

General Terms and Conditions of Purchase RHEWUM GmbH, Remscheid

1. Conclusion of Contract

- 1.1 RHEWUM places orders solely on the basis of its General Terms and Conditions of Purchase. Other terms and conditions shall not become part of the contract, even if RHEWUM does not expressly object to them. Execution of the order shall be deemed acknowledgement of the Terms and Conditions of Purchase. These Terms and Conditions shall apply even if RHEWUM accepts a delivery or makes payments in the knowledge that the supplier's terms and conditions conflict with, or deviate from, its Terms and Conditions of Purchase. They shall also apply to all future transactions with the supplier.
- 1.2 Deviations from these Terms and Conditions of Purchase shall only take effect if they have been confirmed by RHEWUM in writing. Confirmed deviations shall be valid only for the specific individual case without effect for future dealings.
- 1.3 Orders shall be accepted immediately, however not later than within a period of ten working days after receipt.
- 1.4 Only written orders shall be binding. The same shall apply to any other agreements made before or after the conclusion of contract. Orders placed orally or by telephone shall require subsequent written confirmation by RHEWUM in order to be legally valid. The same shall apply to verbal side agreements and amendments to the contract. Services performed or deliveries made without a written order shall not be recognised.
- 1.5 Remuneration, if any, for visits or the preparation of offers, projects, etc. shall be agreed separately.
- 1.6 The supplier shall treat the conclusion of the contract confidential and may only refer to business relations with RHEWUM in promotional materials after RHEWUM has consented in writing.
- 1.7 The contracting parties undertake to treat as a business secret any commercial or technical details which are not in the public domain and become known to them as a result of their business relationship. Subcontractors shall be bound accordingly.
- 1.8 The supplier shall be obliged to keep secret any drawings, plans, illustrations, calculations, models, samples and other documents provided to it, unless they are generally known or are made publicly accessible. It may disclose or pass them on to third parties only with our express written consent, provided that it has obliged such third parties to comparable secrecy. The supplier shall be liable towards us for any breach of contract by commissioned third parties in the same way as for its own misconduct. The obligation to maintain secrecy shall survive any termination of the contract. The obligation to maintain secrecy shall only expire if and to the extent the knowledge contained in the documents provided has become publicly known. If the supplier violates this obligation to maintain secrecy, it shall be obliged to pay us a contractual penalty. The amount of the contractual penalty shall be at our reasonable discretion and, in the event of a dispute, it shall be reviewed for reasonableness by the competent court. This shall not affect any further claims.
- 1.9 RHEWUM may request modifications to the delivery item even after the conclusion of the contract, provided this is reasonable for the supplier. In case of changes to the contract, both parties shall consider the effects, in particular with regard to additional or reduced costs as well as delivery dates, in a manner customary in the market and appropriate.
- 1.10 The supplier shall confirm compliance with the supply chain duty of care towards RHEWUM in writing prior to the conclusion of contract. The supplier shall confirm to take, or review, preventive and remedial measures based on its risk analysis in order to avoid human rights violations in its own company, by subcontractors and by vendors. The supplier shall confirm that it has a complaints procedure in place which allows for reporting potential human rights violations by (potentially) affected persons or persons who have knowledge of such violations, and that it has adopted a policy statement on its human rights strategy. Without such confirmation, a contract cannot be concluded as soon as the duty of care in supply chains has taken effect.

2. Prices, Shipping, Packaging

- 2.1 The agreed prices shall be fixed prices and shall be understood - plus the applicable value added tax - free to the shipping address or place of use specified by RHEWUM, including packaging and freight costs. If an "FCA" price has been agreed according to Incoterms as amended from time to time, RHEWUM shall only pay the most favourable packaging and freight costs. In this case, the supplier shall commission the contract carrier specified by RHEWUM with the transport. Any additional costs due to non-compliance with this requirement shall be borne by the supplier. Any costs incurred until transfer to the carrier, including loading, shall also be borne by the supplier. Subsequent claims shall be excluded. Customs formalities and duty shall be indicated separately.
- 2.2 Each consignment shall be accompanied by a delivery note with packaging, shipping and weight details. Dispatch notes, consignment notes, parcel labels, invoices and any correspondence shall indicate the order number and, if applicable, the drawing number or material key number.
- 2.3 RHEWUM shall only accept the quantities or numbers of pieces as ordered. Delivery shortfalls or surplus deliveries shall be permitted only upon prior agreement with RHEWUM.
- 2.4 Shipment shall be at the risk of the supplier. The risk of any deterioration, including accidental loss, shall remain with the supplier until delivery to the shipping address or place of use requested by RHEWUM. The INCOTERMS, as amended from time to time, shall apply.

- 2.5 The supplier's obligation to take back packaging materials shall be governed by the statutory provisions. The goods shall be packed such that transport damage is avoided. Packaging materials shall only be used to the extent necessary to achieve this purpose. Only environmentally friendly packaging materials may be used. To the extent agreed with the supplier, the exchange of pallet cages and Euro pallets shall be permitted.
- 2.6 Any kind of provisions and declarations of the supplier regarding retention of title beyond the simple retention of title shall be excluded.
- 2.7 To cover its own interests, the supplier shall take out a transport insurance policy customary in the market and industry as well as a liability insurance policy covering all damage caused by its own personnel or by commissioned third parties. The insurance certificates shall be submitted to RHEWUM upon request.

3. Invoicing and Payment

- 3.1 Invoices shall be issued immediately after delivery. Invoices shall preferably be transmitted electronically; any other form of transmission shall be agreed with RHEWUM in writing. All invoices shall indicate the order number and order date. It is not permitted to enclose the invoice with the delivery. Violations in this respect will lead to delays in processing which shall not be attributable to RHEWUM.
- 3.2 Documents belonging to the scope of delivery, such as documentation, factory certificates, acceptance reports, etc. shall be submitted not later than at the time of invoicing. RHEWUM shall have the right to refuse performance until a proper and verifiable invoice in conformity with the contract has been submitted and the agreed documents have been sent.

Payment shall be made in the customary commercial manner. Unless agreed otherwise in writing, RHEWUM shall pay the purchase price within 30 days from the date of delivery made and service performed against submission of the invoice and the complete documentation without deduction or with 3% discount within 8 days or 2% discount within 14 days.

- 3.3 Payment shall not imply any statement as to the quality of the delivery nor limit the rights of RHEWUM. In the event of defective delivery, RHEWUM will be entitled to withhold payment in proportion to the relevant value until proper fulfilment.
- 3.4 Set-off and retention rights shall apply to the extent provided by law.

4. Delivery Dates, Delay in Delivery, Force Majeure

- 4.1 The agreed delivery dates shall be binding. The supplier shall be in default with the delivery upon expiration of the delivery date without a reminder being required. If the delivery and/or performance is the supplier's responsibility, the date of receipt of the goods at the place of receipt or use specified by RHEWUM shall be decisive for compliance with the delivery date or delivery period. If acceptance is required, the supplier shall be in default without reminder if it fails to offer RHEWUM the performance ready for acceptance on the agreed date.
- 4.2 If the supplier becomes aware that an agreed date cannot be met for any reason whatsoever, it shall inform RHEWUM immediately in writing, indicating the reasons and the expected duration of the delay.
- 4.3 If the supplier defaults by exceeding the delivery date, RHEWUM will be entitled to demand a contractual penalty of 0.1% of the order sum per working day, but not more than 5% of the order sum. The reservation of asserting the contractual penalty may still be exercised until payment of the invoice. The right to assert any further damages shall remain reserved.
- 4.4 If a delivery date has not been agreed, deliveries shall be made on working days during normal business hours. Signing of the delivery note or the actual acceptance of the delivered goods will not imply a statement as to whether the delivery meets the specifications.
- 4.5 Force majeure shall release the contracting parties from their performance obligations for the duration of the disruption and to the extent of its effect. The contracting parties shall be obliged to provide the necessary information without delay and within the scope of what is reasonable, and adapt their obligations to the changed circumstances after consultation with RHEWUM.
- 4.6 In case of delivery earlier than agreed, RHEWUM reserves the right to return the goods at the supplier's expense and risk. In such case, RHEWUM will be entitled to make payment not earlier than on the agreed due dates. RHEWUM will accept partial deliveries only upon express agreement.

5. Liability

- 5.1 The supplier shall be liable for any form of breach of contract according to the statutory provisions, unless provided otherwise in these Terms and Conditions.

- 5.2 If RHEWUM is held liable by a customer under product liability provisions due to a defective product, RHEWUM will be entitled to charge the supplier for any damages incurred, to the extent the defect is attributable to the supplier. The supplier shall hold RHEWUM harmless from any third-party claims for damages if the fault is within the supplier's sphere of responsibility. The supplier shall reimburse RHEWUM for any measures taken in such cases to an appropriate and necessary extent in order to prevent product liability damage. RHEWUM shall inform the supplier about the content and scope of such measures. Any other legal claims as may be due shall remain unaffected.
- 5.3 The supplier undertakes to insure itself to a sufficient extent against all risks from product liability affecting it, and provide proof of insurance on request.

6. Warranty

- 6.1 The contractually agreed specification shall be integral part of the order and may only be changed by mutual agreement. A specification shall be deemed any description of the scope of delivery and the delivery item to be regarded as binding as well as any technical documents and drawings. All standards applicable to the delivery item according to DIN, EN, ISO shall also be complied with. Deviations shall require written consent but they will not release the supplier from its contractual and statutory deadlines.
- 6.2 The supplier undertakes to use environmentally friendly products and processes for its deliveries/services and also for subcontracted supplies or ancillary services of third parties to the extent feasible in technical and economical terms. At the request of RHEWUM, the supplier shall issue a certificate of inspection for the delivered goods. The supplier shall warrant that all deliveries comply with the state of the art, the relevant legal provisions, regulations and guidelines of authorities, trade associations and professional associations and - to the extent handed over - the requirements contained in the drawings and specifications.

The supplier shall provide RHEWUM with all technical documentation (also from subsuppliers) required for the delivery and shall transfer the right to carry out (have carried out) repairs and modifications to the delivery item as well as to manufacture spare parts itself or through third parties.

- 6.3 RHEWUM shall inspect the delivered goods for defects upon arrival. RHEWUM shall notify obvious defects; hidden/concealed defects shall be notified by RHEWUM immediately after detection.
- 6.4 The statutory provisions shall apply to any defective goods delivered. The right to choose the type of supplementary performance shall always apply also in case of contracts for work and services.
- 6.5 Unless a longer limitation period is provided for by law, the limitation period for claims for defects shall be two years, calculated from the date of transfer of the delivery item to RHEWUM or any third party designated by RHEWUM at the place of receipt specified by RHEWUM. If acceptance is provided for by law or contract, the limitation period shall commence upon acceptance.
- 6.6 In case of defects of title, the supplier shall hold RHEWUM harmless from any third-party claims which may exist.

7. Property Rights

- 7.1 The supplier shall declare that all deliveries are free from third-party property rights and, in particular, that the delivery and use of the delivery items do not infringe patents, licences or other property rights of third parties within the European Union. To the extent the supplier is aware that its products are also distributed by RHEWUM in certain other countries, the above shall also apply to those countries.
- 7.2 If third parties assert claims against RHEWUM for infringement of property rights, the supplier shall be obliged to indemnify RHEWUM on first demand. This indemnity shall also apply to RHEWUM's customers. It shall not apply if the supplier has manufactured the delivery items according to our drawings, models or equivalent descriptions. If the supplier fears an infringement of property rights in such case, it shall inform RHEWUM immediately.
- 7.3 RHEWUM shall be entitled, under due consideration of the duty of care of a prudent businessman, to obtain a permission for the use of the delivery items and services concerned from the entitled party at the supplier's expense.

8. Final Provisions

- 8.1 The law of the Federal Republic of Germany shall be deemed agreed. The application of the UN Convention on Contracts for the International Sale of Goods shall be excluded.
- 8.2 If individual parts of these General Terms and Conditions of Purchase are legally invalid, this shall not affect the validity of the remaining provisions.
- 8.3 The supplier shall be entitled upon the prior written consent of RHEWUM to subcontract the order. In such case, the obligations of the supplier towards us shall continue to be valid without restrictions and the supplier shall be liable for any faults of its subcontractor in the same way as for its own faults.

- 8.4 Without the prior written consent of RHEWUM, the supplier shall not be entitled to assign its claims against RHEWUM to any third party.
- 8.5 RHEWUM will handle personal data of the supplier according to the provisions of the German Federal Data Protection Act (Bundesdatenschutzgesetz).
- 8.6 Unless expressly agreed otherwise, the place of performance for the delivery obligation shall be the shipping address or the place of use requested by RHEWUM; for all other obligations of both parties it shall be Remscheid.
- 8.7 The exclusive place of jurisdiction for all disputes arising from the supply relationship shall be Remscheid. This shall also apply if the supplier has no general place of jurisdiction in Germany. The law of the Federal Republic of Germany shall apply exclusively.