

**General Terms and Conditions of Purchase (GTCP)
of PPS Dietle GmbH, Haiterbach**

§1

General - Scope

- (1) These Terms and Conditions of Purchase of PPS Dietle GmbH apply exclusively; PPS Dietle GmbH does not recognize any terms and conditions of the supplier that conflict with or deviate from these Terms and Conditions of Purchase, unless it has expressly agreed to them in writing. These terms and conditions of purchase also apply if PPS Dietle GmbH unreservedly accepts the supplier's delivery in the knowledge that the supplier's terms and conditions conflict with or deviate from its own terms and conditions of purchase. German law applies exclusively, excluding the UN Convention on Contracts for the International Sale of Goods.
- (2) All agreements made between PPS Dietle GmbH and the supplier for the purpose of executing this contract must be set down in writing.
- (3) These terms and conditions of purchase apply only to companies as defined in Section 310, paragraph 1 of the German Civil Code (BGB).
- (4) Orders from PPS Dietle GmbH are only binding if they are placed in writing or in text form. All orders, in particular those placed orally by employees of PPS Dietle GmbH, are not effective unless they are approved in text form by PPS Dietle GmbH. The actual receipt of goods, payment for goods or other conduct of PPS Dietle GmbH or silence on the part of PPS Dietle GmbH does not allow the supplier to assume the formation of the contract. The employees of PPS Dietle GmbH are not authorized to dispense with the requirement of approval in text form or to make promises that differ in content. PPS Dietle GmbH can submit the approval in text form up to a period of five (5) weeks.

§2

Offer - Offer documents

- (1) The supplier is obligated to accept our order within a period of three days.
- (2) PPS Dietle GmbH reserves the ownership rights and copyrights for illustrations, drawings, calculations and other documents; they must not be made accessible to third parties without our explicit written consent. They are to be used exclusively for production on the basis of our order; after the order has been processed, they are to be returned to us without being asked. They are to be kept secret from third parties; in this respect, the provision of § 9 (5) applies additionally.
- (3) If the supplier's offer deviates from the request for quotation or the order from PPS Dietle GmbH, the supplier will highlight the deviation.

§3

Prices – Terms of Payment

- (1) The price specified in the order is binding. The return of packaging material requires a special agreement. In the absence of any written agreement to the contrary, the price covers all the services of the supplier, including any incidental costs incurred, such as, in particular, packaging, transportation, insurance, etc. The purchase price agreed at the time of contract conclusion cannot be increased, regardless of the reason. Costs for offers, sketches, drafts, sample typesetting, sample data, sample prints, samples and similar preliminary work may only be charged if this has been agreed in advance in writing.
- (2) The total price includes statutory value added tax.
- (3) PPS Dietle GmbH can only process invoices if they include the references specified in its order, such as the order number, commission designation, etc., in accordance with the specifications in its order; the supplier is responsible for all consequences arising from non-compliance with this obligation, unless it can prove that it is not responsible for them.
- (4) Unless otherwise agreed in writing, PPS Dietle GmbH shall pay the purchase price, calculated from defect-free delivery and receipt of the invoice, within 14 days with 3% discount or 30 days net after the date of receipt of the invoice.
- (5) We are entitled to set-off and retention rights to the extent permitted by law.
- (6) PPS Dietle GmbH does not owe any interest after the due date. The supplier's claim to payment of default interest remains unaffected. The statutory provisions shall apply in the event of default on the part of PPS Dietle GmbH. In any case, however, a written warning from the supplier is required.

§4

Delivery time

- (1) The delivery time specified in the order is binding.
- (2) The supplier is obliged to notify us in writing without delay if circumstances arise or become apparent to him that indicate that the stipulated delivery time cannot be met. If the supplier fails to provide timely notification, he cannot invoke an obstacle.
- (3) In the event of a delay in delivery, we shall be entitled to the statutory claims. In particular, PPS Dietle GmbH shall be entitled, after the fruitless expiry of a reasonable period, to demand compensation instead of performance and to withdraw from the contract. If PPS Dietle GmbH demands compensation, the supplier shall be entitled to prove to PPS Dietle GmbH that it is not responsible for the breach of duty.
- (4) The unconditional acceptance of a delivery as fulfillment means the waiver of any claims for penalties. Insofar as no unconditional acceptance has occurred, PPS Dietle GmbH reserves the right to deduct penalties in the amount of 1% (up to a maximum of 5%) of the order value per week.

- (5) The supplier is not authorized to carry out partial deliveries or to bill for them separately, unless this has been explicitly agreed in writing. In this case, the agreed partial or remaining deliveries are to be identified as such in the delivery note and in the invoice.
- (6) If delivery is made earlier than agreed, PPS Dietle GmbH shall be permitted to arrange for the return shipment at the supplier's expense. If it does not make use of this permission, it shall be entitled to store the goods itself at the supplier's expense and risk until the delivery date. It shall only be obliged to pay for the goods delivered early after the payment period from the agreed delivery date has expired.

§ 5

Transfer of risk – Documents

- (1) Unless otherwise agreed in writing, delivery shall be “free domicile” (DAP according to Incoterms 2010).
- (2) The supplier is obliged to indicate the references stated in our order, such as order number, commission designation, etc., on all shipping documents and delivery notes in accordance with our specifications in our order. If the accompanying documents are incomplete or missing, PPS Dietle GmbH is not responsible for the resulting delay in processing and payment and is also entitled to refuse acceptance.
- (3) The supplier is obliged to provide PPS Dietle GmbH with the required declarations regarding the origin of the goods in accordance with customs law in a timely manner. The supplier shall be liable for any and all disadvantages that arise for PPS due to an improper or delayed supplier declaration.

§ 6

Inspection for defects – Liability for defects – Warranty claims

- (1) PPS Dietle GmbH is obliged to inspect the goods for any quality and quantity deviations within a reasonable period of time: The inspection is only carried out with regard to identity, quantity and obvious defects. A complaint is considered to be in good time if it is received by the supplier within a period of five working days, calculated from the date of receipt of the goods or, in the case of hidden defects, from the date of discovery.
- (2) PPS Dietle GmbH is entitled to the full range of statutory claims for defects; in any case, PPS Dietle GmbH is entitled to demand that the supplier, at its discretion, either rectifies the defect or delivers a new item. The right to claim damages, in particular to claim damages in lieu of performance, is expressly reserved.
- (3) Commissioned services (e.g. orders to design offices) are fundamentally to be understood as a contract for work and services and assume that the predefined goal will be fully achieved in accordance with the predefined definition of the goal. In this context, all specifications such as the PPS design guidelines and any specifications sheets must be adhered to. In the event of non-fulfilment, PPS Dietle GmbH reserves the right to demand that the supplier rectify the defects or make corrections at his own expense until the result leads to the previously defined success.
- (4) PPS Dietle GmbH is authorized to undertake the rectification of defects itself at the cost of the supplier if the supplier is in default with the supplementary performance.

- (5) The period of limitation is 36 months, calculated from the transfer of risk, provided that the mandatory provisions of §§ 478, 479 BGB do not intervene.
- (6) In the case of a consumer goods purchase, the provisions of §§ 478, 479 BGB remain unaffected.
- (7) Guarantees granted as well as other commitments made by the supplier must be fulfilled by the supplier without the need for written confirmation. The supplier is always responsible to PPS Dietle GmbH for compliance with the obligations associated with the marketing of the goods.
- 8) The supplier undertakes to comply with Regulation (EC) No. 1907/2006 of the European Parliament and of the Council of December 18, 2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH Regulation). In particular, the supplier warrants that the delivery item, taking into account its use at PPS Dietle GmbH, complies with the requirements of the REACH Regulation. This also applies to suppliers outside the EU. If the supplier breaches these obligations, the supplier shall indemnify PPS Dietle GmbH against all damages, costs, expenses or liabilities arising from such a breach. Relevant documents and proof of fulfillment of these obligations can be requested by PPS Dietle GmbH at any time and free of charge.

§ 7

Product liability – exemption – liability insurance protection

- (1) Insofar as the supplier is responsible for product damage, he is obligated to exempt PPS Dietle GmbH from the claims for damages of third parties at the first request, when the cause lies within his domain and organizational area and he is liable in the external relationship.
- (2) Within the scope of his own liability for cases of damage within the meaning of paragraph (1), the supplier is also obliged to reimburse PPS Dietle GmbH for any expenses incurred under §§ 683, 670 BGB or under §§ 830, 840, 426 BGB, which arise from or in connection with a recall action lawfully carried out by PPS Dietle GmbH. PPS Dietle GmbH will inform the supplier in advance and in good time about the content and scope of such a recall measure, provided this is possible and reasonable, and give it the opportunity to respond.
- (3) PPS Dietle GmbH will take on the necessary notification of the relevant competent authority in accordance with the provisions of the Product Safety Act in consultation with the supplier.
- (4) The supplier is obliged to take out product liability insurance with a flat-rate sum insured of €10 million per instance of personal injury/property damage; if we are entitled to further claims for damages, these remain unaffected.

§ 8

Compliance with legal provisions by employees

- (1) Based on moral and legal obligations towards employees, PPS Dietle GmbH places particular emphasis on compliance with all employee protection regulations by subcontractors commissioned by PPS Dietle GmbH, in particular compliance with the minimum wage.
- (2) By submitting an offer to PPS Dietle GmbH, suppliers undertake and guarantee that all existing employment relationships with the suppliers comply with the relevant legal provisions (in particular the Minimum Wage Act, Federal Leave Act, Continued Remuneration Act, Maternity Protection Act, Working Hours Act, Youth Employment Protection Act).

- (3) PPS Dietle GmbH is entitled to demand that the supplier regularly (at least once a quarter) submits an original, current clearance certificate from the relevant social security institution regarding the payment of social security contributions, as well as the submission of current pay slips for the supplier's employees deployed under contracts with PPS Dietle GmbH.
- (4) If a request as per paragraph 3 is unjustifiably rejected by the supplier, or if the documents submitted show violations of the relevant legal provisions, PPS Dietle GmbH is entitled to terminate all contracts between PPS Dietle GmbH and the supplier without notice for good cause.

§ 9

Industrial property rights

- (1) The supplier warrants that no rights of third parties within the Federal Republic of Germany will be violated in connection with his delivery.
- (2) If a claim is made against PPS Dietle GmbH by a third party in this regard, the supplier is obliged to indemnify us against these claims at the first written request. In the event of claims for damages by the third party, the supplier reserves the right to prove that the infringement of the rights of the third party was not the supplier's fault.
- (3) PPS Dietle GmbH is not authorized to make any agreements with the third party – without the consent of the supplier – in particular to conclude a settlement.
- (4) The indemnity obligation of the supplier refers to all expenses that we necessarily incur from or in connection with the claim by a third party.
- (5) The limitation period is 36 months, calculated from the transfer of risk.

§ 10

Retention of title – Provision – Tools – Confidentiality

- (1) Insofar as PPS Dietle GmbH provides parts to the supplier, it retains unrestricted ownership of these parts. Processing or transformation by the supplier is carried out on its behalf. If the goods subject to retention of title belonging to PPS Dietle GmbH are processed with other objects that do not belong to it, it acquires co-ownership of the new object in the ratio of the value of its object (purchase price plus VAT) to the other processed objects at the time of processing.
- (2) If the item provided by PPS Dietle GmbH is inseparably mixed with other items that do not belong to it, it acquires co-ownership of the new item in the ratio of the value of the reserved item (purchase price plus VAT) to the other mixed items at the time of mixing. If the mixing is done in such a way that the supplier's item is to be regarded as the main item, it is deemed to have been agreed that the supplier transfers proportional co-ownership to PPS Dietle GmbH; the supplier holds the sole ownership or co-ownership for PPS Dietle GmbH.
- (3) PPS Dietle GmbH reserves ownership of tools; the supplier is further obligated to use the tools exclusively for the manufacture of the goods ordered by PPS Dietle GmbH. The supplier is obligated to insure the tools belonging to it at replacement value at its own expense against fire and water damage and theft. At the same time, the supplier hereby assigns to PPS Dietle GmbH all compensation claims arising from this insurance; PPS Dietle GmbH hereby accepts the assignment. The supplier is obligated to carry out any necessary maintenance and inspection work on the tools of PPS Dietle GmbH, as well as all servicing and repair work, at its own expense

and in a timely manner. The supplier must notify us immediately of any malfunctions; if the supplier culpably fails to do so, claims for damages remain unaffected.

- (4) Insofar as the security interests to which PPS Dietle GmbH is entitled under paragraph (1) and/or paragraph (2) exceed the purchase price of all its unpaid goods subject to retention of title by more than 10%, PPS Dietle GmbH is obliged, at the request of the supplier, to release the security interests at its discretion.
- (5) The supplier is obliged to keep all illustrations, drawings, calculations and other documents and information strictly secret. They may only be disclosed to third parties with our express consent. The confidentiality obligation shall also apply after the execution of this contract. However, it shall lapse if and to the extent that the manufacturing knowledge contained in the illustrations, drawings, calculations and other documents provided has become generally known or was demonstrably already known to the supplier at the time of the notification in the sense of sentence 1.

§ 11

Place of jurisdiction – Place of performance

- (1) If the supplier is a merchant, the registered office of PPS Dietle GmbH is the place of jurisdiction; however, PPS Dietle GmbH is also entitled to sue the supplier at the court of his place of residence.
- (2) Unless otherwise stated in the order, the registered office of PPS Dietle GmbH is the place of performance.