

General Terms and Conditions of Purchase

These Terms and Conditions of Purchase shall apply to all business transactions with suppliers or other contractors (hereinafter referred to as "Supplier"), even if they are not mentioned in subsequent contracts. They shall also apply if the Supplier refers to its own terms and conditions, in particular when accepting the order or in the order confirmation, unless OTT-JAKOB Spanntechnik GmbH (hereinafter referred to as "OTT-JAKOB") has expressly agreed to the Supplier's terms in writing.

1. Orders, conclusion of contract:

- 1.1. Each order placed by OTT-JAKOB shall not be valid until it issued in writing by OTT-JAKOB. Fax and e-mail transmissions shall also satisfy the written form requirement in this sense. Orders placed verbally or by telephone shall only be binding on OTT-JAKOB if OTT-JAKOB has confirmed them by subsequently sending a written order confirmation (see above).
- 1.2. Drawings provided by OTT-JAKOB and any included tolerance specifications are binding. By accepting the order, the Supplier acknowledges that it has informed itself about the type of design and execution, and the scope of performance, by inspecting the existing plans. OTT-JAKOB shall not be liable in the event of obvious errors, spelling mistakes and miscalculations in the documents, drawings and plans submitted by OTT-JAKOB. The Supplier is obliged to notify OTT-JAKOB of any such errors so that the order can be corrected and placed again by OTT-JAKOB. This also applies in the case of missing documents or drawings.
- 1.3. OTT-JAKOB may – as long as the Supplier has not yet fully met its obligations – request changes to the order with regard to the design, execution or delivery time within a reasonable scope. In this context, the effects (e.g. additional or reduced costs, delivery dates) shall be settled by mutual agreement in an appropriate manner.
- 1.4. The Supplier shall send written confirmation of each order to OTT-JAKOB without delay, but no later than five working days after receipt of the order, stating the delivery date and the applicable prices. However, if OTT-JAKOB does not receive the order confirmation within 10 working days of receipt of the order by the Supplier, OTT-JAKOB shall be entitled to cancel the order without reimbursing the Supplier's costs.

2. Delivery dates:

- 2.1. The delivery periods and dates specified by OTT-JAKOB in the order are binding. Within the delivery period or on the delivery date (max. five working days early or one working day late), the goods must have been received at the receiving point specified by OTT-JAKOB. In the event that delays are to be expected, the Supplier shall notify OTT-JAKOB thereof without delay and shall obtain OTT-JAKOB's decision regarding the continuation of the order.
- 2.2. If the Supplier is in default, OTT-JAKOB shall be entitled, without prejudice to any further claims, to demand a contractual penalty of 0.5% of the net order value per week commenced, up to a maximum of 5% of the net order value. Once paid, the contractual penalty shall be offset against any claim for damages. The right to demand payment of the agreed contractual penalty shall not be forfeited due to the fact that the contractual penalty was not expressly withheld upon acceptance of the delayed delivery.
- 2.3. In addition, if the Supplier does not perform the owed service or does not perform it in accordance with the contract, OTT-JAKOB may, if it has unsuccessfully set the Supplier a reasonable deadline for performance or subsequent performance, withdraw from the contract and/or, if the Supplier is at fault, claim damages. Any further statutory rights shall remain unaffected.
- 2.4. OTT-JAKOB shall not be obliged to take delivery before the delivery date has lapsed.
- 2.5. Unless expressly agreed, the Supplier is not entitled to partial performance.

3. Delivery, packaging:

- 3.1. Delivery shall be as agreed to the place of receipt specified by OTT-JAKOB. If OTT-JAKOB is obliged to bear the freight costs, the Supplier shall either use the mode of transport prescribed by OTT-JAKOB or the mode of transport and delivery with the lowest cost for OTT-JAKOB.
- 3.2. The risk shall only pass to OTT-JAKOB upon acceptance of the delivery by OTT-JAKOB's receiving office.
- 3.3. The packaging is included in the price. If, by way of exception, something else has been agreed, the packaging shall be charged at cost price. The Supplier shall select the packaging specified by OTT-JAKOB in the order and shall ensure that the packaging protects the goods from damage. OTT-JAKOB shall be entitled to invoice the Supplier for the recycling costs for non-recyclable packaging. In the event of carriage-forward return of the packaging, OTT-JAKOB shall be credited with at least 2/3 of the invoiced value.

4. Documentation:

- 4.1. Invoices, delivery notes and packing slips must be enclosed with each consignment as single copies. These documents must contain:
 - Order number
 - Quantity and unit of measure
 - Article description with article number
 - Residual quantity for partial deliveries
 - Required documentation (e.g. works certificate, test records, etc.)
 - Sales tax identification no.
 - Indication of the account assignment on the invoice
- 4.2. In the case of freight shipments, OTT-JAKOB shall be provided separately with a dispatch notification on the day of dispatch.
- 4.3. The Supplier shall be obliged to submit a written declaration on the customs origin of the delivery items using a form provided by OTT-JAKOB. This declaration shall be sent to OTT-JAKOB with the first delivery at the latest. The Supplier shall notify OTT-JAKOB on its own initiative and without delay of the origin of newly included delivery items or any change of origin. The Supplier shall be liable for all disadvantages incurred by OTT-JAKOB due to an improper or delayed submission of the Supplier Declaration.

4.4. To the extent necessary, the Supplier shall provide proof of the origin of the goods by means of an information sheet certified by a customs office.

5. Prices:

5.1. Unless expressly stipulated otherwise, the agreed prices are fixed prices, unless the supplier has reduced the relevant prices across the board. The agreed prices are valid as long as new prices have not been negotiated. Price increases by the Supplier without the agreement and approval of OTT-JAKOB shall not be valid.

5.2. The Supplier shall not grant OTT-JAKOB less favourable prices and conditions than other customers in a specific case if, and to the extent that, the latter are offering OTT-JAKOB the same or equivalent conditions.

6. Invoice, payment, assignment:

6.1. Invoices shall be issued separately for each order. Payment shall only be made after complete receipt of the defect-free goods or complete defect-free performance and after receipt of the invoice. This shall apply accordingly in the case of permissible partial deliveries. Time delays caused by incorrect or incomplete invoices or invoices issued too early shall not affect any discount periods.
Subject to the above conditions, OTT-JAKOB shall make payment within 14 days less 3% discount, within 30 days without deduction.

6.2. Claims of the Supplier vis-a-vis OTT-JAKOB may only be assigned to third parties with the consent of OTT-JAKOB. Payments shall only be made to the Supplier.

6.3. Payments shall be made by bank transfer.

7. Claims for defects:

7.1. The Supplier shall be liable for ensuring that the goods delivered by it are free of defects, conform to the drawings and DIN/standards and that the goods comply with OTT-JAKOB's order specifications.

7.2. In the event of defective deliveries, OTT-JAKOB shall be entitled to assert all statutory rights. These rights may only be restricted with the written consent of OTT-JAKOB.

7.3. In urgent cases, OTT-JAKOB shall be entitled, after notifying the Supplier, to remedy the defects itself or via a third party. Any costs arising from this shall be borne by the Supplier.

7.4. The statutory limitation periods for claims for defects shall apply.

7.5. The values determined by OTT-JAKOB during the incoming inspection shall be decisive with regard to quantities, dimensions and weights. Excess or short deliveries are not permitted. Deliveries received by OTT-JAKOB shall be inspected at OTT-JAKOB by means of random sampling. Defects which become apparent during this process or during use of the delivery item shall be notified within 14 days. OTT-JAKOB shall be exempt from any further obligations to examine or give notice of defects pursuant to § 377 et seq. HGB (German Commercial Code). Payment of the purchase price does not imply confirmation of acceptance or that the delivery is free from defects.
The Supplier shall be liable for the provided raw materials in the event of rejects.

8. Product liability, recalls:

8.1. In the event that a claim is made against OTT-JAKOB on the basis of product liability, the Supplier shall be obliged to indemnify OTT-JAKOB against such claims if and to the extent that the damage was caused by a defect in the contractual item delivered by the Supplier. In cases of tortious liability, however, this shall only apply if the Supplier is at fault. If the cause of the damage lies within the Supplier's area of responsibility, the Supplier shall bear the burden of proof in this respect. In such cases, the Supplier shall bear all costs and expenses, including the costs of any legal proceedings and recall actions. In all other respects, the statutory provisions shall apply.
In consultation with OTT-JAKOB, the Supplier shall mark the delivery items in such a way that they are permanently recognisable as being its products. The Supplier shall ensure that the manufacturer of the product components it uses can be traced.
The Supplier shall insure itself against all risks arising from product liability, including the risk of recall, to an appropriate amount and shall submit the insurance policy to OTT-JAKOB for inspection upon request. The Supplier is aware of its duty to provide information within the framework of the applicable EU regulations (chemicals law, REACH regulation). It shall ensure, on its own initiative, that OTT-JAKOB is informed of any notifiable substances and components due to a lack of REACH conformity or to other kinds of non-compliance with the applicable regulations. The Supplier must provide such information to OTT-JAKOB in good time to ensure that OTT-JAKOB still has room to manoeuvre with regard to maintaining its ability to deliver. In the event of its demonstrable failure to do so, the Supplier shall be liable for the payment of damages within the scope of the applicable jurisdiction.

9. Quality assurance:

9.1. The Supplier shall carry out quality assurance measures of a suitable type and scope which correspond to the state of the art, and shall provide OTT-JAKOB with evidence of this upon request. It shall conclude a corresponding quality assurance agreement with OTT-JAKOB to the extent that OTT-JAKOB deems this necessary.
In the case of the manufacture of new parts, the Supplier shall provide OTT-JAKOB with an initial sample test report upon request. In addition, the Supplier hereby agrees to the performance of quality audits as agreed.

10. Order documents, drawings, models:

10.1. Goods manufactured in accordance with OTT-JAKOB's specifications, drawings and models may not be made accessible to third parties or used or supplied for purposes other than the contractual purposes without OTT-JAKOB's prior written consent.

10.2. The same applies to tools, moulds, samples, profiles, standard sheets, print templates, gauges, etc. provided to the Supplier by OTT-JAKOB. They shall be secured against unauthorised inspection or use.

- 10.3. All drawings, sketches, models, etc. supplied by OTT-JAKOB for the execution of the order must be returned to OTT-JAKOB immediately after completion of the order. They shall remain the property of OTT-JAKOB.
- 10.4. Reproduction of the items mentioned in the preceding paragraphs is only permitted within the framework of operational requirements and copyright provisions. Subcontractors shall be obligated accordingly.
- 10.5. In the event of a breach of any of the aforementioned obligations, OTT-JAKOB may at any time demand the return of the items provided to the Supplier and claim damages.

11. Provision of materials, safekeeping:

- 11.1. Materials provided to the Supplier shall remain the property of OTT-JAKOB. They shall be stored, designated and managed as such separately and free of charge by the Supplier. They may only be used for OTT-JAKOB's orders. The Supplier is fully liable for damages in the event of loss due to negligence or intent.
- 11.2. Treatment and processing of the materials owned by OTT-JAKOB shall be carried out for OTT-JAKOB. Should the Supplier acquire ownership of the goods as a result of this process, said ownership shall simultaneously be transferred to OTT-JAKOB and the product shall be held in safekeeping by the Supplier for OTT-JAKOB. In the event that the goods are processed together with third-party goods, OTT-JAKOB shall be entitled to co-ownership of the product in proportion to the value of the processed goods at the time of processing.
- 11.3. Clause 11.1 shall apply accordingly to the safekeeping of the new or transformed item.
- 11.4. If the Supplier is threatened with or subjected to enforcement measures, which also affect or may affect the materials owned by OTT-JAKOB, the Supplier shall notify the enforcement body of OTT-JAKOB's ownership thereof and shall at the same time immediately inform OTT-JAKOB of the enforcement measure that has taken place or is pending.

12. Freedom from third-party rights, property rights:

- 12.1. The Supplier warrants that the products delivered by it are its sole property and unencumbered by third-party rights.
- 12.2. The Supplier shall be liable for ensuring that no patents or other industrial property rights of third parties are infringed by its delivery and OTT-JAKOB's subsequent exploitation of the delivered goods. It shall indemnify OTT-JAKOB and its customers against all claims arising from the assertion of such industrial property rights.

This shall not apply insofar as the Supplier has manufactured the delivered goods in accordance with drawings, models or other descriptions or instructions equivalent thereto provided by OTT-JAKOB and does not know or, in connection with the products manufactured by it, cannot know that industrial property rights may be infringed thereby. Any further claims for damages on the part of OTT-JAKOB shall remain unaffected. At OTT-JAKOB's request, the Supplier shall inform OTT JAKOB of all industrial property rights known to it or of which it becomes aware and which it uses in connection with the items to be delivered or delivered.

13. Force majeure:

- 13.1. War, civil war, environmental disasters, export restrictions or trade restrictions due to a change in political circumstances as well as strikes, lockouts, operational disruptions, operational restrictions and similar events which make it impossible or unreasonable for OTT-JAKOB to perform as per the contract shall be deemed cases of force majeure and shall, for the duration of their existence, exempt OTT-JAKOB from its obligation to take delivery of the goods in good time. The contracting parties shall notify each other accordingly and adjust their obligations in accordance with the changed circumstances in good faith.

14. Secrecy:

- 14.1. The Supplier shall treat OTT-JAKOB's orders and all related commercial and technical details as business secrets.
- 14.2. The Supplier may only advertise its business relationship with OTT-JAKOB with the prior written consent of OTT-JAKOB.

15. General provisions:

- 15.1. Should any provision of these Terms and Conditions of Purchase be or become invalid, the remaining provisions shall remain valid.
- 15.2. Unless otherwise agreed in writing, the contractual relationship between the Supplier and OTT-JAKOB shall be governed exclusively by German law, even if the Supplier has its registered office abroad.
- 15.3. If the Supplier is a merchant within the meaning of commercial law, Lengenwang shall be the place of performance for all obligations arising from the business relationship.
- 15.4. Insofar as the Supplier is a merchant within the meaning of the German Commercial Code, a legal entity under public law or a special fund under public law, the court in the registered place of business of OTT-JAKOB shall have local jurisdiction for all disputes arising directly or indirectly from the contractual relationship. This also applies to disputes about the validity of concluded contracts. Sentences 1 and 2 shall apply accordingly if the Supplier has its registered office abroad or if the Supplier relocates its registered office or usual place of residence abroad after conclusion of the contract or if its registered office or usual place of residence is not known at the time the action is brought.