

**General Terms and Conditions for Purchases**

**I.  
General Application**

1. These General Terms and Conditions of Purchase (hereinafter "Conditions") shall exclusively govern all supplies and services furnished to BRIDON INTERNATIONAL GmbH (hereinafter "BRIDON"). Such Conditions shall only apply if the supplier is an entrepreneur (*Unternehmer*) (§ 14 German Civil Code (BGB)), a corporate body under public law (*juristische Person des öffentlichen Rechts*) or a public sector fund (*öffentlich-rechtliches Sondervermögen*).
2. Contradicting conditions, supplemental conditions or deviations from these Conditions by the supplier shall only and insofar form part of the contract, as BRIDON has confirmed them explicitly and in writing as binding. Such confirmation requirement shall apply in each case, in particular as well in case BRIDON is aware of the general terms and conditions of supplier and accepts supplies and/or services from supplier without any reservations.
3. Individual agreements made with the supplier in individual cases (including side agreements, amendments and modifications) shall always prevail over these Conditions. A written contract respectively a written confirmation by BRIDON shall be decisive for the content of such agreements.
4. These Conditions shall also govern any future contracts for the sale and / or delivery of goods with the supplier, regardless of whether the supplier delivers goods manufactured by itself or goods acquired from other suppliers; they shall apply, in particular, in the event of follow-up and demand orders with the same supplier which are communicated orally or by telephone, even if no explicit reference to these Conditions is made.
5. Legally relevant statements and notifications that are to be submitted by supplier to BRIDON after conclusion of the contract (such as setting deadlines, reminders, notices of cancellation) are only valid if made in writing.
6. References to the applicability of statutory provisions only serve clarification purposes. Even in the absence of such clarification, statutory provisions therefore shall apply, insofar as they are not directly modified or expressly excluded by these Conditions.

**II.  
Orders and Content of the Contract**

1. The content of the contract is exclusively determined by the written orders or written order confirmations of BRIDON.
2. BRIDON's orders can only be accepted by supplier within a time limit of two weeks from the time of receipt in writing or by unconditional delivery of the ordered goods, unless the order contains a different time limit. Receipt of the supplier's acceptance respectively of the goods by BRIDON shall be decisive for keeping of such time limit. Any late acceptance is considered a new offer and requires written acceptance by BRIDON.

**III.  
Price, Invoices, Terms of Payment**

1. The prices shall, unless otherwise agreed upon, include transportation to the place of delivery. They are fixed prices. Packaging is only paid if and when a fee was explicitly agreed in this respect. The agreed prices are inclusive of legal value added tax, when such tax is not shown separately.
2. Invoices, transportation documents and order confirmations can only be processed by BRIDON if they reflect the order number as indicated on the order of BRIDON. Supplier is responsible for all consequences caused by disobeying this duty.
3. Payments are rendered by bank transfer or cheque.
4. In case of acceptance of premature delivery, the due date shall be based on the agreed delivery date.
5. The entry of BRIDON's default is ruled by the statutory provisions, however a written reminder by supplier is required at any case. BRIDON shall pay default interest (*Verzugszinsen*) only in the statutory amount, unless further damages are proved. BRIDON is

permitted to prove lower default damages than requested by supplier.

6. BRIDON is entitled to set-off rights and to rights of retention (*Aufrechnungs- und Zurückbehaltungsrechte*) as permitted by the statutory provisions without reservation.
7. Supplier can only offset undisputed or legally established counterclaims. Supplier is only entitled to rights of retention if they are based on the same legal relationship.
8. The partial or full assignment of claims against BRIDON is only valid upon BRIDON's prior written approval. § 354a German Commercial Code (HGB) remains unaffected.

For assignments of claims on the basis of a prolonged retention of title (*verlängerter Eigentumsvorbehalt*), the approval shall be deemed to be granted, provided that BRIDON reserves all rights against the assignee which BRIDON would be entitled to without the assignment.

**IV.  
Secrecy, reservation of title, postprocessing**

1. BRIDON reserves the ownership respectively copyright with respect to all of its purchase orders (*Bestellungen*) and orders (*Aufträge*), as well as to all drawings, diagrams, calculations, test results, descriptions and other documents provided to supplier. Without BRIDON's express consent, supplier must not make such documents available to third parties, publicly known, use them by itself or allow the use by third parties, or to duplicate them. Supplier has to return all such documents on BRIDON's request to BRIDON when no longer required by it in the ordinary course of business, or if negotiations did not result in the conclusion of a contract. In this case any copies the supplier as the case may be has made thereof are to be destroyed; the storage according to statutory retention periods and data storage for backup purposes in the ordinary course of data storage is exempted from this duty.
2. Any processing, mixing or combination (further processing (*Weiterverarbeitung*)) of items provided by BRIDON to supplier shall be made for BRIDON. This as well applies to the processing of the supplied goods by BRIDON, so that BRIDON by such processing at the latest will be deemed the manufacturer and thus in accordance with statutory regulations acquires ownership of the product by such processing.

**V.  
Inspection and Warranties**

1. With regard to commercial investigations and complaint duties (*kaufmännische Untersuchungs- und Rügepflichten*), the statutory provisions (§§ 377 and 381 German Commercial Code (HGB)) shall apply subject to the following provisions.
2. BRIDON shall inspect the delivered goods with respect to quantity and quality as well with respect to transportation damage as far and as soon this is appropriate within the due course of business.
3. Complaints at any case are raised in time if they have been received by supplier within a period of five working days, with regard to apparent defects (*offensichtliche Mängel*) such period beginning with the receipt of the goods by BRIDON, in case of hidden defects beginning with detection.
4. BRIDON is entitled to the statutory warranty claims (*Gewährleistungsansprüche*) without any limitations.
5. In deviation from § 442 para. 1 sent. 2 German Civil Code (BGB), BRIDON shall also be entitled to unlimited claims for defects (*Mängelansprüche*) even if the defect remained unknown as a consequence of gross negligence at the time when the contract was concluded.
6. BRIDON shall be entitled in case of delivery of defective goods to demand subsequent performance (*Nacherfüllung*) by having the defects remedied (*Mängelbeseitigung*) or by receiving substitute delivery (*Ersatzlieferung*). BRIDON is entitled to choose the way in which the supplier must make a subsequent performance (*Nacherfüllung*). BRIDON expressly reserves the right to claim damages, in particular the right to claim damages instead of performance (*Schadensersatz statt Leistung*).
7. Any costs incurred by the supplier for the purpose of testing and subsequent performance (*Nacherfüllung*) (defect removal (*Mängelbeseitigung*) or substitute delivery (*Ersatzlieferung*)) shall be borne by supplier (including any removal and installation costs) even if in fact no defect existed. BRIDON's liability for any

unwarranted request for remedy of defects remains unaffected; in this respect however, BRIDON shall only be liable if it recognized or was grossly negligent in failing to recognize that no defect existed.

- If supplier fails to comply with its obligation for subsequent performance (*Nacherfüllung*) (defect removal (*Mängelbeseitigung*) or substitute delivery (*Ersatzlieferung*)) within a reasonable time limit set by BRIDON, BRIDON shall be entitled to self-remedy the defect and demand from supplier reimbursement of expenses incurred or a corresponding advance payment. If subsequent performance (*Nacherfüllung*) by supplier is not successful, or requires from BRIDON unreasonable efforts (eg because of special urgency, threat to operational safety or impending occurrence of excessive damage) no time limit has to be set; BRIDON will without undue delay (*unverzüglich*) inform supplier of such circumstances, if possible in advance.

#### **VI. Passing of Risk, Delivery**

- The place of performance (*Erfüllungsort*) for goods or services to be delivered by supplier is the place of receipt (*Empfangsstelle*) as determined by BRIDON (*Bringschuld*). In case a place of receipt (*Empfangsstelle*) has not been determined and nothing else was agreed upon, delivery has to be made at BRIDON's seat in Gelsenkirchen. The place of payment (*Zahlungsort*) for any of BRIDON's payment obligations is Gelsenkirchen.
- The period for delivery (*Lieferzeit*) as determined in the purchase order shall be binding.
- The supplier is obliged to inform BRIDON in writing without undue delay (*unverzüglich*) if circumstances occur or can be foreseen under which supplier might not be able to comply with the agreed delivery period.
- If supplier does not perform his duties, or not within the agreed delivery period, or if he is in default, BRIDON is entitled to the rights provided by the statutory provisions. In particular, BRIDON is entitled to claim default damages (*Verzugsschaden*) and, after a reasonable grace period set by BRIDON has unsuccessfully lapsed, in addition shall have the right to claim further damages and/or to rescind from the contract. The unconditional acceptance of a delayed delivery or service does not constitute any waiver by BRIDON with regard to any right to claim compensation. Para. 5 shall remain unaffected.
- Furthermore, BRIDON is entitled in case of supplier's default to claim a lump sum damage compensation (*pauschalierter Verzugsschaden*) in the amount of 1 % of the value of the delivered goods per full week, but not more than 5 % of the value of the delivered goods; BRIDON reserves the right to claim further damages based on the statutory provisions. The supplier is entitled to prove that BRIDON did not suffer any damages or considerably less damages caused by supplier's default. BRIDON is entitled to prove a higher damage.
- Without BRIDON's prior written consent, supplier is not entitled to perform the service owed by use of third parties (eg subcontractors). Supplier bears the risk of procurement for its services, unless agreed otherwise in a specific case (eg sale of goods in stock).
- The risk of accidental loss and accidental deterioration of the delivered goods shall pass to BRIDON by delivery at the place of performance (*Erfüllungsort*). If acceptance is agreed, acceptance shall be decisive for the transfer of risk.
- For the occurrence of default of acceptance (*Annahmeverzug*) by BRIDON the statutory provisions shall apply. However, supplier must also expressly offer its performance to BRIDON if for any action or participation by BRIDON a specific or specifiable calendar time is agreed upon. In case of BRIDON's default of acceptance, supplier is entitled to claim reimbursement of additional expenses pursuant to the statutory provisions (§ 304 German Civil Code (BGB)). If the contract concerns non-fungible goods (custom-made items) that are to be produced by supplier, supplier shall only be entitled to further rights if BRIDON is obliged to provide assistance and is responsible for not providing such assistance.
- Where compliance with the date of delivery (including acceptance of the goods to be supplied) is not possible because of force majeure, acts of god, catastrophes, war, rebellion, business disruptions not caused by BRIDON's fault (eg, fire, breakdown of machinery, shortage of raw material or energy), obstruction of roads, delays in the import / customs clearance and lockouts and strikes, without being caused by BRIDON's fault, the time for performance (*Leistungsfrist*) will be suspended for the duration of such events, however the longest for a period of six months. In such case,

supplier is not entitled to raise claims based on non-performance or late performance.

#### **VII. Producers Liability, Product Liability Insurance**

- If supplier is responsible for damage of the product, it must indemnify BRIDON against third-party-claims to the extent that the cause lies within its sphere of control and organization and supplier itself is liable in relation to third parties.
- In the context of such duty to indemnify, supplier must reimburse any expenses pursuant to §§ 683, 670 German Civil Code (BGB) that arise out of, or in connection with any recourse taken by third parties including for recall campaigns carried out by BRIDON. BRIDON shall, to the extent possible and reasonable, notify supplier of the content and extent of recall measures and give it an opportunity to comment. Any further statutory rights shall remain unaffected.
- Supplier shall enter into and maintain product liability insurance with a global insurance cover of at least EUR 10 million for each single occurrence of personal and property damage. On request supplier has to provide proof of such insurance cover.

#### **VIII. Personal Data**

- Supplier shall comply with the provisions of applicable national and EU law including the EU Regulation 2016/679 ("GDPR"). Supplier is allowed to process identification data of individuals ("Personal Data") received from BRIDON for the purpose of customer management during the term of its cooperation with BRIDON.
- Supplier shall (1) process Personal Data only on documented instructions from BRIDON, unless required to do so by applicable law; (2) ensure that everybody who process Personal Data is bound to confidentiality (3) implement all technical, physical and organisational security measures required to protect Personal Data against accidental loss or destruction and unlawful processing ("Data Security Breach") and notify BRIDON within 24 hours of a Data Security Breach (4) respect the GDPR conditions for engaging a subcontractor who will process Personal Data (5) at BRIDON's discretion, delete or return Personal Data to BRIDON when the services end (6) demonstrate compliance with this clause and allow and contribute with audits (7) not transfer Personal Data outside the European Economic Area and Switzerland without the written consent of BRIDON.
- Supplier shall assist BRIDON (a) by appropriate technical and organisational measures, for the fulfilment of its obligation to respond to requests for exercising the data subject's rights and (b) in ensuring compliance with the obligations pursuant the security of processing, the notification and communication of a Data Security Breach and the data protection impact assessment.

#### **IX. Limitation Period, Applicable Law, Jurisdiction, Miscellaneous**

- The mutual claims of BRIDON and supplier shall expire in accordance with statutory provisions, as long hereinafter nothing else is determined. In deviation from § 438 para. 1 no. 3 German Civil Code (BGB) the general limitation period for claims for defects (*Mängelansprüche*) shall amount to three years from the passing of risk. In case an acceptance has been agreed, limitation shall begin at the time of such acceptance. The three year limitation period applies accordingly to claims based on legal defects, whereby the statutory limitation period for third party claims in rem for the restitution of property (§ 438 para. 1 no. 1 German Civil Code (BGB)) remains unaffected; furthermore, claims of this kind do not become time-barred at all, as long as the third party can still assert the right against BRIDON, particularly in the absence of limitation.

The limitation periods set forth by sales law including the above extension – to the statutory extent permitted – shall apply to all contractual claims for defects (*Mängelansprüche*). To the extent BRIDON is entitled to non-contractual compensation claims as well, such claims shall be subject to the short general statutory limitation period (§§ 195, 199 German Civil Code (BGB)), unless the application of the limitation period set forth by sales law in the individual case leads to a longer limitation period.

- The relationship between supplier and BRIDON shall be exclusively governed by the laws of the Federal Republic of Germany as applied between domestic parties. The applicability of the CISG is expressly excluded. Preconditions and effects of any retention of title (*Eigentumsvorbehalte*) shall be governed by the laws of the respective location of the goods, insofar pursuant to such law the choice of law in favour of German law is invalid or ineffective.

3. If supplier is a merchant within the meaning of the German Commercial Code (HGB), a corporate body under public law (*juristische Person des öffentlichen Rechts*) or a public sector fund (*öffentlich-rechtliches Sondervermögen*), the exclusive - and international – place of jurisdiction for all disputes arising out of the business relationship between BRIDON and supplier shall be the place of business of BRIDON in Gelsenkirchen. BRIDON is also entitled to sue the supplier at his general venue (*allgemeiner Gerichtsstand*) or at any other lawful place of jurisdiction. This also applies to all bills and checks commitments.
4. Supplier notes that BRIDON collects data from the contract pursuant to § 28 Federal Data Protection Act (BDSG) for the purpose of data processing, and reserves the right to transfer such data to third parties (eg insurance companies) to the extent necessary for the fulfilment of the contract.
5. Should any individual clause of these Conditions be or become partly or totally invalid, the remaining Conditions shall remain unaffected.

BRIDON INTERNATIONAL GmbH  
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