

**GENERAL TERMS AND CONDITIONS OF PURCHASE
HWS - AKTIENGESELLSCHAFT HANDEL - WIRTSCHAFT -
SERVICES****I. General information**

1.1. These terms and conditions of purchase shall become part of the purchase contract. Conflicting or deviating terms of delivery or other restrictions of the supplier are not recognized unless the buyer has expressly agreed to them in writing in individual cases.

1.2. Other agreements, amendments and ancillary agreements are only valid if the buyer agrees to them in writing.

1.3. These General Terms and Conditions of Purchase shall also apply to all future business with the supplier until new terms and conditions of business have been agreed.

II. Offer

2.1. In the offer, the supplier must strictly adhere to the enquiry and expressly point out any deviations.

2.2. The offer must be free of charge and does not create any obligations for the inquirer. Cost estimates will only be remunerated by special agreement.

III. Order

3.1. Orders and changes to orders are made in writing or electronically by the buyer. In case of doubt, the content of verbal and telephone meetings is only binding if it has been confirmed in text form.

3.2. Each order and order modification must be confirmed by the supplier in text form and must be treated separately in all correspondence.

3.3. In all correspondence, the following must be stated Purchasing department, complete order number, order date and Buyer's reference.

IV. Delivery time

4.1. The delivery time is binding. As soon as the supplier can assume that he will not be able to fulfil his contractual obligations in whole or in part or not in time, he must inform the buyer immediately, stating the reasons and the expected duration of the delay. If the supplier fails to do so, he shall be liable for damages, unless he can prove that he is not responsible for the failure to notify the buyer in time.

4.2. If the supplier does not comply within the agreed delivery period, he shall be liable in accordance with the statutory provisions.

V. Liability for defects, notification of defects and liability

5.1. The supplier warrants that the delivery item does not have any defect impairing its value or suitability, has the agreed or guaranteed quality, is suitable for the use presupposed in the contract, complies with the generally recognized rules of technology, the latest regulations issued by the authorities, the applicable statutory provisions, the relevant safety requirements and the industrial safety and accident prevention regulations.

5.2. If the delivery item does not comply with this, the buyer may, at his discretion, demand the removal of the defect or the delivery of a defect-free item and, if the further legal requirements are met, withdraw from the contract, reduce the purchase price or demand damages, including damages in lieu of performance or compensation for futile expenditure.

5.3. If the supplier has given a guarantee for the quality or durability of the delivery item, the buyer may also assert claims under the guarantee. This shall not apply to defects or damage to the delivery item caused by

- a) through normal wear and tear,
- b) through improper handling by the customer.

The validity of § 377 HGB (German Commercial Code) is excluded.

5.4. The statutory periods of liability for defects shall apply, unless expressly agreed otherwise. A reduction of the period of liability for defects is excluded.

5.5. The supplier's liability for defects also extends to parts manufactured by sub-suppliers.

5.6. The notification of defects suspends the expiry of the limitation period by the time period between notification of defects and rectification of defects. If the delivery item is renewed, repaired, or newly delivered in whole or in essential parts, the liability for defects shall start again in total; in case of partial renewal this shall apply to the renewed parts.

5.7. In case of replacement after dismantling, the rejected parts become the property of the supplier, who is responsible for their proper disposal.

5.8. If the supplier has not remedied the defect within a reasonable period of time, or if the remedy of the defect has failed once, the buyer is entitled to have the defect remedied at the supplier's expense.

5.9. The supplier shall indemnify the buyer from claims arising from product liability and from the Product Liability Act, insofar as the supplier or its supplier has caused the product defect triggering the liability - in case of application of the Product Liability Act. Otherwise, the supplier is free to prove that it is not responsible for the defect that gives rise to liability.

5.10. The supplier guarantees that the delivered substances, as far as necessary, with their properties and the use specified in the contract, are used in accordance with the provisions of the REACH Regulation.

VI. Examinations

If inspections are planned for the delivery item, the supplier shall bear the material and personnel inspection costs. The buyer shall bear his personnel inspection costs. The supplier must give the buyer binding notice of the readiness for testing at least one week in advance and agree a test date with him. If the delivery item is not presented on this date, the personnel inspection costs of the buyer shall be borne by the supplier. If repeated or further inspections are necessary as a result of defects detected, the supplier shall bear all material and personnel costs. The supplier shall bear the material and personnel costs for the material certificates of the primary materials.

VII. Insurance

7.1. The transport insurance shall be taken out exclusively by the buyer.

7.2. Unless otherwise agreed, the supplier shall, at its own expense, take out liability insurance with an adequate minimum coverage for damage caused by itself, its personnel or its agents through services rendered or goods delivered and shall provide evidence of this insurance on request of the buyer. The conclusion and proof of the liability insurance does not limit the liability of the supplier.

7.3. The conclusion of a special assembly insurance in addition to the liability insurance according to clause 7.2 requires a determination between buyer and supplier in each individual case.

7.4. Machines, apparatus, etc. provided to the buyer will be insured by the buyer against the usual risks. Any further liability of the buyer for loss of or damage to the machines, apparatus, etc. provided shall be excluded - except in cases of intentional or grossly negligent commission.

VIII. Dispatch Instructions

8.1. The supplier must send a detailed dispatch note for each individual consignment on the day of dispatch, separate from the goods and invoice. The delivery must be accompanied by a delivery note and packing slip. In the case of shipment by ship, the name of the shipping company and the ship must be stated in the shipping documents and invoice. The supplier must choose the most favorable and suitable means of transport for the buyer. In all dispatch notes, delivery notes, packing slips, bills of lading, invoices and on the outer packaging etc. the order reference numbers, and details of the unloading point prescribed by the buyer must be stated in full.

8.2. As a matter of principle, the supplier must pack, mark and dispatch hazardous products in accordance with the nationally/internationally applicable regulations. In addition to the hazard class, the accompanying documents must also contain the other information required by the respective transport regulations.

8.3. The supplier is liable for damages and bears the costs arising from non-compliance with these regulations, unless he can prove that he is not responsible for the event giving rise to liability. In this respect, he is also responsible for compliance with the shipping instructions by his subcontractors.

8.4. All consignments that cannot be accepted due to non-compliance with these regulations are stored at the supplier's expense and risk. The buyer is entitled to determine the content and condition of such consignments. Tools and equipment may not be loaded together with delivery items.

IX. Calculation - Prices

9.1. Should the supplier reduce his prices and improve his conditions in the period between order and delivery, the prices and conditions valid on the day of delivery shall apply.

9.2. The prices for purchases by nationals and Community residents are quoted free domicile of the buyer, including freight, packaging and insurance, etc. plus any statutory value added tax that may be applicable. The prices for purchases by non-Community residents are quoted free to the place of delivery of the buyer, including freight, packaging and insurance etc., excluding any statutory turnover tax and customs duty. All additional charges, public duties, newly added costs, freight etc. and their increases, by which the delivery is directly or indirectly made more expensive, shall be borne by the supplier. In all other respects, the INCOTERMS ® 2010 are decisive for the interpretation.

X. Invoice and payment

10.1. Invoices must correspond to the order in terms of expression, order of text and prices. Any additional or reduced services must be listed separately in the invoice.

10.2. Unless otherwise agreed, the payment period is 30 days from receipt of the invoice. The invoice may not be issued before receipt of the goods.

XI. Documents

11.1. All drawings, standards, guidelines, analytical methods, recipes and other documents provided to the supplier by the buyer for the manufacture of the delivery item, as well as documents prepared by the supplier according to special instructions of the buyer, remain the property of the buyer and may not be used by the supplier for other purposes, copied or made available to third parties. Upon request, they shall be returned to the buyer without delay together with all copies and duplicates. The buyer reserves the industrial property rights to all documents handed over to the supplier. The supplier must regard the enquiry and order and the work relating to them as business secrets and treat them confidentially accordingly. He shall be liable for all damages incurred by the buyer due to the violation of one of these obligations, unless he proves that he is not responsible for the event giving rise to liability. Any participation of the buyer in the form of technical discussions or explanations does not release the supplier from any liability for defects and other obligations.

11.2. Documents of all kinds which the buyer requires for the use, installation, assembly, processing, storage, operation, maintenance, inspection, servicing and repair of the delivery item must be provided by the supplier in good time and without request and free of charge.

11.3. The standards and guidelines quoted by the buyer shall apply in the latest version. The buyer's company standards and guidelines are to be requested by the supplier in good time if they have not already been made available.

XII. Objects

Moulds, models, tools, films, etc., which have been produced by the supplier for the execution of the order shall become the property of the buyer upon payment, even if they remain in the possession of the supplier. Upon request, these items must be handed over to the buyer.

XIII. Assembly, maintenance, inspections, repairs

13.1. If assembly, maintenance, inspections, repairs, etc. are carried out in a plant of the buyer, the safety and order regulations for outside companies who carry out orders within the premises of HWS AG shall apply. These shall be handed over prior to commencement of the work. If necessary, they shall be requested from the Safety Department.

13.2. The risk for the property of the supplier or his staff brought into the premises of the buyer shall not be borne by the buyer.

XIV. Patent Infringement

The supplier is liable for ensuring that patents, licenses or industrial property rights of third parties are not infringed by the delivery and use of the delivery items, unless he can prove that he is not responsible for the event giving rise to liability. Any license fee shall be borne by the supplier.

XV. Advertising material

It is only permitted to refer to the existing business relationship with the buyer in information and advertising material with the express written consent of the buyer.

XVI. Applicable law, interpretation of clauses etc.

16.1. German law shall apply exclusively. The application of the UN Convention on Contracts for the International Sale of Goods of 11.04.1980, valid from 01.01.1991, is excluded, as are the regulations on international jurisdiction.

16.2. Customary commercial clauses shall be interpreted in accordance with the Incoterms ® 2010 of the ICC.

XVII. Export control - origin of goods

17.1. The supplier is obliged to observe the relevant legal and official regulations and requirements when fulfilling the contract.

17.2. The supplier is particularly liable for ensuring that no embargo regulations of the UN Security Council, the European Commission or national legislators are violated or disregarded by the delivery of the delivery items. The supplier is exclusively responsible for the proper export of all delivery items from the country of dispatch and undertakes in particular to obtain all necessary foreign trade permits and to state the commercial origin and the ECCN of the delivery item in writing in the offer, in particular if the US Export Administration Regulations (EAR) or International Traffic in Arms Regulations (ITAR) are applicable. The delivered goods must meet the conditions of origin of the preferential agreements of the EU, unless the order confirmation expressly states otherwise.

XVIII. Place of performance and jurisdiction

The place of performance is the place of receipt provided by the buyer, unless otherwise stated in the order. The exclusive place of jurisdiction is Düsseldorf, Germany.

Düsseldorf, October 2020