

International Terms and Conditions of Purchase of Braunform GmbH

I. General

- 1.1 The following terms and conditions of purchase of Braunform GmbH (hereinafter named "Braunform") apply to all business transactions between Braunform and the contract partner (hereinafter named "Supplier"). As framework agreement they apply, in particular, to all future contracts concerning the sale and/or the supply of movable goods or the rendering of work performances with the same supplier even if no express reference is made to these terms and conditions.
- 1.2 Our terms and conditions of purchase apply to the exclusion of any other terms; unless we expressly and in writing agree to their validity, none of Supplier's terms and conditions diverging from or opposing our terms and conditions will be acknowledged. Our terms and conditions of purchase also apply if we, in full knowledge of Supplier's diverging or opposing terms, accept Supplier's delivery without reservation.
- 1.3 Our terms and conditions of purchase apply only in relation to enterprises as defined by § 310 Section 1 BGB (German Civil Code).
- 1.4 All agreements made by us and Supplier for the purpose of executing or performing this contract are to be laid down in writing in this contract.

II. Contract closure

- 2.1 Orders and their amendments are valid only if given by Braunform in writing, with it being sufficient if a signed order is transmitted via telefax or as PDF copy by e-mail. For orders of €3000 or less an e-mail is sufficient. A written agreement or our written acknowledgement as specified above is authoritative for the content of agreements made in individual cases verbally or by telephone.
- 2.2 Supplier must declare the acceptance of the order in writing within a period of two (2) weeks. A late acceptance is deemed to be a new offer and requires acceptance by us. All offers made by Supplier are irrevocable and can be accepted by us within 2 weeks of receipt – provided that an extended deadline has not been fixed.
- 2.3 Drawings including tolerance details specified by Braunform from time to time are binding. By accepting the order, contractor acknowledges that he has been fully informed of the nature of the performance and the scope of the work and service by inspecting the existing plans. Prior to acceptance and for the purpose of taking corrective actions and completion, Supplier must draw our attention to any obvious mistakes, clerical and calculation errors in the order, also in the submitted documents, drawings and plans. The contract is otherwise void.
- 2.4 We reserve rights of ownership and copyrights in the calculations, drafts, construction proposals, data media, software and similar documents provided by us. These must not be made accessible to third parties without our express approval and are to be used solely for the manufacture based on our order and must be returned to us without extra request upon completion of the order. They must be kept secret in relation to third parties. In this regard, the provisions under para. XI apply in addition.
- 2.5 The engagement of subcontractors requires our prior agreement.
- 2.6 Supplier may assign his claims against us only with our approval.
- 2.7 Braunform may, also after contract closure, request that changes are made to the delivery item as far as these can reasonably be expected by Supplier in the frame of the normal production process. In this event due consideration is to be given to the mutual effect, in particular with respect to any additional or lesser costs and to the delivery dates. Supplier must review the request for changes in terms of their consequences within 5 (five) working days and give written notice of the result.

III. Prices and terms of payment

- 3.1 Unless expressly agreed otherwise, the agreed prices are fixed prices. In the absence of other express notices, they are deemed to be gross prices resting on the agreement "delivered duty paid" (DDP according to INCOTERMS 2020).
- 3.2 Invoices can be processed only if they show the order number we have specified in our order; Supplier shall be responsible for all consequences arising from the failure to observe this obligation, unless Supplier provides proof that these consequences were beyond his control. Payment being due also requires that a proper invoice, a proper delivery note and the banking details are given.
- 3.3 If analysis certificates or manufacturing documents have been agreed for the goods to be delivered, these are deemed to constitute an essential element of the delivery and must be transmitted at the latest together with the invoice. The period allowed for payment of the invoice does not begin before the date of receipt of the agreed documents.
- 3.4 Unless otherwise agreed in writing, we pay the purchase price within 14 (fourteen) days after delivery and receipt of invoice with 3% discount or within 30 (thirty) days net after receipt of invoice. Payments by bank transfer are deemed to be made in good time if our transfer order is received by our bank before expiry of the period allowed for payment.
- 3.5 The statutory provisions apply to the occurrence of our default, with a written reminder by Supplier being required in any case. The interest for default is 5 percentage points p.a. above the basic interest rate.

IV. Delivery period

- 4.1 The agreed delivery periods and deadlines are binding. They commence on the date of order.
- 4.2 As we are normally bound by deadlines in relation to our customers, we on our part must also rely on timely and punctual deliveries. If Supplier's work and services are to be rendered at a specified point in time or within a specified period of time, the infringement of this specification constitutes an essential breach of duty.
- 4.3 Supplier undertakes to notify us immediately in writing and stating the reasons if circumstances arise or become evident to Supplier which show that the requested delivery period cannot be observed.
- 4.4 Supplier may invoke the absence of necessary documents to be supplied by Braunform only if Supplier has given written request to send the documents and has failed to receive said documents within a reasonable period.
- 4.5 Starting from the specified date of delivery, we have a call period of four weeks during which Supplier keeps the uncalled quantity in stock. In the event that Supplier is not otherwise instructed at the latest 2 (two) working days prior to the agreed delivery date, the goods are deemed to be called at the date of delivery.
- 4.6 In the event of default in delivery, we are entitled to demand a contractual penalty in the amount of 1% of the value of the delivery for each completed week, in total, however, no more than 5% of the value of the delivery. We reserve the right to claim for further loss, with the forfeited contractual penalty however being offset against the loss. The contractual penalty may be claimed and asserted until the date of the last payment (final payment).
- 4.7 If we are in default of acceptance, any claim by Supplier for compensation of expenses to be evidenced by Supplier is limited to a maximum of 0.2% of the net value of the delivery for each completed week, unless such default rests on intent or gross negligence.

V. Force majeure, withdrawal, termination

- 5.1 In the event of force majeure and other events such as operational breakdowns or labour disputes which are outside Braunform's control, acceptance of the delivery may be reasonably postponed by as much as 6 (six) months without compensation being owed.
- 5.2 If the delivery or service can no longer be utilised owing to delay caused by the above circumstances and in consideration of business aspects, we are entitled to withdraw from the contract.
- 5.3 We may at any time give notice to terminate contracts for work and services or work delivery of non-fungible items in the sense of § 650 sentence 3 BGB. The following applies for the consequences of termination:
 - If the contract is terminated for reasons in Supplier's control, Braunform has to remunerate the Supplier for the individual work and services rendered prior to receipt of the notice of termination which can be used by Braunform, with Braunform's claims for

damages remaining in full force and effect. Any additional expenditure is to be paid by Supplier.

- If Braunform gives notice of termination for reasons outside Supplier's control, Supplier receives the agreed remuneration for the individual work and services properly and duly rendered by Supplier until the date of receipt of the notice of termination. Any possible remuneration claimed in addition is governed by § 648 sentence 2 BGB. The amount of such claim is limited to 5% of the residual value of the order exceeding the rendered partial work and services.
- 5.4 Purchase contracts and contracts of works and services which do not fall under § 650 sentence 3 BGB can also be cancelled by us before delivery and without reason for which the supplier is responsible (cancellation). The above section 5.3. b) applies accordingly to the consequences of such a cancellation. Alternately, the supplier has the option of charging the tangible costs incurred up until the point of cancellation (e.g. cancellation costs for subcontracts) and to claim an appropriate share in profits corresponding to the effort invested so far. For standard products belonging to the current range of the supplier's products a maximum cancellation fee of 10% of the purchasing price applies.

VI. Delivery and passing of risk

- 6.1 Delivery is made at contractor's cost free of expenses to the receiving point specified by Braunform. If Braunform must from time to time pay for the freight, Supplier must choose the mode of shipment prescribed by Braunform, otherwise the most reasonably priced mode of shipment and delivery.
- 6.2 Risk passes upon delivery of the goods at the specified destination.
- 6.3 For work performances, risk passes upon acceptance by Braunform. The acceptance is made with acceptance protocol in writing.
- 6.4 Packaging is included in the price. If other arrangements have been made from time to time, packaging is to be invoiced at cost. Supplier must ensure that the packaging protects the goods from any damage. Any specifications given by Braunform with respect to packaging must be observed. If Supplier takes back the packaging owing to legal obligations, Supplier is under the obligation to pick up the packaging. If packagings are invoiced from time to time, we are entitled to return freight paid to Supplier any packagings in good condition against remuneration of two thirds of the value stated on the invoice for packaging.
- 6.5 Supplier undertakes to state our exact order number on all shipment documents and delivery notes; failure to do so will release us from any liability for delays in processing. Each shipment must be accompanied by a delivery note showing details on the weight of the shipment (net and gross), total number of items, description of the goods and details on the material.
- 6.6 We accept part deliveries only after express prior agreement.

VII. Liability for defects, guarantee

- 7.1 Supplier warrants that all deliveries comply with state of the art technology, the pertinent legal provisions applying at the seat of Braunform and the regulations, directives and guidelines of authorities, employers' liability insurance associations and specialist association, in particular with regard to the manufacture, execution, accident prevention, health and safety at work, hygiene, environmental protection and product information. Supplier also agrees to give written notice of any potential hazards. The agreed quality also includes features that we may expect on the basis of the public statements of Supplier, manufacturer or his assistants, particularly as advertised, unless Supplier was not familiar or did not have to be familiar with the statement, or that it was corrected in an equivalent manner at the time of concluding the contract, or that it could not have influenced the purchasing decision.
- 7.2 Unless otherwise agreed, Supplier operates a quality management system and is certified in accordance with ISO 9001 (at the least). Supplier operates outgoing goods control.
- 7.3 Braunform only carries out incoming goods control regarding damages identifiable from the outside as well as deviations in terms of identity and quantity recognisable from the outside. Braunform will immediately give notice of such defects. Insofar as the circumstances, particularly the type and nature of the goods (such as perishability) do not require notice sooner, notice given within 30 days upon delivery shall still be deemed immediate. Braunform shall immediately notify Supplier of any defects not discovered as soon as they become evident in the circumstances of the regular course of business, in which case notification within 30 days from the date of observation shall also be deemed immediate. Supplier shall waive any objection to a delayed notice of defect under the above stipulation.
- 7.4 The statutory claims for defects accrue to us in full; we are in any case and in our discretion entitled to demand that Supplier remedy the defect or deliver a new item. The right to claim damages, in particular the right to claim damages in lieu of performance, is expressly reserved.
- 7.5 In the case of rework or subsequent deliveries made by Supplier, Supplier must also pay the necessary costs for disassembling the defective and installing the new or repaired contractual item. If this work is done by Braunform's employees, Braunform's usual hourly rates will apply, provided they don't differ considerably from comparable rates by third party suppliers.
- 7.6 Also for merely insubstantial deviation from the agreed quality and for merely insubstantial impairment of the fitness for use, Braunform has the right to withdraw from the contract and to claim damages in lieu of the entire performance.
- 7.7 Subsequent improvement is deemed to have failed after the first attempt, unless Braunform expressly agrees to one further attempt of subsequent improvement.
- 7.8 In the event of imminent danger or in case of special urgency, we are entitled to remedy the defect ourselves at Supplier's expense so far as it is no longer possible to inform the client of the defect or the threat of serious damage due to defectiveness in cases of special urgency and to give the supplier notice, albeit short, for their own remedy.
- 7.9 The limitation period for any claims arising from defects is 36 months from the transfer of risk. If our customers raise a claim due to a defect against us, the claim for compensation against Supplier lapses at the earliest two months after the time in which we fulfilled the claims of our customer. This suspension of expiration of the limitation period ends five years at the latest after the goods were delivered to us.
- 7.10 Supplier indemnifies Braunform from and against all claims by our customers which arise by virtue of advertising messages given by Supplier, his pre-supplier or their agents and which would not, or not in this nature and amount, have arisen without such advertising message. This provision applies irrespective of whether the advertising message is made before or after contract closure.
- 7.11 In so far as the acceptance of a guarantee is agreed with the supplier or the supplier agrees to a certain number of shots for the tools supplied by them, this shall be a service life guarantee, subject to special agreement, whereby the supplier vouches that the functioning of the delivered goods shall be maintained for the period agreed or for the intended number of shots. Unless otherwise agreed, Braunform shall be entitled to the same rights as in the case of statutory liability for defects. Such claims shall lapse in accordance with the statutory period of limitation, which commences from the discovery of the malfunction.

VIII. Product liability, liability insurance cover

- 8.1 To the extent Supplier is responsible for a product damage, he is under the obligation to indemnify us from and against third party claims for damages upon first request, provided that the cause lies within Supplier's realm of control and organisation and that Supplier is himself liable in external relations.
- 8.2 Within his liability for damage within the meaning of Section (1) above, Supplier is also under the obligation to reimburse any expenses incurred by or in connection with a recall action carried out by us. To the extent possible and reasonable, we will notify Supplier of the content and the scope of the recall action and give Supplier the opportunity to comment. Any further statutory claims remain in full force and effect.

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8.3 Supplier is under the obligation to take out insurance against all risks under product liability, including the risk of recall, in an adequate amount, at least, however, with a sum insured of EUR 10 million per case of personal injury / property damage; proof of insurance must be provided upon request. Any further claims for damages accruing to us remain in full force and effect.

IX. Ownership, provision, tools

- 9.1 If we provide parts for Supplier, we reserve title of ownership in such parts. Supplier processes or reshapes said parts on our behalf.
- 9.2 In the event of processing, commingling or connecting, it is agreed here and now that we hold a co-ownership share in the new goods created by such processing, commingling or connecting which corresponds to the value of the goods under reservation of title (buying price plus value added tax) in proportion to the other items involved in such processing, commingling or connecting. Supplier on our behalf holds in safekeeping the new item and/or the total quantity of the commingled or connected items.
- 9.3 We reserve title of ownership in tools and moulds, with Supplier being obliged to use said tools and moulds solely for manufacturing the goods ordered by us. Supplier is under the obligation to insure at his own expense the tools and moulds belonging to us at replacement value against fire, water and theft. At the same time, Supplier assigns to us, and we accept such assignment, any and all claims for compensation from said insurance. Supplier is under the obligation to carry out in good time and at his own expense any necessary, repair, service and inspection work involving our tools and moulds. Supplier will immediately notify us of any disturbances or breakdowns; culpable failure to give notice thereof may result in claims for damages.

X. Property rights

- 10.1 Supplier warrants that no patents or other property rights held by third parties are infringed by his delivery.
- 10.2 If a third party takes action against us owing to any infringement of patents or property rights, Supplier is under the obligation to indemnify us at first request from and against such claims.
- 10.3 Supplier's duty of indemnification extends to all expenses, in particular the cost of bringing actions, which we by necessity incur in connection with the action taken against us by a third party.
- 10.4 The period of limitation for legal defect liability is three years beginning on the date of delivery.
- 10.5 Braunform is legally entitled to any possible results capable of being protected (inventions, brands, designs, copyright etc.) arising from the performance of the order and, provided there is no written agreement stating the contrary, only Braunform shall be entitled to apply for the relevant protective rights. The Supplier undertakes to take any measures (e.g. making claims according to the German Employee Invention Act (ArbnErfG)) necessary for granting or transferring the relevant rights.

XI. Confidentiality

- 11.1 "Confidential information" within the meaning of this provision includes all
- items of information that is marked as confidential or referred to be confidential within the scope of the disclosure, reported under confidential circumstances or would be considered to be confidential by the parties.
 - technical and business items of information, in particular drawings, data, injection mould designs, photographs, plans, videos, equipment, arrangements, specimens of apparatus, components and systems and other specimens, samples, goods, materials, presentations of procedures, technical processes, manuscripts, process graphs and representations, data of customers and suppliers, costing information, and other information, notably the transmitted know-how, which the parties shall make accessible to one another directly or indirectly. Confidential Information also includes items of information which are later accomplished as work results in the course of the collaboration.
- 11.2 Items of information are not deemed to be Confidential Information if they have been obvious prior to their communication or have been accessible by the general public or if they have been available to customer without the recipient being bound by the obligation to observe confidentiality or if they have become publicly accessible without breach of this agreement or if they have been lawfully communicated to the Supplier or its affiliated or associated companies by a third party without obligation to observe confidentiality. Know-how arising from combinations of transferred confidential information shall only fall under these exemptions if the combination itself and its principles correspond to the circumstances of these exemptions; and not because individual pieces of transferred information count as exemptions. If Supplier no longer intends to keep certain information confidential as a result of the aforementioned exemptions, he/she shall notify Braunform in writing two months in advance and await Braunform's opinion. The Supplier who refers to one of the above exceptions must prove their cause.
- 11.3 The Supplier shall treat all Confidential Information with the strictest of confidentiality and shall neither announce, disseminate nor publish it and will take all measures necessary to prevent this information from becoming accessible to third parties. During the term of the contractual relationship, the Supplier agrees to use the Confidential Information transmitted solely within the scope of the agreement. Unless the express written consent by Braunform has been obtained, the customer undertakes not to make use of the transmitted Confidential Information after the contractual relationship has ended. He shall restrict access to Confidential Information solely to those managing directors, employees, affiliated companies, subcontractors or consultants who need to be aware of it for the purpose of this agreement and who are obliged to maintain the corresponding level of confidentiality. The Supplier warrants that its affiliated or engaged companies are also bound by the duties arising from this agreement if they obtain knowledge of the Confidential Information in the course of their collaboration.
- 11.4 The Supplier is not permitted to exploit Confidential Information or parts thereof in any form, directly or indirectly, for commercial purposes without prior written approval by Braunform. This especially applies to the know-how and expertise transmitted. The Supplier is also prohibited from filing industrial property rights based on such Confidential Information. The Supplier shall inform Braunform immediately and in writing should they have suspicion or knowledge of an imminent or occurred breach of the interests of confidentiality of Braunform.
- 11.5 Braunform shall retain all rights to any transferred Confidential Information, provided that the parties did not conclude a written contract granting the Supplier right of use. Braunform reserves the right to apply for protective rights for Confidential Information. With regards to Confidential information received as a result of the contractual relationship, the Supplier shall not claim rights of prior use, nor claim the lack of innovation or evident prior use contrary to Braunform's protective rights.
- 11.6 If requested, the Supplier and its affiliated entities shall return all concrete items of Confidential Information and all copies made thereof. Data and files must be destroyed and deleted such they cannot be restored.
- 11.7 The Supplier's obligations and restrictions resulting from this agreement, specifically those in accordance with clauses 11.3. and 11.4., each end five years following the disclosure of the respective Confidential Information. The statutory protection provisions shall apply in addition to the contractual obligations and shall continue to apply even after the contractual obligations come to an end.

XII. Forum, place of performance, choice of law, language

- 12.1 Jurisdictional venue and forum for any disputes arising between Supplier and us, including actions from cheques and bills of exchange, is at our registered place of business if Supplier is a full merchant, a legal entity under public law or a special fund under public law, or if

Supplier has no general forum in the Federal Republic of Germany. We are also entitled to take action at Supplier's registered place of business.

- 12.2 Place of performance for deliveries and payments is Bahlingen.
- 12.3 The legal relations between us and Supplier are governed by German law. International delivery relations are governed by the United Nation Convention on the International Sale of Goods dated 11 April 1980 and, if legal issues are not defined herein, by German substantive law in addition.
- 12.4 The language of the contract is German. The German version of these terms and conditions prevails.

BRAUNFORM GmbH, Bahlingen (last update: March 2020)