

General

1. All orders from ALGECO GmbH (hereinafter “**ALGECO**”) and the provision of goods and services by suppliers to ALGECO are governed exclusively by these General Ordering and Purchasing Terms and Conditions (hereinafter the “**General Terms**”). They apply to purchases of goods, supply of products to be manufactured (Sec. 651 of the German Civil Code - *BGB*), the provision of services (Sec. 611 *BGB*) and the performance of works (§ 631 *BGB*).
2. Other provisions, including, without limitation, general terms and conditions of the supplier, shall have no effect, regardless of whether or not they have been expressly rejected by ALGECO. This shall also apply if ALGECO, being aware of any deviating terms and conditions of business, places an order or accepts a delivery of goods or services without explicitly objecting to them.
3. Confirming or fulfilling an order from ALGECO, the supplier agrees to be bound by these General Terms.
4. Any individual agreements made between ALGECO and the supplier for a specific case in question shall prevail. Such agreements, just like any changes and amendments or the cancellation of agreements between ALGECO and the supplier and of these General Terms, must be in writing in order to be valid. This shall also apply to the cancellation of this requirement of written form. Notice by email shall suffice in order to comply with the requirement for written form.

I Offer and placing of orders

1. Offers, cost estimates and other services preparatory to the formation of a contract provided by the supplier shall be free of charge. If product samples or models are made available at ALGECO's request, this shall also be done free of charge, and no obligation to purchase or accept any goods shall be created thereby.
2. Where required by law, the supplier shall submit a valid certificate of exemption from the competent tax office to ALGECO when submitting an offer. Otherwise its offer will not be considered in the further course of the procurement procedure. The supplier shall notify ALGECO of any changes with respect to such a certificate of exemption without undue delay. If it fails to do so, ALGECO may retain 15% from its invoice and pay the amount thus retained to the tax authorities.
3. The supplier shall be bound by its offer for a period of two weeks.
4. Orders from ALGECO shall be legally binding only if issued in writing. Oral side agreements or orders placed orally, changes and amendments to them or changes and amendments to orders previously placed in writing must be confirmed by ALGECO in writing in order to be valid.
5. Acceptance of each order from ALGECO must be confirmed by the supplier within five business days. If the supplier confirms an order from ALGECO with a change in content, this shall be deemed a new offer that must be accepted by ALGECO in writing.

II Delivery time/dispatch of orders

1. The delivery times specified by ALGECO in the order shall be binding. The supplier shall notify ALGECO in writing without undue delay if any circumstances arise or become apparent which suggest that the agreed delivery date cannot be met.

2. If the supplier is in default, ALGECO shall be entitled to charge a contractual penalty of 0.25% of the net price of the delayed goods or services per calendar day of the delay, not exceeding, however, a total of 5% of the net price of the delayed goods or services. ALGECO shall have the right to claim this contractual penalty in addition to performance and as a minimum amount of damages owed by the supplier; this shall be without prejudice to ALGECO's right to claim any loss or damage beyond that.
3. Delivery shall be DDP (ICC Incoterms 2010) to the delivery address stated in the order. Risk shall pass to ALGECO upon delivery of the goods at the destination specified by ALGECO during business hours or, in the case of works performed (including under a contract for provision of works and services), upon acceptance. If ALGECO defaults in acceptance, this shall be deemed equivalent to delivery or acceptance, respectively. In addition to the delivery address, the shipping documents shall state full details of the order (order number/orderer's name, if applicable/order date/full details of the destination, name of recipient, if applicable and item number, if available).
4. The supplier may make partial deliveries of goods/services only with the prior written consent of ALGECO. If less than the quantity ordered is delivered, ALGECO shall have the right to reduce the invoice total by such amount as is attributable to the quantity not delivered.
5. Signing of the delivery note shall not constitute acknowledgement of the goods as complying with the contract.

III Prices/payment

1. All prices of the supplier shall be indicated in euros both in the offer and in any invoices, with any taxes and other applicable charges being shown separately in each case.
2. The prices stated in the order shall be inclusive of all discounts and surcharges and shall be deemed to be fixed prices to which VAT at the applicable statutory rate will be added. In the case of deliveries of goods, prices shall be DDP (ICC Incoterms 2010) to the delivery address stated in the order. ALGECO shall have the right to send bulky packaging materials (including, without limitation, containers, barrels, boxes, etc.) back to the supplier free of carriage charges at the cost of the latter once they have been emptied and regardless of any damage or other wear and tear that may have occurred to them in transit.
3. Invoices shall be sent in duplicate – for each order separately – to the invoicing address stated in the order once the delivery of the goods/services is completed. The order number and, if applicable, the name of the orderer shall be stated and supporting documents (e.g. evidence of the work done) shall be enclosed. ALGECO reserves the right to return invoices without reference to the supplier unprocessed.
4. Invoices for partial deliveries shall be marked as "invoice for partial delivery" (*Teillieferungsrechnung* or *Teilleistungsrechnung*), and final invoices shall be marked as "final invoice" (*Restlieferungsrechnung* or *Restleistungsrechnung*), respectively.
5. Both Parties shall be entitled to rights of set-off and retention within the scope defined by law. All payment claims of the supplier shall be settled by ALGECO within 30 days of receipt of a proper

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invoice, but not before the goods have been handed over. The date of receipt of an invoice shall be taken as the invoice date.

6. Unless a higher prompt payment discount has been agreed on, ALGECO shall have the right to apply a discount of 3% if it makes payment within 14 days of receipt of an invoice. The time limit on the prompt payment discount shall begin to run upon receipt of the invoice, but not before the contract has been fully and properly performed.

7. A payment shall be deemed to have been made on time if ALGECO instructed the bank to make payment or – if payment is made by cheque – dispatched the cheque by post, on the last day of the payment period. ALGECO accepts no liability for delays caused by the banks involved in the payment transaction.

8. ALGECO shall not be liable under the contract to pay maturity interest. In case of Algeco's default in payment, the applicable statutory provisions shall apply.

IV Default in acceptance

Default by ALGECO in accepting delivery shall be governed by the applicable statutory provisions. However, the supplier shall also expressly offer its performance to ALGECO if a specific or specifiable calendar date or period has been agreed for any action or act of collaboration by ALGECO.

V Notification of defects

Where the commercial duty to inspect and report applies, the obligation of ALGECO shall be limited to inspecting the goods to check their quantity and identity, visible damage sustained in transit or damage to packaging and spot-checking the goods for their material features. If any visible defects are identified, ALGECO shall report them to the supplier without undue delay, at the latest within two weeks of delivery; any other defects shall be reported without undue delay following discovery.

VI Defective performance/product liability

1. The supplier shall perform its obligations under the contract so as to be free from defects and/or to comply with the contractual requirements. In particular, they must have the characteristic features agreed upon, be suitable for the agreed purpose, be state of the art, comply with generally acknowledged technical and occupational health and safety standards and regulations of public authorities and professional organisations and be in accordance with the applicable statutory provisions. If drawings, samples and other documents submitted (e.g. papers, pieces of programming work) are approved by ALGECO, this shall not alter the fact that the supplier is responsible for the proper performance of the contract.

2. Unless any further-reaching requirements are stipulated in the order, the deliverables shall be provided in usual commercial quality and, if DIN, VDE, VDI or equivalent standards apply, in compliance with such standards.

3. In the case of defects, in warranty cases or in the case of defective performance, ALGECO shall be entitled to the rights provided by the statutory laws. In the event that claims under guarantees go beyond the statutory warranty rights, the claims under guarantees shall not be affected by this provision.

4. The warranty claims governed by the statute of limitations shall be subject to a limitation period of 36 months which shall begin to run upon delivery of the goods or services or, if acceptance has been agreed or is provided for by statute, upon acceptance. This shall be without prejudice to any longer statutory limitation periods which may apply to warranty claims and to the running of the statutory limitation period for guarantees.

5. If a defect appears during the limitation period, ALGECO shall have the right to claim remedy of the defect, either by repair or, at ALGECO's choice, by replacement. In cases of urgency, where the supplier cannot be reached and there is a risk of unreasonably high damage, ALGECO shall have the right to remedy the defect itself, or have it remedied by third parties, at the risk and expense of the supplier. ALGECO shall notify the supplier of any such steps without undue delay.

6. The limitation period for warranty claims for parts of goods or services delivered as a replacement or repaired in order to remedy a defect shall begin to run again upon delivery of the replacement or performance of the repair, unless the extent, duration and costs of the remedial action taken appear to be negligible or ALGECO had to assume based on the approach taken by the supplier that the latter did not feel an obligation to take such remedial action but only did so out of a spirit of fair dealing and accommodation.

7. If the remedial action is not taken by the supplier within a reasonable grace period that has been set, if it fails or if setting a grace period was not required, ALGECO shall be entitled to rescind the contract in accordance with the applicable statutory provisions and to claim damages in lieu of performance, reimbursement of futile expenditure or a reduction of the remuneration. If the contractual performance consists in the performance of works under a contract for works, ALGECO shall have the right to perform the works concerned itself in accordance with the applicable statutory provisions.

VII Third-Party Intellectual Property Rights

1. The supplier shall ensure that no copyrights, patents or other third-party intellectual property rights are infringed in Germany or in any other country in connection with the delivery of its goods or services and with the use of the goods ordered in accordance with their intended purpose or the sale of its goods and/or services.

2. If claims are made against ALGECO by any third party based on an infringement of intellectual property rights, the supplier shall indemnify ALGECO on first demand against any such claims and shall reimburse ALGECO for all necessary expenses ALGECO incurred due to or in connection with the claims made by the third party to the extent that such claims are based on a culpable breach of duty by the supplier. ALGECO shall notify the supplier without undue delay if such claims are made against it.

VIII Product liability, insurance

1. If the supplier is responsible for a defect of ALGECO's product, it shall indemnify ALGECO against all claims in this regard to the extent that the cause of the damage sustained by the third party concerned originates from the sphere of control and organisation of the supplier.

2. As part of its indemnification obligation, the supplier shall reimburse ALGECO for the necessary expenses arising from or in connection with any claims made against ALGECO by third parties,

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including any recall of products which may be issued by ALGECO. ALGECO shall inform the supplier – to the extent possible and reasonably practicable – of the content and scope of any recall campaigns and give it the opportunity to state its view. This shall be without prejudice to any further-reaching statutory claims.

3. The supplier shall prove to ALGECO upon request that both the risk of product liability claims being made and the risk of having to indemnify ALGECO against product liability claims is covered by insurance in a sufficient amount it has in place. ALGECO does not accept any limitations on the liability of the supplier, in particular limitations to intent and gross negligence, limitations as to the amount and limitations to types of damage typical for this kind of contract.

IX Confidentiality

ALGECO reserves all rights of ownership and copyright to all images, plans, drawings, calculations, instructions, product descriptions and other documents. Such documents shall be used exclusively for the performance under the contract and shall be returned to ALGECO when performance is completed. The supplier undertakes to keep all commercial and technical information and documents that are not generally known and that become known to it due to its business relationship hereunder confidential and to use them exclusively in order to deliver the goods and perform the services ordered. A corresponding undertaking shall be obtained from any subcontractors.

X Data protection

ALGECO shall have the right to store and process all data it requires from the supplier in order to perform the contract with it, including any personal to which this may apply.

XI Subcontracting of orders, assignment

1. The supplier may transfer its contractual obligations or any part thereof to subcontractors only with the prior written consent of ALGECO.
2. The supplier may assign any claims it has against ALGECO to third parties, or have them collected by third parties, only with the prior written consent of ALGECO.

XII Reservation of title by the supplier

1. Reservations of title by the supplier which go beyond simple reservation of title (*einfacher Eigentumsvorbehalt*) are excluded. If the supplier reserved title to any goods delivered, this reservation of title shall only apply until such goods have been paid in full, unless ALGECO has already become the owner of such goods by processing, combining or mixing them with other products. Reservations as to current account balances and reservations of title by the group of the supplier are not acknowledged by ALGECO.
2. Claims arising from re-sale of the goods subject to a reservation of title shall not be assigned by ALGECO in order to secure the purchase price claim. ALGECO shall be under no obligation to protect rights the supplier has on the basis of retentions of title of any kind against third parties.
3. if, nevertheless, a case arises where the supplier's subcontractors assert rights of ownership, rights of co-ownership or liens or have enforcement measures taken against ALGECO, ALGECO shall be entitled to make claims against the supplier for all damages caused thereby.

XIII Applicable law, place of performance and jurisdiction

1. All legal relationships between ALGECO and the supplier shall be governed by German law to the exclusion of the UN Sales Convention (CISG).
2. The place of performance for the delivery of goods or services by the supplier and for any remedial actions shall be the respective place of destination (obligation to be performed by the debtor at the creditor's address (*Bringschuld*)). The place of performance for all payment obligations and other obligations of ALGECO shall be ALGECO's registered office.
3. ALGECO's registered office is the exclusive place of jurisdiction for all disputes arising from and in connection with a delivery of goods or services hereunder. However, ALGECO reserves the right to sue the supplier also at the registered office of the latter.

XIV Severability

Should any provision(s) of these General Terms be or become invalid, the validity of the remaining provisions shall remain unaffected.