

## **I. General information**

1. The awarded order is subject to the following general purchasing conditions (referred to as the Purchasing Conditions in the following) of the Schiller Group only.
2. The Schiller Group includes the companies Schiller Automatisierungstechnik GmbH and Schiller Engineering & Maschinenbau GmbH, which are located in Osterhofen, Germany.
3. We shall not acknowledge contradictory or other conditions deviating from the Purchasing Conditions of the Schiller Group on behalf of the Employer, unless the Schiller Group has consented to their validity explicitly in writing. The Purchasing Conditions of the Schiller Group shall also apply if the Schiller Group accepts the delivery or service of the Supplier without dispute in spite of its knowledge of contradictory or deviating conditions on behalf of the Employer.
4. All agreements that are made between the Schiller Group and the Supplier must be made in writing.
5. The Purchasing Conditions of the Schiller Group shall also apply to all future transactions with the Supplier. This shall also apply even in case this is not explicitly agreed to again.
6. These Purchasing Conditions shall only apply to merchants and legal persons within the context of public law and public legal special assets within the context of Section 310 Para. 1 BGB.

## **II. Offer, acceptance, documents**

1. Following an inquiry by the Schiller Group, the Supplier is requested to submit an offer free of charge.
2. The Supplier must orient himself according to the descriptions and objectives of the Schiller Group and explicitly indicate deviations from this. The Supplier acknowledges this duty to provide information.
3. If the offer provided by the Supplier does not include a binding deadline, then the duration of the offer shall be limited to 30 days.
4. Orders from the Schiller Group must be confirmed by the Supplier immediately. If we do not receive an order confirmation within 8 days, then the Schiller Group shall be entitled to withdraw.
5. The Schiller Group may demand changes to the design and construction of the delivery object within the scope of what is sensible for the Supplier. In this case, the effects must be regulated amicably, especially with regard to the extra and minimum costs and delivery deadlines.
6. The Schiller Group shall be entitled to withdraw from the contract within 8 days after receipt of the order confirmation without providing any reasons and without any obligations.
7. The Schiller Group shall always retain the rights to property and copyrights applicable to designs, figures, drawings, calculations, and other documents. These may only be used for production on the basis of the order. They may not be made accessible to third parties without our explicit approval.

## **III. Prices, payment, deadline, offsetting, retention rights, assignment**

1. Prices specified in orders that are awarded are fixed prices with regard to legal sales tax and shall exclude subsequent demands of any kind. Provided nothing else has been agreed to, costs for packaging, transport, customs formalities, and customs shall be included in these prices.
2. If nothing else has been agreed to, payment shall be made by the Schiller Group according to the agreed delivery deadline within 14 days with 3% discount or within 60 days net. Invoices must be submitted following the complete delivery indicating the order number, article number, and item number. In case of acceptance of early deliveries, the period shall nevertheless begin with the agreed delivery deadline at the earliest.
3. The Schiller Group reserves the right to acknowledge extra and minimum deliveries.
4. Extra costs for a faster mode of transport for the purpose of adhering to the deadline shall be borne by the Supplier.
5. In case of price increases later, the Schiller Group shall still be entitled to withdraw from the undelivered item without compensation.
6. Advanced payments shall not be made. If a prepayment is agreed to, the claim to payment shall only be due if the contractor has provided a security by way of a bank guarantee. The bank guarantee shall be returned following delivery of a defect-free item or after successful acceptance.
7. Offsetting and retention rights shall be available to the Schiller Group within the legal scope.
8. Claims on behalf of the contractor vis-a-vis the Schiller Group may only be assigned to third parties with our approval.

## **IV. Delivery or service period, delays, withdrawal**

1. The delivery or service deadlines and delivery or service periods indicated in the order are binding.
2. Delivery and service periods qualify as adhered to if the delivery object has been received by the Schiller Group or the contractual place of fulfilment before expiry and readiness for acceptance has been communicated.
3. Prior to expiry of the delivery or service period, the Schiller Group shall not be obligated to accept the delivery or accept the service.
4. The Supplier shall be obligated to inform the Schiller Group immediately in writing including the reason for and duration of any delay, if circumstances arise or become known to him, which result in failure to adhere to the agreed delivery or service period.
5. Upon exceeding the specified delivery or service deadlines, the Schiller Group reserves the right following prior notice of default and an appropriate grace period, regardless of the legal regulations, either to demand subsequent delivery and damage compensation due to late delivery or damage compensation due to failed delivery or to withdraw from the contract.

6. In case of delivery delays, the Schiller Group reserves the right to demand a contractual penalty amounting to 0.5% of the order value for each week of delay that is started, however maximum 5% of the order value only. The contractor shall also be liable for delays caused by his own suppliers. The Schiller Group shall be entitled to enforce the contractual penalty in addition to fulfilment. The Schiller Group reserves the right to make subsequent damage compensation claims.
7. If there are reasonable doubts before or after the deadline concerning the Supplier's ability or readiness to deliver/perform, especially because the supplier has already announced inability or unwillingness to deliver or perform on time and the Schiller Group has an urgent interest in clarification, then a deadline for clarification or proof of ability or readiness to deliver/perform may be set for the Supplier before or after the due date, including the threat of rejecting acceptance of the delivery or service following expiry of the period without fulfilment.
8. The Supplier may only refer to the absence of necessary drawings and technical data to be provided by the Schiller Group if he has submitted a reminder about these documents and data in writing and has not received them within a suitable time.
9. If the Schiller Group desires temporary stoppage of production or delivery due to urgent company reasons, then the supplier must respect this request free of charge.
10. In case of force majeure, the consequences of delivery delays shall not have any influence, provided the occurrence of these events is indicated to us immediately.
11. In case of withdrawal from the contract due to the Supplier, the Schiller Group may demand flat-rate damage compensation in the amount of 25% of the gross order value that the withdrawal was declared for. The enforcement of damages that go beyond this shall remain reserved by the Schiller Group.

## **V. Delivery conditions, transport insurance, risk transfer, acceptance**

1. If no other written agreements have been made, the delivery or service shall be delivered free to the Schiller Group or the contractual fulfilment location packaged, insured, and duty-paid as required.
2. The Schiller Group reserves the right to specify the delivery method, delivery type, the means of transport, and the packaging type.
3. In case of sales contracts, the risk transfer always follows transfer of the goods to us; in case of service contracts, after acceptance only.
4. The Supplier shall declare readiness of the ordered delivery or service for acceptance following proper completion and then transfer all documents associated with the contractual object to the Schiller Group. If inspection of the contractor's services require commissioning of the contractually ordered systems or similar for testing purposes (e.g. individual tests, integration test), then acceptance shall only take place after successful completion of the test.
5. All deliveries shall be made without withholding rights on behalf of the Supplier.

## **VI. Third-party property rights**

1. The Supplier shall ensure that the delivery or service does not violate domestic or international property rights.
2. The Supplier shall be obligated to release the Schiller Group and/or its buyers from any liability for violation of property rights in case of an out of court dispute or a legal trial held before a court of law.
3. Furthermore, the Supplier must compensate all damages resulting from this to the Schiller Group and/or its buyers because they relied on the free availability for use of the delivered objects or services.
4. The Supplier shall not be entitled to acknowledge third-party claims without written approval of the Schiller Group and/or to complete agreements with third parties with regard to these claims.
5. The Schiller Group shall be entitled to acquire the fee-based permission of the owner of the violated property rights in the required scope at the contractor's cost.
6. If the question of property rights violation is disputed, the Schiller Group shall reserve the right for the duration of the dispute to demand a security payment from the contractor in the full amount of the impending damages.
7. The statute of limitations shall amount to three years, starting with knowledge on behalf of the Schiller Group of claims by third parties, however 10 years after delivery or acceptance at the latest.

## **VII. Delivery and service scope, replacement parts, warranty, liability for defects, limitation period, inspection**

1. The Supplier shall ensure that his deliveries and services include all measures that are required for legally conform, secure, and economical use so that they are suitable for the intended application and correspond with the state of art with regard to science and technology, plus the documents that the order is based on (specifications, descriptions, patterns, drawings, etc.). The Supplier shall observe all relevant standards, laws, and legal regulations during provision of the delivery or the service, especially relevant environmental, hazardous substances, hazardous goods, and accident prevention regulations, and maintain generally recognised technical safety and occupational medicine regulations, as well as the factory standards of the Schiller Group. The Supplier must inform the Schiller Group regarding the required official approvals and reporting obligations for importing and operating the delivery objects.
2. Changes to the type or composition of the processed material or to the structural design versus equivalent deliveries must be indicated to the Schiller Group prior to starting production. These shall require written approval from the Schiller Group. The Schiller Group shall not be obligated to examine deliveries and services to see if they are equivalent after their receipt.
3. The Supplier shall ensure that he is also able to provide the Schiller Group the delivery objects or parts thereof as replacement parts for a period of 10 years following termination of the delivery agreement at appropriate conditions.
4. Legal warranty claims shall be available to the Schiller Group without limitation. The Schiller Group shall be entitled at all times to demand correction of defects or replacement delivery from the Supplier at its discretion. In this case, the Supplier shall

be obligated to bear all of the expenses required for the purpose of defect correction or replacement delivery. The Schiller Group reserves the right to damage compensation.

5. Following notification from the contractor, the Schiller Group shall be entitled in urgent cases to correct the defect itself or to have the defect corrected by a third party and to demand remuneration for the required expenses.

6. As long as defects are present, the Schiller Group shall be entitled to withhold payment of the remuneration owed within a suitable scope.

7. Provided the Schiller Group is obligated to inspect the delivered goods for possible defects within a suitable period, the complaint qualifies as submitted in good time, provided it is received by the contractor within three weeks after acceptance of the goods by the Schiller Group. Defects that are not recognisable during correct inspection may be submitted for complaint by the Schiller Group within three weeks of being discovered.

8. If the Supplier is responsible for product damages, then he shall be obligated to release the Schiller Group for resulting third-party damage claims upon initial request, including the necessary costs to defend against these claims, because the cause is within his own area of responsibility and organisation and is liable outwardly for his own actions.

9. Provided recall measures are necessary due to product damages, then the Supplier shall be correspondingly obligated to repay the required expenses according to Sections 683, 670 BGB. Further claims on behalf of the Schiller Group shall remain unaffected by this.

10. The contractor shall be obligated to complete and maintain company liability insurance featuring a blanket coverage amount of at least 5 million euros personal damages/property damages. Further legal claims on behalf of the Schiller Group shall remain unaffected by this.

11. The warranty period shall be 24 months following delivery to customers of the Schiller Group, nevertheless 36 months following risk transfer at the latest, provided nothing otherwise has been explicitly agreed to or the law specifies longer periods.

12. The warranty period shall begin with transfer of the delivery object to the Schiller Group, or the third parties indicated by the Schiller Group at the specified receipt or usage location. In case of devices, machines, and systems, the warranty period shall begin with the acceptance deadline that has been named in the written acceptance declaration of the Schiller Group. If acceptance is delayed without the responsibility of the Supplier, then the warranty period shall amount to two years following provision of the delivery object for acceptance. If the supplier makes subsequent improvements or delivers a replacement, then the warranty period shall begin again for the affected individual part.

13. A written complaint about defects from the Schiller Group shall interrupt the limitation period of warranty claims due to any defects that can be traced to the appearance of the defect the complaint is based on.

14. The Schiller Group is entitled to inspect production by the Supplier, also accompanied by our customer.

#### **VIII. Warranty and security withholding**

1. The Schiller Group shall be entitled to retain a security of 10% of the order value for warranty claims. If the Supplier becomes insolvent prior to our final payment, then the Schiller Group shall be entitled for the duration of the warranty period to claim an additional security withholding equal to an additional 20% of the order value.

2. The Supplier shall be entitled to redeem the warranty and additional security withholding by providing an unlimited, directly enforceable guarantee that is subject to German law from a German credit institute. In case of international suppliers, the Schiller Group shall also acknowledge guarantees provided by internationally active credit institutes permitted in the European Union.

#### **IX. Retention of title, provision, tools**

1. Orders shall remain the property of the Schiller Group and must be stored separately by the Supplier free of charge.

2. In case of processing, mixture, and redesign involving the withheld goods with other objects that do not belong to the Schiller Group, the Schiller Group shall acquire joint ownership of the new item in relation to the value of the item from the Schiller Group that is provided (purchase price plus sales tax) to the other processed, mixed, or redesigned objects at the time of processing.

3. If the goods are mixed so that the item of the contractor may be considered the main item, then it is assumed to be agreed that the contractor shall transfer the Schiller Group proportionate joint ownership; the contractor shall maintain sole ownership or joint ownership for the Schiller Group.

4. The Schiller Group shall retain ownership of all tools provided to the Schiller Group over the course of the business relationship; the contractor must label them as the property of the Schiller Group; the contractor shall be obligated to use the tools only for the production of the goods ordered by the Schiller Group.

5. The contractor shall be obligated to insure the tools belonging to the Schiller Group against fire, water, and theft at their new value at their own cost. At the same time, the contractor shall hereby assign the Schiller Group all damage compensation claims resulting from this insurance; the Schiller Group hereby accepts this assignment. The contractor shall be obligated to complete any possible required maintenance and inspection work and all service and repair work on the tools of the Schiller Group in good time and at his own cost. Possible faults must be indicated to the Schiller Group immediately; if he does not meet this obligation culpably, then the damage compensation claims of the Schiller Group shall remain unaffected.

#### **X. Additional specifications for usage transfer of cranes, hoisting equipment, and other technical aids**

1. During provision of operating personnel by the Supplier, the Supplier shall be obligated to move the objects and goods to be hoisted or transported to the location specified by the Schiller Group and to direct supervision of these activities. This

therefore involves a contract for work. A contract for work shall also be present at minimum if and provided the Supplier has committed himself to setting up or tearing down the equipment.

2. In all cases, the Supplier must complete crane liability insurance featuring a blanket coverage sum of at least 1 million euros, and if personnel are provided, hook load insurance featuring a coverage sum of at least 250,000.00 euros for personal, property, and damages to assets caused by this must also be completed. Separate remuneration for this shall only be permitted if this has been agreed to with us. The Schiller Group shall be entitled at all times to demand proof of this insurance protection and to view the respective insurance contracts.

#### **XI. Confidentiality**

1. The Supplier shall be obligated to treat all private, commercial, or technical details that become known to him over the course of the business relationship as business secrets and to secure them against unauthorised viewing, use, or loss.

2. Devices, models, patterns, figures, drawings, calculations, print templates, tools, and other aids, documents, and information provided to the Schiller Group or produced at the cost of the Schiller Group are the property of the Schiller Group, and just like objects produced afterwards, they may neither be reproduced or sold or provided to third parties nor used for any purposes other than those contractually agreed to without explicit approval from the Schiller Group. This shall also apply if the documents have not been designated as confidential. These must be secured against unauthorised viewing or use and provided to the Schiller Group upon termination of the contract without any request, including any possible copies.

3. This confidentiality agreement shall also apply following completion of the contract and after termination of the business relationship. It expires if and when the production knowledge contained in figures, drawings, calculations, and other documents become known to the general public.

#### **XII. Withdrawal clause, jurisdiction, place of fulfilment, applicable law, data storage, cancellation**

1. If any provision of the General Purchasing Conditions of the Schiller Group is or becomes invalid, then this shall not affect the validity of the remaining provisions.

2. The headquarters of the Schiller Group in Osterhofen (Deggendorf District Court) shall be agreed as the jurisdiction for all disputes resulting from the business relationship. The Schiller Group is nevertheless entitled to sue the contractor at his own headquarters, as well.

3. Provided nothing otherwise results from the order, the headquarters of the Schiller Group in Osterhofen shall also be the place of fulfilment. If a deviating place of fulfilment is agreed to, this shall not affect the jurisdiction.

4. The laws of the Republic of Germany shall apply. UN sales laws (agreement of the United Nations dated 11 April, 1980 regarding contracts for international sales of goods – CISG) shall not apply.

5. The Schiller Group shall be entitled to collect, store, change, transfer, and use data of the contractor received via the business relationship within the context of the EU General Data Protection Regulation (GDPR) and the current version of the German Data Protection Act.

6. The Schiller Group shall be entitled to cancel the contract at any time prior to completion. In this case, the contractor shall be obligated to cease working immediately. The contractor shall be entitled to demand the agreed remuneration; he must nevertheless offset the expenses that he would save as a result of cancellation of the order or gains via other application of his labour or maliciously refrains from gaining.

Schiller Group

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