



CONDITIONS OF PURCHASE AS OF OCTOBER 2023

1. GENERAL

These Terms and Conditions of Purchase apply to all business transactions with our contractual partners, whether they are suppliers or other contractors. Our Terms and Conditions of Purchase shall apply exclusively, we will only acknowledge general terms and conditions of the supplier opposing to or deviating from our Terms and Conditions of Purchase insofar as we have expressly agreed to them in writing. These Terms and Conditions of Purchase shall also be applicable for all future business transactions with the supplier, even if they are not mentioned in later contracts. The acceptance of goods or services of the supplier or their payment does not signify any consent.

2. CONCLUSION OF CONTRACT AND CONTRACT AMENDMENTS

2.1 Orders, conclusions of sales and calls for delivery as well as their amendments shall be made in writing.

2.2 Verbal agreements of any kind - including later amendments of our Terms and Conditions of Purchase - need our confirmation in writing in order to become effective.

2.3 The written form requirement is also met by data transmission email or telefax.

2.4 Cost estimates, quotations and associated work (drawings, samples etc. in whichever form) are binding and do not have to be compensated, unless expressly stipulated otherwise.

2.5 If the supplier does not accept the order within 5 working days of receipt, we shall be entitled to cancellation.

2.6 Calls for delivery within the frame of an order and call for delivery planning shall be binding, unless the supplier contradicts within two working days of receipt.

3. DELIVERY

3.1 The agreed delivery times and dates are binding. They count from the date of the order. The goods must have arrived at the place of receipt specified by us within the delivery time and/or by the delivery date. If delays are to be expected the supplier shall inform us immediately about them, stating the reasons and the probable duration and he must obtain our decision of maintaining the order or not. In case of failure on the supplier's part to notify us, he cannot refer to the obstruction, while refraining from the responsibility. Unless stipulated otherwise, DDP named place of delivery according to INCOTERMS 2020 shall apply as agreed. Deviations from our conclusions of sales and orders shall only be permissible after our prior consent in writing.

3.2 If the supplier is responsible for the erection or assembly, he shall bear all required incidental expenses, such as travel expense, provision of tooling as well as allowances, except as otherwise provided.



3.3 A delayed delivery or performance entitles us to claim a contractual penalty for each complete day of delay of 0.2% of the agreed net total order sum for each started day of delay, however, in total maximally 5% of the price. The contractual penalty does not affect the right of withdrawal and of assertion of further compensation for damages due to non-fulfilment; however, the contractual penalty shall be deducted from a higher damage that has been claimed. We can still reserve the right to demand the contractual penalty until payment of the final invoice of the supplier.

3.4 If the supplier anticipates difficulties with regard to production, feedstock supply, compliance with the delivery date or similar circumstances, which may hinder him in performing an on-time delivery or a delivery of the agreed quality level, the supplier shall immediately notify our department placing the order. The unreserved acceptance of the delayed delivery or performance does not include a waiver of the claims for compensation to which we shall be entitled due to the delayed delivery or performance. If an agreed delivery date is postponed for reasons beyond our control, the contract penalty shall also become due when the new delivery date is exceeded for reasons for which the supplier is responsible.

3.5 Partial deliveries are in principle impermissible, unless we have expressly agreed to them.

3.6 Except when proved otherwise, the values determined by us for quantities, weights and dimensions during the incoming goods inspection shall have decisive effect.

3.7 For the software which forms part of our product supply scope, including its documentation, we hold the right of use to the extent permitted by law (Sections 69a et seq. UrhG - German Act on Copyright and Related Rights). Any licenses shall be included in the scope of supply.

3.8 As regards such software including its documentation, we also hold the right of use with the agreed performance features and to the extent required for a contractually compliant use of the product. We may also produce a backup copy without any express agreement.

4. FORCE MAJEURE

For the duration of their occurrence, the following events including, but not limited to, war, civil war, export restrictions or trade restrictions, industrial conflicts, stoppages beyond our control, riots, administrative orders not caused by us and other inevitable events shall free us from the obligation to perform an acceptance in good time. During such events as well as within two weeks after their end we shall be entitled - without prejudice of our other rights - to withdraw in whole or in part from the contract, provided that such events are not of insignificant duration and our demand changes considerably due to the thus required procurement from other sources.

5. DELIVERY NOTE AND INVOICE

The invoice and the delivery note shall be sent in one copy to the respective mailing address, indicating the order and project number and all other allocation features given in the order. The invoice must not be enclosed to the consignment. We reserve the right to charge the supplier any extra costs resulting from the lack of details given.



6. PRICING AND PASSAGE OF RISK

If no particular stipulation has been agreed, the price is understood named place of delivery (DDP according to INCOTERMS 2010) including packaging. This price does not include value-added tax. The supplier bears the risk of accidental loss, destruction or deterioration until acceptance of the goods by us or our representative agent at the place where the goods shall be delivered to according to the order.

7. TERMS OF PAYMENT

Unless no particular stipulation has been agreed, the invoice is paid within 14 days with a 3% cash discount or within 30 days without deduction. The term of cash discount starts on the date of receipt of the invoice at our company. Each payment effected within the term of cash discount qualifies for cash discount. The timely performance of the payment suffices for observing the deadline. The payment is effected subject to an invoice check.

8. CLAIMS FOR DEFECTS AND RECOURSE

8.1 The supplier undertakes to ensure that the goods including their presentation and marking comply with our specifications. The supplier is responsible for the compliance of the delivery item with the legal and contractual quality requirements as well as for its faultless condition. In particular, the delivery item shall comply with the generally recognised rules of technology, the relevant applicable requirements on safety as well as with the environment, occupational health and safety and accident prevention regulations.

8.2 The notification period for obvious deficiencies and for deficiencies noticeable during an inspection incumbent on us is five days. If deficiencies become apparent later, the reporting period for such deficiencies shall also be five days from the date of detecting them. Upon delivery of defective goods or in case of faulty supply of work or services, the legal warranty regulations (Sections 437, 634 BGB - German Civil Code) shall apply, unless agreed otherwise in writing in the individual case. Even in the case of only an irrelevant deviation from the stipulated quality or of only an irrelevant impairment of the usefulness, we shall be entitled to the right of withdrawal from the contract and to damages in lieu of the (full) performance. The statutory regulations for material defects and defects of title shall be applicable, unless other regulations are stipulated in the following.

8.3 We shall in principle be entitled to choose the kind of supplementary performance. The supplier may refuse the kind of supplementary performance chosen by us, if this should only be feasible at unreasonable costs.

8.4 In the case of defects of title, the supplier shall also hold us harmless from and against any existing claims of third parties, unless he is not responsible for the defect of title.

8.5 Except in the event of malice, claims for defects come under the statute of limitations after 3 years in case of purchase and work performance of new objects, unless the object has been used according to its usual application for a construction work and caused the defectiveness of this work. The period of limitation begins with the delivery of the contractual object (passage of the risk).



8.6 If the supplier meets his obligation to supplementary performance by means of a replacement delivery, the period of limitation for the goods delivered as replacement newly starts after their delivery. If it has been in dispute before the replacement delivery, whether an obligation to supplementary performance exists, this shall apply, unless the supplier has expressly and correctly reserved the right to perform the replacement delivery only to show the willingness to oblige, to avoid disputes or out of his interest to continue the supply relationship.

8.7 The costs for removal including transport from the site which incur in case of a subsequent delivery for already installed goods as well as the costs for installing the subsequently delivered faultless goods shall be borne by the supplier regardless of a fault attributable to him. He may, at his own discretion, execute this work free of costs for us on his own within the frame of his obligation to subsequent delivery.

9. PRODUCT LIABILITY

9.1 In the event that a product liability claim is made on us, the supplier shall be obligated to hold us harmless from and against such claims, insofar and to the extent that the damage was caused by a fault of the contractual object delivered by the supplier. In the cases of strict liability, this shall only apply, if the supplier is at fault. If the reason for the damage is within the responsibility of the supplier, he must prove that the fault is not attributable to him.

9.2 In the cases of clause 9.1, the supplier shall accept all costs and expenses including the costs of any legal action. The supplier shall also compensate us for damages which result for us due to reasonable prevention measures against a claim from extra-contractual liability (e.g. public information by advertising) and which according to clause 9.1 were caused by the supplier.

9.3 In all other respects, the statutory regulations apply.

9.4 In case of a claim which as a whole or in part results as the consequence of a defect of the contractual object delivered by the supplier, we will notify the supplier, offer him the chance to co-operate and discuss with him an efficient way of handling the issue, unless the notification or participation of the supplier is impossible due to the need for particular urgency. Insofar as the claim results from a defect of the contractual object delivered by the supplier, the supplier shall accept the costs for the recall.

10. RIGHT OF WITHDRAWAL AND TERMINATION

10.1 In addition to the statutory rights of withdrawal, we shall also be entitled to withdraw or terminate the contract at any time and with immediate effect, if the supplier has ceased to deliver to his customers, if a substantial deterioration of the financial circumstances of the supplier occurs or threatens to occur, and thereby jeopardises the fulfilment of an obligation to deliver to us, or if the insolvency or over-indebtedness of the supplier becomes fact

10.2 We shall also be entitled to withdrawal or termination, if the supplier files for the opening of insolvency proceedings against his assets or for comparable proceedings for the clearance of debts.



10.3 Insofar as we withdraw from the contract or terminate the contract on the basis of the aforementioned rights of withdrawal and termination, the supplier shall compensate us for the damage caused hereby, unless he is not responsible for the accruing of the rights of withdrawal and termination.

10.4 In addition, we shall be entitled to withdraw or terminate the contract with immediate effect, if our customer terminates the contractual relationship with us without substantial reason.

10.5 The regulations contained in clause 10 do not restrict statutory rights and claims.

11. EXECUTION OF WORK

Persons who carry out work on company premises in fulfilment of the contract shall observe the respective internal company regulations.

12. PROVISION, DOWN PAYMENTS AND PASSAGE OF TITLE

12.1 Materials provided by us remain our property. They may only be used as intended. The processing of materials and the assembly are carried out for us. There is consent that at the ratio of the value of the provisions to the value of the overall product, we are co-owners of the products produced by using our materials which in this respect are stored for us by the supplier.

12.2 In the case of effected down payments, all procured materials and services shall become our property with immediate effect.

13. DOCUMENTS AND SECRECY

13.1 All business or technical information which we made accessible (including characteristics which can be found e.g. in objects, documents or software handed over, as well as other knowledge or experiences) shall be kept confidential from third parties as long as and to the extent they are evidently not publicly known, and it may only be made available in the own company of the supplier for those persons, who must be involved for using such information for the purpose of the delivery to us and who are also obligated to maintain secrecy; such information shall remain our exclusive property. Except for deliveries to us, such information must not be reproduced or used for business purposes without our prior approval in writing. On our request, all information from us (where applicable, including any produced copy or record) and objects made available by way of lending, shall be immediately and completely returned to us or destroyed. We reserve all rights to such information (including copyrights and the right to file for industrial property rights, such as patents, utility models etc.). As far as such information has been made accessible for us by third parties, this reservation of rights also applies in favour of those third parties.

13.2 Products which have been fabricated according to documents we designed, such as drawings, models and the like, or according to our confidential information or with our tools or reproduced tools, must not be used by the supplier himself or be offered or delivered to third parties.



13.3. In the case of acquiring, processing and using personal data and data equivalent to them, the supplier shall be obligated to process them according to the current legal situation pursuant to GDPR and supplementary legislation.

14. EXPORT CONTROL AND CUSTOMS

The supplier is obligated to inform us in his business documents about any authorisation obligations for (re-)exports of his goods according to German, European, US export and customs provisions as well as export and customs provisions of the country of origin of his goods. On our request, the supplier is obligated to notify us in writing about all export trade data on his goods and their constituents as well as to inform us immediately in writing (prior to delivery of corresponding goods concerned by this) about all amendments of the aforementioned data.

15. COMPLIANCE

15.1 The supplier undertakes to comply with the respective legal regulations on the dealing with employees, environmental protection and occupational health and safety and to work on reducing adverse effects on human beings and the environment in the course of his activities. In addition, the supplier shall observe the principles of the Global Compact Initiative of the UN. These essentially concern the protection of international human rights, the right to collective bargaining, the abolition of forced labour and child labour, the elimination of discrimination in respect of employment and occupation, the environmental responsibility and the prevention of corruption. Further information on the UN Global Compact Initiative are available under www.unglobalcompact.org.

15.2 In the event that a supplier repeatedly acts unlawfully and/or in spite of a corresponding notice and that he does not prove that the infringement has been cured as far as possible and appropriate precautions have been taken to prevent infringements in future, we reserve the right to withdraw from existing contracts or to terminate such contracts without notice.

15.3 The supplier guarantees that all employees are lawfully employed and that in particular the criteria relating to social security are observed as well as that there is compliance with the MiLoG (German Minimum Wage Act).

16. ACCESS RIGHT AND OBLIGATION TO PRESERVE BUSINESS RECORDS

16.1 The supplier undertakes to grant us and/or our customers and/or third parties commissioned by us and/or the competent authorities access to the own company and to that of sub-suppliers during normal business hours, after prior reasonable announcement.

16.2 The supplier undertakes to keep records and documentation material about delivered goods and rendered services in safe custody for a period of 10 years and to hand such material over, if required.



17. INSURANCE AND ASSIGNMENT

17.1 Taking into consideration our risk, the supplier takes out his own liability and product liability insurance including an extended product liability insurance of a reasonable amount of at least EUR 5,000,000 based on normal market terms and conditions, maintaining said insurances for at least until the expiry of the warranty period.

17.2 For work performances and contracts for work, the supplier is additionally obligated to adequately insure his factory and the materials procured for this purpose against the risk of damage or loss until the time of the final acceptance.

17.3 The supplier shall notify us immediately about any event of an insurance damage, at the latest however, within five calendar days.

17.4 The supplier shall assign his claims from the insurance contracts to us by way of security; however, he shall remain obligated to perform collection until revocation.

17.5 On our request, proof of such insurances shall be presented to us.

18. PLACE OF PERFORMANCE

The place of performance shall be the place of delivery for the goods as stipulated in the order or the place where the performance shall be rendered.

Subsequent performance obligations of the supplier within the agreed warranty periods are to be fulfilled in the case of ship projects at the current location of the vessel. The supplier bears the costs.

19. GENERAL PROVISIONS

19.1 If one provision of these terms and conditions and of the agreed other stipulations is or becomes invalid, this shall not affect the validity of the remaining provisions. The contractual partners are obligated to replace such an invalid provision with an arrangement as similar as possible in its economic effect.

19.2 The legal relationships shall be exclusively governed by German law to the exclusion of the conflicts of law provisions and the UN Convention on Contracts for the International Sale of Goods (CISG).

19.3 The place of jurisdiction for all legal disputes arising from this agreement is Lüdinghausen. We shall be entitled, at our discretion, to bring action against the supplier at the law court at his registered office or that of his subsidiary or at the law court at the place of performance.