitive or similar damages. The contractual and statutory liability of the supplier shall remain unaffected by the scope and amount of its insurance cover. The supplier shall send us a copy of the liability policy at any time upon request.

XI. Industrial Property Rights

1. The supplier warrants that no industrial property rights of third parties in countries of the European Union, North America or other countries in which he manufactures the products or has them manufactured are infringed in connection with his delivery and the use thereof in accordance with the contract.

2. The supplier is obliged to indemnify us against all claims made against us by third parties due to the infringement of industrial property rights referred to in clause XI. 1. and to reimburse us for all necessary expenses in connection with this claim. This claim exists irrespective of any fault on the part of the supplier.

3. Further legal claims due to defects of title of the products delivered to us remain unaffected.

XII. Spare Parts

1. The supplier is obliged to keep spare parts for the products delivered to us in stock for a period of at least 10 years after delivery.

2. If the supplier intends to discontinue the production of spare parts for the products delivered to us with or after the expiry of the period specified in clause XII. 1., he shall notify us immediately after the decision on the discontinuation. This decision must be at least 6 months before the discontinuation of production.

XIII. Safety, Environmental Protection

1. The Supplier's deliveries and other performances must comply with the statutory provisions, in particular the safety and environmental protection provisions including the Ordinance on Hazardous Substances, REACH, the German Electrical and Electronic Equipment Act (ElektroG) and the safety recommendations of the competent German technical bodies or associations, e.g. VDE, VDI, DIN. Relevant certificates, test certificates and evidence shall be supplied free of charge.

2. The supplier is obliged to determine and comply with the current status of the directives and laws applicable to the components contained in its products with regard to substance restrictions. He is obliged not to use prohibited substances. Avoidance and hazardous

substances according to the applicable laws and directives are to be indicated on the corresponding product specifications by the supplier. If applicable, the safety data sheets shall already be submitted with the offers and, in the case of the respective first delivery, with the delivery note (at least in German or English). We must be informed immediately of any infringements of substance restrictions and the delivery of prohibited substances.

3. The supplier is obliged to notify us when placing the order if goods from its scope of delivery are subject to the authorisation requirement for export in accordance with the AWG, AWV or EG-Dual-Use-VO as amended from time to time or if they are included on the list of dual use goods.

4. In the case of deliveries and the (contractual) performance, the supplier is solely responsible for compliance with the accident prevention regulations. Any protective devices required in accordance therewith as well as any instructions of the manufacturer shall be supplied free of charge.

5. The supplier shall observe the applicable environmental protection laws. Furthermore, he shall take appropriate measures to avoid the use of so-called conflict minerals and to establish transparency regarding the origin of the corresponding raw materials.

XIV. Code of Conduct for Suppliers, Security in the Supply Chain

1. The supplier is obliged to comply with the laws of the applicable legal system(s), in particular those of the country of manufacture and destination. He will not participate actively or passively, directly or indirectly, in any form of bribery, violation of the fundamental rights of his employees or child labour.

2. He shall be responsible for the fulfilment of the respective legal, in particular the trade law and official requirements for the deployment of personnel, in particular also for the compliance with the respective legal provisions of the fight against wage dumping and social dumping. He shall also assume responsibility for the health and safety of his employees in the workplace. He is obliged to comply with all statutory and contractual accident prevention and occupational health and safety provisions and to promote and demand compliance with this Code of Conduct from his suppliers to the best of his ability.

3. The supplier shall take the necessary organisational instructions and measures, in particular in the areas of property protection, business partner, personnel and information security, packaging and transport, to ensure security in the supply chain in accordance with the requirements of corresponding, internationally recognised initiatives.

4. If the supplier culpably breaches these obligations, we shall be entitled to withdraw from the contract or to terminate the contract without prejudice to further claims. Insofar as the elimination of the breach of duty is possible, this right may only be exercised after the fruitless expiry of a reasonable period for the elimination of the breach of duty.

XV. Information Security, Cybersecurity

1. The supplier shall take appropriate organisational and technical measures to ensure the confidentiality, authenticity, integrity and availability of the supplier's operations and its deliveries and other performances. These measures shall be customary in the industry and shall include an appropriate information security management system. "Supplier's Operations" means all goods, processes and systems (including information systems), data (including customer data), personnel and sites temporarily used or processed for the performance of the contract, which these General Terms and Conditions of Purchase are applicable to.

2. The supplier shall inform us without undue delay of all security-relevant events which have occurred or are suspected to have occurred and which affect the supplier's operations or the supplies or other performances, if and to the extent that we are actually or probably materially affected thereby.

XVI. Confidentiality

1. The supplier is obliged to keep the terms of the order as well as all information and documents made available for this purpose (with the exception of publicly accessible information) secret and to use them only for the execution of the order. He shall return them to us immediately upon request after completion of enquiries or after processing of orders.

2. Without our prior written consent, the supplier may not refer to the business relationship in advertising material, brochures, etc., and may not exhibit delivery items manufactured for us.

3. The supplier shall oblige its sub-suppliers in accordance with this clause XVI.

XVII. Cession

1. The supplier may only transfer the rights and obligations arising from the contract with us to third parties with our prior written consent.

2. The supplier shall notify us immediately in writing of any transfer of the contract occurring by operation of law and of any change in his company.

3. The supplier shall only be entitled to set off undisputed or legally established claims. The supplier shall only be entitled to a right of retention if the claim for which the right of retention is asserted originates from the same contractual relationship; clause V. remains unaffected.

XVIII. Compliance

1. In connection with the contractual relationship, the supplier shall be obliged to comply with the relevant statutory provisions applicable to it. This applies in particular to anti-corruption and money laundering laws as well as antitrust, labour and environmental protection regulations.

2. The supplier shall ensure that the products delivered by him comply with all relevant requirements for placing on the market in the European Union and the European Economic Area. Upon request, he shall provide us with evidence of conformity by submitting suitable documents.

3. The supplier shall make reasonable efforts to ensure compliance by its sub-suppliers with the obligations incumbent on the supplier contained in clause XVIII. The supplier shall comply with all requirements of applicable national and international customs and foreign trade law.

XIX. Reservation Clause

The performance of the contract by us is subject to the circumstance that no obstacles due to national or international regulations of foreign trade law as well as no embargos and/or other sanctions stand in the way of performance.

XX. Place of Performance, Place of Jurisdiction, Applicable Law, Severability Clause

1. The place of performance for both parties and the exclusive place of jurisdiction for all disputes arising from the contractual relationship is Diez / Lahn, Germany. However, we are entitled to sue the supplier at the court of his registered office.

2. The contracts concluded between us and the supplier shall be governed by the laws of the Federal Republic of Germany, excluding the provisions of conflict of law and the Convention on Contracts for the International Sale of Goods (UN Sales Convention).

3. Should individual provisions of these terms and conditions be or become invalid, void or unenforceable, this shall not affect the remaining provisions. The parties undertake to replace the invalid, void or unenforceable provision with a legally valid provision that comes as close as possible to its economic objective.