

General Purchasing Conditions

§ 1 Scope, form

- (1) These General Purchasing Conditions (GPC) apply to all business relations with our business partners and suppliers ("Vendor").
- (2) The GPC apply in particular to contracts for the sale and/or delivery of movable goods ("Goods"), regardless of whether the Vendor manufactures the Goods itself or purchases them from suppliers (§§ 433, 650 BGB). Unless otherwise agreed, the GPC applies in the form valid at the time the purchaser placed the order or in any event in the version last communicated to the purchaser in writing as a framework agreement, including for any similar contracts concluded in the future and without any requirement on our part to refer to them again in every case.
- (3) These GPC apply exclusively. Any deviating, opposing or supplementary general terms and conditions made by the Vendor will only become part of the contract if and insofar as we have expressly consented to their validity in writing. This approval requirement applies in every case; for example, even if we accept the Vendor's deliveries without reservation, while acknowledging the Vendor's general terms and conditions.
- (4) Any individual agreements made with the Vendor in an individual case (including collateral agreements, supplements and amendments) take precedence over these GPC. In the absence of any evidence to the contrary, a written contract or our written confirmation will be authoritative for the contents of any such agreements.
- (5) Any legally significant declarations and notices made by the Vendor with regard to the contract (e.g. deadlines, reminders, withdrawal) must be made in writing i.e. in written or text form (e.g. letter, email, fax).

§ 2 Conclusion of contract

- (1) Our order will not be considered binding until it has been submitted or confirmed in writing. The Vendor must inform us prior to acceptance of any obvious errors (e.g. typing and calculation errors) and incompleteness in the order, including in the order documents, for the purposes of correction and/or completion; otherwise the contract will be considered not to have been concluded.
- (2) The Vendor must confirm our order in writing within a period of 3 working days or in particular by sending the goods without reservation (acceptance).

§ 3 Delivery period and delayed delivery

- (1) The delivery period specified by us in the order is binding. If the delivery period has not been specified by us and has not been otherwise agreed in the order, its duration will be 1 week after the contract has been concluded. The Vendor is obliged to inform us immediately in writing if – for any reason whatsoever – it anticipates that it will be unable to comply with the agreed delivery periods.
- (2) If the Vendor fails to perform its service or fails to do so within the agreed delivery period or delays performance, our rights – in particular to withdrawal and damages – will be determined in accordance with the legal regulations. The provisions in Section 3 remain unaffected thereby.
- (3) If the Vendor delays performance, we will be entitled – in addition to any additional statutory claims – to demand flat-rate compensation for the damage caused by the delay in the amount of 1% of the net price per completed calendar week, but in total no more than 5% of the net price of the goods subject to delay. We reserve the right to prove that a higher level of damage has occurred. The Vendor reserves the right to prove that no damages whatsoever or significantly less damage has been incurred.

§ 4 Performance, delivery, transfer of risk, delay in acceptance

- (1) The Vendor is not entitled to use third-parties (e.g. subcontractors) to provide the performance for which it is responsible without our prior written approval. The Vendor bears the procurement risk for its services, unless otherwise agreed in a specific case (e.g. stock restrictions).
- (2) Delivery will be made within Germany's "DAP" at the location specified in the order. If the place of destination has not been specified and no other agreement has been made, delivery must be made to our registered office at Am Kroit 7 -11, 83123 Amerang, Germany. The relevant place of destination is also the place of performance for the delivery and any supplementary performance (obligation to fulfil).

(3) A delivery note specifying the date (issue and shipping), contents of the delivery (item number and quantity) and our order identification (date and number) must be included with the delivery. If the delivery note is missing or incomplete, we will not bear responsibility for any processing and payment delays resulting from this. A corresponding dispatch note with the same contents must be sent to us separately.

(4) The risk of accidental destruction and accidental deterioration of the Goods is transferred to us when transfer takes place at the place of performance. If acceptance has been agreed, this will be considered authoritative for the transfer of risk. In the event of acceptance, the legal regulations contained within German work and services contract law will also apply. The same applies to transfer or acceptance if we delay acceptance.

(5) The legal regulations will apply if we delay acceptance. The Vendor must also expressly offer its service if an identified or identifiable calendar date has been agreed for an action or participation on our part (e.g. provision of materials). If we delay our acceptance, the Vendor will be entitled to request compensation for any additional expenses in accordance with the legal regulations (§ 304 BGB). If the contract relates to specific items to be manufactured by the Vendor (single-unit production), the Vendor will only possess further rights if we commit ourselves to cooperate and are responsible for the failure to do so.

§ 5 Prices and payment conditions

(1) The price specified in the order is binding. All prices are understood to include the statutory value added tax, if this is not shown separately.

(2) Unless otherwise agreed in individual cases, the price includes all services and additional services provided by the Vendor (e.g. assembly, installation) and all additional costs (e.g. appropriate packaging, transportation costs, customs duty, tolls, etc. including any transportation and third-party liability insurance).

(3) The agreed price must be paid within 30 calendar days after complete delivery and service performance (including any acceptance of performance that may have been agreed) and receipt of an appropriate invoice. If we effect payment within 14 calendar days, the Vendor will grant us a 3% discount on the net invoice amount. In the case of a bank transfer, payment will be considered to have been made in a timely manner if our transfer order is received by our bank before expiry of the payment deadline; we are not responsible for any delays caused by the banks involved in the payment process.

(4) We do not owe any interest payable after the due date. The legal regulations will apply in the event of delayed payment.

(5) The Vendor is only entitled to a right of offset or retention in the event of legally established or undisputed counterclaims.

§ 6 Confidentiality and reservation of ownership

(1) We reserve all property rights and copyright to diagrams, plans, drawings, calculations, instructions, product descriptions and other documents. Documents of this kind must be used exclusively for the purposes of the contractual service and returned to us after the contract has been fulfilled. The documents must not be disclosed to third parties, including after the termination of the contract. The duty of confidentiality expires only if and insofar as the knowledge contained in the documents provided has become generally known.

(2) The above provision applies mutatis mutandis to substances and materials (e.g. software, finished and semi-finished products) and to tools, templates, models and any other items we provide to the Vendor for production. Items of this kind – so long as they are not processed – must be stored separately and insured against loss and destruction to the usual extent by the Vendor at its own cost.

(3) Any processing, mixing or combining (further processing) of the items is performed by the Vendor on our behalf. The same applies in the event that the Goods delivered are subject to further processing by us, so that we are considered to be the manufacturer and acquire ownership of the product no later than when further processing occurs in accordance with the legal regulations.

(4) Ownership of the Goods must be transferred to us unconditionally and regardless of whether the purchase price has been paid. However, if we accept an offer made by the Vendor in an individual case that is conditional on payment of the purchase price for transfer, the Vendor's reservation of ownership will cease no later than when the purchase price is paid for the Goods delivered. We

remain authorised to resell the Goods in the regular course of business including before payment of the purchase price by means of advance transfer of the resulting claim (alternatively, validity of simple reservation of ownership extended to resale). All other forms of reservation of ownership are, in any event, hereby excluded - in particular any extended or transferred reservation of ownership or reservation of ownership extended to further processing.

§ 7 Defective delivery

(1) Unless otherwise determined below, the legal regulations apply in the event of any defects in quality and title of the Goods (including incorrect and incomplete delivery and improper installation, defective assembly, usage and operating instructions) and in the event of any other violations of duty by the Vendor.

(2) In accordance with the legal regulations, the Vendor accepts liability for ensuring that the Goods possess the agreed characteristics when the risk is transferred to us. Any product descriptions that – in particular by being described or referred to in our order – form the subject of the relevant contract or have been incorporated in the contract in the same way as these GPC will, in any event, be deemed an agreement concerning those characteristics. It makes no difference in this regard whether the product description originates with us, the Vendor or the manufacturer.

(3) Notwithstanding § 442 Para. 1 P. 2 BGB [German Civil Code], we will also be entitled to make unlimited warranty claims for defects in the event that the defect remains unknown to us at the time the contract is concluded as a result of gross negligence.

(4) The legal regulations (§§ 377, 381 HGB [German Commercial Code]) apply to the commercial duty of inspection and notification subject to the following restriction: Our duty of inspection is restricted to defects that come to light during our incoming goods inspection as a result of external examination including of the delivery papers (e.g. transport damage, incorrect and incomplete delivery) or that are identified through random checks made during our quality control. If acceptance has been agreed, there is no duty of inspection. It also depends on the extent to which an inspection is possible given the circumstances of the individual case in the ordinary course of business. Our duty of notification for any defects discovered subsequently remains unaffected. Without prejudice to our duty of inspection, our complaint (duty of notification) will in any event be deemed to have been given without undue delay and in time if it is sent within 14 calendar days after discovery or, in the case of obvious defects, after delivery.

(5) Supplementary performance also includes removal of the defective goods and their reinstallation; only such services will be performed by our company; our legal claims for compensation for corresponding expenses remain unaffected thereby. The expenses required for inspection and supplementary performance will also be borne by the Vendor if it transpires that there were in fact no defects. Our liability for damages in the event of an unwarranted request to remedy a defect remains unaffected; we will, however, only be held liable insofar as we have recognised or have failed to recognise, in a grossly negligent manner, that there were no defects.

(6) Without prejudice to our legal rights and the regulations in Section 5, the following applies: In the event that the Vendor fails to fulfil his duty to provide supplementary performance – at our discretion, either by remedying the defect (remedy) or by delivering a defect-free item (replacement delivery) – within an appropriate period set by us, we will be entitled to remedy the defect ourselves and demand compensation from the Vendor for the expenditure required for this or to request an advance payment. If the supplementary performance provided by the Vendor is unsuccessful or is unacceptable to us (e.g. due to extreme urgency, endangerment of operating safety or imminent occurrence of disproportionate damage) there is no requirement to set a deadline; we will inform the Vendor immediately, if possible beforehand, of any such circumstances.

(7) In the event of any defects in quality or title, under the legal regulations we are also entitled to a reduction in the purchase price or to cancel the contract. Under the legal regulations, we also have the right to claim damages and the reimbursement of expenses.

§ 8 Manufacturer's liability

(1) If the Vendor is responsible for damage to the product, it must indemnify us against any claims made by third parties, if the cause was within its sphere of control and organisation and if the Vendor is itself liable to third parties.

(2) Within the scope of its duty to indemnify, the Vendor is required in accordance with §§ 683, 670 BGB to reimburse any expenses arising from or in connection with any third-party claims including for

any product recalls undertaken by us. We will inform the Vendor – as far as is practical and reasonable – regarding the contents and scope of any recall measures and provide it with the opportunity to comment. Any further legal claims remain unaffected thereby.

(3) The Vendor must take out and maintain product liability insurance with a total coverage amount of at least 5M EUR per personal/property damage claim.

§ 9 Right to submit applications for industrial property rights

(1) If, in the context of the vendor relationship, work results are produced that may be protected due to industrial property rights, such as patents, utility models, designs or brands, the right to submit applications for such industrial property rights accrues to SOMIC alone. This right includes the submission of property rights applications both in Germany and abroad. It also includes the right not to submit an application.

(2) The Vendor/Supplier undertakes that it will take all measures necessary in order to safeguard this right for SOMIC and to confer it on SOMIC, in particular to submit all of the written statements required for this immediately if requested to do so by SOMIC.

(3) In the case of a work result in whose creation the Supplier's employees played an active role and which may be protected as a technical industrial property right, such as a patent or utility model, the Supplier undertakes in particular that it will use its employees' creations in writing without restriction and in a way that fully protects the right to be transferred to SOMIC and transfer the right to submit applications to SOMIC in writing. In return, SOMIC undertakes that it will identify the employees as creators and pay them appropriate employee invention compensation, if required by the law.

§ 10 Limitations

(1) Unless otherwise determined below, the reciprocal claims of the contracting parties become time-barred in accordance with the legal regulations.

(2) Notwithstanding § 438 Para. 1 No. 3 BGB, the general limitation period for defect claims is 3 years from the transfer of risk. If acceptance has been agreed, the limitation period begins at the time of acceptance. The 3-year limitation period also applies accordingly to claims arising out of defects in title, whereby the legal limitation period for in rem claims for the restitution of property (§ 438 Para. 1 No. 1 BGB) remains unaffected; furthermore, claims arising out of defects in title will under no circumstances become time-barred long as the third party is still able to assert their rights against us – in particular in the absence of limitation.

(3) The limitation periods of sales law including the aforementioned extension will apply to all contractual defect claims to the legally defined extent. Insofar as we are also entitled to make non-contractual claims for damages owing to a defect, the standard legal limitation period will apply (§§ 195, 199 BGB), unless the application of the limitation periods under sales law would lead to a longer limitation period in the individual case.

Article 12 Applicable law and place of jurisdiction

(1) These GPC and the contractual relationship between us and the Vendor are subject to the law of the Federal Republic of Germany to the exclusion of international uniform law, in particular of UN sales law.

(2) If the Vendor is a merchant within the meaning of the German Commercial Code, a legal entity or special fund under public law, the exclusive place of jurisdiction – including international jurisdiction – for all disputes arising out of the contractual relationship is our registered office at Kroit 7 – 11, 83123 Amerang, Germany. The same applies if the Vendor is a contractor within the meaning of § 14 BGB.