Terms of Purchase

1. Validity

The following conditions of purchase shall apply to all orders (verbal or in writing) of interlübke, even if the supplier confirms the contracts while taking into account its terms and conditions of business. If orders of suppliers with a deviating content are confirmed in writing, the deviation shall apply only with a corresponding written reconfirmation by us. Any amendments or supplements of/to these conditions of purchase (including verbal agreements) require the written form to be effective. The supplier has to confirm our order in writing within 2 working days after the date of our order.

In deviation from these terms of purchase, for all construction work performed either in Germany and/or by a German supplier the Construction Tendering and Contract Regulations Part B (VOB/B), in the version applicable when the order was placed, shall be given priority, unless expressly agreed otherwise.

2. Offers, order and order documents

Offers and estimates of costs shall be binding and shall not be remunerated, unless expressly agreed to the contrary. Unless there is a separate agreement in the individual case, we shall not bear the expenses for visits, planning and other preliminary work by the supplier in connection with the submission of offers, and we shall not remunerate these.

3. Price / Conditions of Payment

Delivery and service shall take place at previously agreed fixed prices. Price increases during the term of contracts shall be excluded; this also applies to blanket orders, call orders and standing orders, unless something to the contrary has been agreed in these orders. If no price agreement takes place on placement of the order, we shall reserve the right of confirmation even if order execution has already started.

The agreed prices shall include all expenditures in connection with the deliveries and services to be provided by the supplier. In the absence of any particular agreement the prices are understood as delivered at place (DAP according to Incoterms 2020), inclusive of packaging and plus statutory value added tax. Otherwise, in the case of deliveries outside EU countries, the applicable terms are delivered with duty paid at named destination (DDP according to Incoterms 2020). The supplier shall bear the risk of accidental loss, destruction or deterioration until acceptance of the goods by us or our representative at the place to which the goods are to be orderly delivered.

At our option, payment shall be effected by remittance or offsetting against counterclaims. Unless agreed otherwise, payment shall be made within 30 days after the invoice date less 3% discount or within 90 days after the invoice date, net. The term shall start from the time at which the invoice and the goods, free from defects, have been received by us or the service has been rendered without any defects. Payment shall be made subject to verification of the invoice.

4. Delivery Date

Agreed delivery dates and delivery times shall be binding. Without prejudice to our legal claims for default, in the case of imminent delays the supplier has to inform us immediately after becoming aware thereof and before expiry of the agreed delivery time, stating the reasons and the presumed duration of the delay. Receipt of the goods by us or timely successful acceptance shall be decisive for the observance of the delivery date. Premature deliveries or services as well as partial/over- and underdeliveries shall require our consent. Unconditional acceptance of a delayed delivery shall not constitute a waiver of claims for compensation.

If the supplier is in default of delivery, we shall be entitled to request a lump-sum damage caused by default of 1% of the contractually agreed price per completed week after the start of the default in delivery, however, in total no more than 10% of the agreed price. Assertion of further claims shall remain unaffected. The lump sum will be reduced if the supplier can demonstrate that the damage is lower or does not exist at all.

The supplier can only refer to the absence of necessary documents to be provided by us if it sent us a written reminder about the documents and has not received them within an appropriate term. If the supplier is in default, it shall be obliged to fulfil our request for express delivery (express freight, express courier, express parcel, air freight, etc.) with immediate effect and at its own expense.

5. Liability for defects

The supplier shall be liable for defects of the goods and services delivered, and it shall warrant that the subject of delivery/service has the contractually agreed quality, as well as that the deliveries or services comply with the latest state of the art, the relevant regulations of authorities and professional associations, and in particular with the accident prevention regulations, standards and guidelines in force at the relevant time (e.g. B. DIN, VDE, CE Conformity, etc.).

The agreed specifications shall be regarded as warranted characteristics. Restrictions of statutory warranty regulations in favour of the supplier by general terms and conditions shall require a separate written confirmation by us. In the absence of any agreement to the contrary the limitation period for warranty claims shall be 36 months from transfer of risk.
Longer contractual or statutory limitation periods shall remain unaffected thereby. If we incur costs caused by the defective delivery or service, especially transport, travel, labour, material costs or costs for receiving inspection exceeding the usual scope, the supplier shall have to bear these costs.

Besides the statutory warranty claims, in the case of defects of the goods, insofar as the defectiveness is attributable to a fault of the supplier, it shall be at our option to claim rectification, replacement delivery, reduction of the purchase price, or to withdraw from the contract. A fault of the supplier shall also exist if the defectiveness of the goods is due to inadequate verification of the correctness of the matter by the supplier. If the supplier fails to fulfil its obligation to provide a replacement delivery or rectification within an appropriate period of time, and if, at the same time, the production or delivery situation results in the replacement delivery or rectification becoming urgent, we shall be entitled to arrange replacement delivery or rectification by a third party at the expense of the supplier. In this case, the supplier shall have to pay for all costs, including any costs for removal and installation. The right to compensation, in particular the right to compensation instead of performance, shall be expressly reserved. We shall be exempt from the obligation to immediate inspection and provision of a notice of defect according to § 377 HGB in that notification shall still be regarded as being made in time within 14 days after receipt of the delivery by us. Early payment shall not simultaneously mean acceptance of the delivery as being made in accordance with the contract and free from defects. If we are held liable under the Product Liability Law or the Equipment and Product Safety Law, and the cause of the liability in the products of the supplier is justified, we shall have a claim against the supplier to release us from the claims raised against us under the Product Liability Law or the Equipment and Product Safety Law. This shall apply both to domestic and to foreign product liability regulations. If the supplier conceals, negligently or wilfully, any defects of title of the delivered goods, which the supplier has known or should have known, we shall be entitled to claim compensation according to § 437 BB (German Civil Code). The above liability of the supplier shall also include the freedom of the supplier's merchandise from rights of third parties in Germany or in the destination country, as well as from violation of industrial property

rights. In this case we shall also be entitled to obtain the necessary approval of the owner of these property rights, for delivery, commissioning, use, resale etc. of the supplier's merchandise at the expense of the supplier. The limitation period for our warranty claims is 5 years after delivery in the case of defects in title. If extension of the limitation period does not hold up to jurisdiction, the limitation period regarded as appropriate by the jurisdiction shall apply.

6. Technical Amendments of the Supplier's Merchandise

With regard to fabrication of series production parts and special parts, the supplier shall be required to agree any change of the production process, of material and changes of the tool used, with us.

7. Material Orders

If we provide material for fulfilment of the order, this material shall remain the property of interlübke. The supplier shall ensure that the material can be unambiguously identified as our property at any time, that it is treated with care and that it is protected against damage and theft. Furthermore, the supplier shall be obliged, when requested by us, to prepare an inventory of the material provided, each year in December, and to submit it to us. If the supplier processes, mixes or connects parts provided by us for the manufacture of products, this will be done on our behalf. If the property right of third parties remains in existence on processing, mixing, or connecting with merchandise of third parties, we shall acquire co-ownership of the new merchandise in proportion of the value of the provided goods to the other goods. Furthermore, the supplier shall be obliged to insure the parts, which are our property, at replacement value and at its own expenses, against fire, water and theft damage, and to assign corresponding compensation claims to us now already. Upon termination of the contractual relationship, in the case of enforcement measures, opening of insolvency proceedings or bankruptcy proceedings, the material shall be provided to us without any delay.

8. Force majeure

Force majeure, interruption of operations through no fault of one's own, unrest, industrial disputes, official measures of authorities, and other unavoidable events (e.g., fire, water damage, floods, etc.) shall release us from the obligation to timely acceptance for the duration of their existence. During such events and within two weeks after their termination, without prejudice to our other rights, we shall be entitled to withdraw from the contract, partially or wholly, if the events lead to a considerable reduction of our demand.

9. Information and Documents

All contract documents, copies, descriptions, samples, models, tools, drawings, and other material in connection with fulfilment of the contract shall remain the property of interlübke, are to be treated confidentially by the supplier and are to be used exclusively for the manufacture of the contractual services. If the aforementioned information/documents are prepared according to our specifications against separate remuneration, they shall become our property. Patents, inventions registered as utility models, or otherwise protected intellectual property rights developed by the supplier or an affiliated company as part of the work performed for us, shall be claimed fully by us and filed for property protection. These property rights shall be our exclusive property. The supplier shall inform us without any delay of technical improvements during manufacture of products/services developed during its activities for us, and assign all rights thereto, in particular copyrights, to us. We shall also have the right to grant licenses to third parties. If transfer of copyrights is impossible because of legal reasons, the supplier shall grant us the worldwide exclusive rights to use, unrestricted in terms of object and time, including the right to grant licenses to third parties. Tools created especially for fabrication of the goods ordered by us and that have not become our property, have to be delivered and assigned to us, upon request and against payment of the current market value, unless the supplier still needs them to fulfil delivery obligations towards us. Use for third parties or transfer to third parties shall not be permitted. Products fabricated with the aid of our moulds and tools shall be delivered to third parties only with our express written consent. Upon termination of the contract all relevant documents have to be returned to us unrequested. On processing or use of the above material in connection with the fulfilment of contracts, the supplier has to protect the data against access by third parties. Storage of contract documents, copies, descriptions, drawings, and other materials in connection with fulfilment of the contract on the part of the supplier after termination of the contract is permitted only in agreement with us, unless the supplier can prove that it requires them to assert its own rights. Transfer of data to third parties is permitted only with our prior written consent. In these cases of approved transfer, the supplier shall be obliged to protect the data transfer to third parties against unauthorized access. Printed matter, artwork and devices individually produced at the business premises of the supplier for fulfilment of the contract, as well as all rights thereto, shall become our property upon manufacture and fulfilment of the contract. The supplier has to retain the objects for us at its own expense and to submit them upon termination of the contract.

10. Dispatch

Delivery shall be at the risk of the supplier; the supplier has to insure the delivery sufficiently against transport damage at its own expense. The prices mentioned in the contract shall be ex works (place of delivery).

11. Invoices

Invoices shall be submitted in good time in order to ensure that they are available on receipt of the goods. The receipt of the invoice at our premises, or, if the goods are received at a later date, the date of receipt of the goods, shall be decisive for discount periods.

12. Assignment

Assignment of claims against interlübke shall be ruled out, as well as referring to retention rights, unless the supplier's claims have a legal title or are legally recognized.

13. Miscellaneous

If the supplier stops its payments or if insolvency proceedings over the supplier's assets are or a judicial or out-of-court settlement procedure is applied for, we shall be entitled to withdraw from the unfulfilled part of the contract.

The supplier shall be obliged to take out a public and product liability insurance with a lump sum coverage of no less than 5,000,000 EUR per damaging event for personal and property damage with worldwide validity, to maintain this insurance for the duration of the business relationship and to provide evidence of this upon request. The insurance also has to cover financial losses, product return costs, inspection and sorting costs, costs for removal and installation, as well as damage caused by connections and mixing. In its own interest the supplier shall ensure that the exclusion of cover for contractual liability claims shall be waived whilst taking into account the outgoing goods control imposed on the supplier. Excess premiums incurred thereby

have to be taken into account on pricing. Taking out liability insurance shall not have the effect of indemnification of the supplier.

All obligations arising from the contract shall have to be fulfilled by the supplier itself. Engagement of a subcontractor shall be permitted only with our prior written consent. Irrespective of consent, the supplier shall be liable for all damage caused by the supplier or its representatives by neglect of duty, unless the supplier is not responsible for the neglect of duty.

The supplier shall warrant, for the duration of the business relationship with us, to adhere to the regulations of the minimum wage law (where applicable), as well as socially responsible working conditions and comparable regulations, to use ecologically/raw material efficient production methods and to oblige its subcontractors, subsequent contractors, and employee lenders accordingly.

14. Data Protection

We shall collect, process, or use personal data only as permitted under the data protection regulations.

15. Place of Fulfilment / Jurisdiction

Place of fulfilment and jurisdiction is Rheda-Wiedenbrück, Germany.

16. Applicability of German Law

The law of the Federal Republic of Germany shall apply exclusively. The regulations governing the Uniform Law on the International Sale of Moveable Goods (EKG) and the Uniform Law of the Conclusion of International Sales Contracts (EAG) shall not apply. The applicability of the United Nations Convention on Contracts for the International Sale of Goods (CISG) as well as of the law pertaining to the Convention, dated 19th May 1956, on Contracts for the International Carriage of Goods by Road (CMR) shall be excluded.

17. Confidentiality

The supplier shall be obliged to treat all operational processes, facilities, and documents of interlübke, which become known to the supplier in connection with its activities, confidentially and to oblige its performing agents and vicarious agents accordingly.

18. Severability Clause

If any agreements in this contract are or become invalid, wholly or in part, the remaining contractual agreements shall remain fully valid. The parties undertake to replace the invalid agreement by another agreement that corresponds to the economic spirit and purpose of the valid agreement. There are no oral collateral agreements. Amendments of these terms of purchase shall be in writing to be effective.

Date: 1st August 2021