

## **SLM Solutions Group AG**

### **General Conditions of Purchase**

#### **1. Scope of application**

Our Purchase Conditions shall apply exclusively to all contracts entered into by us, including any to be entered into in the future. We shall be bound to other general business terms and conditions of our suppliers, contractors or other contractual partners (hereinafter “Contractor”) only if we have expressly consented thereto in writing. The Contractor shall be deemed to have accepted our Purchase Conditions at the latest on execution of the delivery or service (hereinafter jointly referred to as “Delivery”). They shall also apply even if we accept the Delivery without reservation in the knowledge that the Contractor’s general terms and conditions do not concur with our own.

#### **2. Conclusion of contract**

- 2.1 Our orders and supply requests (hereinafter “Orders”) shall not be binding unless we have specified that they are binding.
- 2.2 If we have stated that an Order is binding we shall be bound by such Order for four (4) weeks after it has been submitted.
- 2.3 The Contractor shall issue a written confirmation of order to us within three (3) working days of receipt of the Order.
- 2.4 If the confirmation of order deviates from the Order, we shall be bound only if we have consented to the deviation in writing. Our silence in respect of such deviation shall not imply consent. Payment of invoices shall likewise not imply consent.
- 2.5 Subject to the foregoing provisions of Section 2.4 an Order shall be considered accepted and shall be binding on both parties as soon as
  - a) the Contractor begins performance of whatever kind,
  - b) the Contractor sends an invoice for the performance to us,
  - c) the Contractor accepts payments in connection with the Order or
  - d) the Contractor does not object to an Order received within 5 (five) working days after the dispatch of the Order to the Contractor if we have expressly referred to this legal consequence in the Order.

#### **3. Content of contract**

- 3.1 To the extent that the Contractor is not exclusively required to deliver goods or products and that the parties have not expressly agreed otherwise, the Contractor shall be required to render the Delivery stipulated in the contract and shall be obligated to ensure the success of such Delivery. In particular, the Delivery shall have to be suitable for the purpose set out in the contract.

- 3.2 Whenever the products are intended to be used in a specific system in accordance with the contract, the Contractor shall ensure the necessary interfaces and the necessary compatibility with said system.
- 3.3 The Contractor shall deploy suitable and adequately qualified staff for providing the services due under the contract. The staff may be replaced only subject to our express written consent. The Contractor shall be allowed to argue that we have breached our cooperation duties only after it has reported this to us and after we have failed to remedy this prior to expiry of a reasonable written deadline.
- 3.4 If the Delivery includes work or services which are rendered on our premises or on a construction site of ours and/or our customer, the Contractor undertakes to ensure that its staff and each of its subcontractors and other third parties working for it observe the service, technical, environmental, health and safety regulations in force on the premises or construction site. This shall include accepting security controls. The Contractor must request the relevant regulations as amended from time to time from us or through us.
- 3.5 Unless otherwise agreed in writing, any offers, drafts, samples, models, or specimens produced by the Contractor, and drawings, files, documentation, and documents of the Contractor, shall be provided to us free of charge in the quantities agreed. In any event, the Contractor shall provide free of charge any drawings, files, documentation, and documents which are required for proper use, erection, assembly, processing, storage, operation, maintenance, servicing, and repair of the Delivery, describing in detail the functioning of the item delivered; further, it shall provide free of charge any drawings, files, documentation and documents which are required to obtain permits and similar. We, and any third parties instructed by us, may use these drawings and documents to manufacture spare parts, make modifications and the like.
- 3.6 The Contractor shall not be allowed to instruct third parties and/or sub-contractors to render the Delivery in part or in whole without our prior written consent. In any event the Contractor shall retain responsibility for rendering Delivery in accordance with the contract.

#### **4. Documentation**

As part of the delivery of goods or products the Contractor must provide all operating and maintenance instructions, drawings, calculations, technical data, logic circuit diagrams, licenses, progress reports, proof of conformance with quality specifications, bills of lading, foreign-trade-related information and documents (e.g. commodity codes, customs tariff numbers, certificates of origin, export control information, export permits, licenses, single or long-term supplier declarations) as well as all other documents that are required to be provided according to contract and/or applicable law.

## 5. Property rights

- 5.1 All information and all know-how including drawings, specifications and other data made available by us in connection with the contract as well as all documents or data derived from this information and know-how shall remain our property at all times and may be used by the Contractor only for performance of the contract.
- 5.2 To the extent it does not involve copyrightable works, for which the special provision under the following Section 5.3 shall apply, we alone shall be entitled to all of the Contractor's data, ideas, results, products, inventions (be they patentable or not), discoveries, or know-how, and that of its employees, its subcontractors and other third parties whom the Contractor engages, which are created, effected, or made in connection with the contractually owed performance and which are necessary for the purpose of delivery (hereinafter, the "Work Product"), and we alone shall be entitled to unrestricted use and exploitation without any restrictions as to time, location, and purpose. The Contractor shall be obligated to inform us about the Work Product without undue delay and to make all Work Product available to us. The information provided by the Contractor must be sufficiently detailed and extensive, such that we are in a position to decide whether we shall demand the transferral of rights from the Contractor pursuant to the following provisions. At our request, the Contractor shall make additional information (both verbally and in written form) available to the Contractor. The Contractor shall be obligated to convey to us at our request all rights in the Work Product. The Contractor shall be obligated inter alia to transfer to us at our request all intellectual property rights in the Work Product (including patents, patent applications, and design/utility models). The Contractor shall (i) provide all declarations necessary for transferral; (ii) shall furnish and sign documents; and (iii) with its best efforts support us with respect to applications, registration, maintenance, and defence of intellectual property rights.
- 5.3 With regard to copyrights and all rights in relation to copyrightable works of the Contractor, its employees, its subcontractors and other third parties, whom the Contractor engages, which are created, effected or made in connection with the contractually owed performance and which are necessary for the purpose of delivery ("Works-for-Hire"), the Contractor shall be obligated to grant us an exclusive and transferable right, unrestricted as to time, location, and content, to the use and exploitation in all kinds use including, but not limited to, the right of reproduction, dissemination, broadcasting, public sharing, and making available, exhibition, archiving, and transmitting, and the usage of such types of use which are, as of the time of entering into the contract, yet unknown (§31a of the Urheberrechtsgesetz (the Copyright Act)). The Contractor shall be obligated to grant us a free modification right to the extent that an item of work requires modification for deployment in compliance with our interest, including, but not limited to, for repeat use. Technical modifications and/or format changes are permitted without restriction. Further, the Contractor shall be obligated to grant us the right to digitalize any Work Product including, but not limited to, the right of reproduction and/or dissemination as well as making any Work-for-Hire publicly accessible (alone or together with other products) in any quantity on digital data carriers, print media, online media, advertising films, newsletters, or other mailing campaigns and presentations. The Contractor shall, in the case of

Works-for-Hire, waive identification of its name and shall ensure a corresponding waiver on behalf of its employees, its subcontractors, or other third parties whom the Contractor engages, to the extent that such is not otherwise adhered to in the Order in writing for individual cases. The Contractor shall ensure, through respective agreements with subcontractors and third parties, that it can fulfil its obligations for the transferral and/or granting of rights.

- 5.4 The transferral and/or granting of rights pursuant to the terms above shall be settled with the compensation contractually stipulated for each respective Order.
- 5.5. The Contractor shall keep confidential the Work Product and Works-for-Hire and all details revealed to it with respect thereto in accordance with Section 18. This shall include, but not be limited to, application to the efficacious carrying out of filing for intellectual property rights.
- 5.6 The terms set forth in this Item 5 shall apply mutatis mutandis to the portion of the Work Product or Work-for-Hire which the Contractor, its employees, its subcontractors, or other third parties, whom the Contractor jointly engages with us and/or our employees, have created, effected, or made; this applies in particular for cases including, but not limited to, those wherein the Contractor, its employees, its subcontractors, or other third parties whom the Contractor engages, are co-inventors.
- 5.7 To the extent that we and/or our employees make inventions under this contract during the term of this contract, we alone shall be entitled to the rights in and arising from these inventions. The same shall apply to all data, ideas, results, findings, and inventions (be they patentable or not), discoveries, or know-how of ours or our employees. Rights of the Contractor in this respect—regardless of type—do not exist.
- 5.8 If rights in any Work Product are transferred to us at our request, we shall assume the preparation and filing of registrations for intellectual property rights for our benefit at our own expense.

## **6. Prices and terms of payment**

- 6.1 All prices stated in the individual order shall be fixed prices unless otherwise stated. All prices shall be net, free delivery and shall include all packaging and all other costs of delivery such as taxes, customs duties, etc. (DDP), unless the transport company is chosen by us or we carry out the transport ourselves, or unless otherwise agreed in writing. The agreed prices include in particular:
  - a) the costs of joint coordination meetings between the Parties and with third parties,
  - b) securing of loads,
  - c) insurances,
  - d) compliance with our packaging and shipping instructions and

- e) the complete, detailed commercial and technical shipping documentation, which must be prepared by the Contractor in good time before the shipment.
- 6.2 Work and services which are not included in the original Order, the Framework Purchase Agreement or in appendices thereto are additional services for which we can pay remuneration only if we have expressly consented thereto in writing before the work or services are executed. The fact that we accept or take receipt of work or a service shall not substitute for our written consent.
- 6.3 Unless otherwise agreed, payment shall be made within fourteen (14) days with 3% discount or within sixty (60) days net—in each case after the date of invoice—but not before receipt of the defect-free Delivery or, in the case of supplies and services which are subject to acceptance, not before written acceptance by us and, to the extent that handover of documentation and test certificates is part of the Contractor's scope of service, not before handover in accordance with the agreement. This shall have no effect on § 632a of the Bürgerliches Gesetzbuch (the Civil Code)).

## **7. Delivery and delivery time**

- 7.1 The dates and deadlines stated in the Framework Purchase Agreement or in the individual Order or otherwise agreed in textual form shall be binding.
- 7.2 Partial, advance, additional or short deliveries and deliveries made outside our business hours (Monday to Friday 9:00 – 17:00) shall require our prior written consent. This shall not justify a premature payment claim. Deliveries to which we have not consented pursuant to sentence 1 may be returned or stored at the cost of the Contractor. In the event that the goods are returned, the Contractor shall deliver the goods again on the agreed date. Acceptance of a delayed delivery or service shall not represent a waiver of any claims for default damage.
- 7.3 We do not have to accept recognizably defective and/or poorly packed deliveries.
- 7.4 The Contractor is obliged to exactly indicate the order number on all shipping documents and delivery notes; if the Contractor fails to so, we shall not be responsible for the resulting processing delays.

## **8. Delay and contractual penalty**

- 8.1 The Contractor shall inform us without undue delay of any impending failure to meet delivery dates as soon as it gains knowledge thereof, stating the reasons and the expected length of the delay. Notifying us of the delay shall not release the Contractor from the consequences of delay.
- 8.2 If it becomes apparent that agreed delivery dates cannot be met, the Contractor shall take suitable measures in good time (e.g. shift work, overtime, week-end work, and work on public holidays, staff increases, etc.) to ensure that the delivery dates are met. The costs hereof shall be borne by the Contractor.

- 8.3 The Contractor shall be liable for default as provided for by the statutory provisions.
- 8.4 Should the Contractor be in default with a partial delivery, we may also assert our rights with respect to those parts of the Delivery for which the Contractor is not yet in default.
- 8.5 Without prejudice to any further-reaching statutory or contractual claims, in the event that the Contractor falls into default, we shall be able to demand - in addition to performance - a contractual penalty of 0.5% of the delivery value for each completed week, but not more than 5%. We agree that we shall inform the Contractor of our right to demand a contractual penalty within ten (10) working days following the date of receipt of the delayed Delivery, in the case of partial deliveries from the date of receipt of the last partial delivery and in the case of deliveries for work no later than the final payment. If portions of the contractual penalty are allocated to specific partial performances the deadline shall be ten (10) working days from receipt of the respective partial performance.
- 8.6 The Contractor may argue that the delay was attributable to our failure to meet our obligation to provide documents, services, or parts only if it has sent out an express formal written reminder in this respect and has still not received them without undue delay. In this event the Contractor may demand a reasonable extension to the delivery time, however, no more than the duration of the delay.
- 8.7 The Contractor may not argue that its own failure to deliver was attributable to the failure of its own suppliers.
- 8.8 Occurrences of force majeure or hindrances for which we are not responsible, and which make acceptance of the supply or service at our business or at our customer impossible or substantially more difficult, shall suspend our acceptance obligations for the duration thereof.

## **9. Place of performance**

Place of performance for all mutual obligations under the contract shall be our principal place of business in Lübeck, unless otherwise agreed in writing.

## **10. Inspection of defects**

- 10.1 We shall inspect deliveries of goods within a reasonable period for variations in quantity and quality. The notice of defects will be timely if it is received by the Contractor within a period of 5 working days of receipt of the goods, or, in case of hidden defects, of discovery.
- 10.2 If the Delivery is to be further processed for installation in other equipment or combined with other components to form another product, the functional integrity of the goods shall be inspected in conjunction with the equipment or the other components after installation and after the equipment has been successfully put into operation or after manufacture of the product.

## **11. Acceptance and passing of risk**

- 11.1 Where work or services are to be performed, formal acceptance shall always take place a reasonable period after completion of the service unless we have expressly agreed in writing otherwise with the Contractor. Each party may involve an expert in the formal acceptance procedure at its own cost. A written acceptance record of the acceptance shall be kept. If the Contractor does not attend joint acceptance despite timely invitation, the effects of acceptance shall begin to apply when we inform the Contractor in writing of the result of successful acceptance.
- 11.2 The work and services rendered by the Contractor shall be deemed to be in compliance with the contract only when we have expressly confirmed this in writing. Entire or partial use of the Delivery, especially parts of a building or construction, which are required to continue the work or to prepare the commissioning of the entire system or interim testing, shall not constitute acceptance of the Delivery, nor shall any payments made.
- 11.3 Even if we state that we are prepared to pay freight costs, risk shall not pass to us until we or a third party instructed in writing to act on our behalf have taken receipt of the Delivery at the agreed place of performance or until after acceptance of the Delivery, whichever is later. This shall not apply if we select the forwarding company or if we carry out the transport ourselves.

## **12. Warranty**

- 12.1 The Contractor shall be responsible for ensuring that at the time the contract is entered into, the Delivery has no defects which impair its value or its suitability; that it is suitable for the use designated in the contract; and that it has the features possibly quoted in the Order; the Contractor shall also be responsible for ensuring that the Delivery meets the current general acknowledged technical, health and safety provisions of the provisions of the Produktsicherheitsgesetz (the Product Safety Act, the "ProdG") and its implementation regulations as well as requirements governing health and safety at work, accident prevention, emission protection and environmental protection to the extent that the Delivery falls under its area of applicability. The Contractor shall also guarantee that the Delivery complies with all statutory, official and other regulations applicable in Germany and other countries—depending on the area of deployment as specified by us—such as accident prevention regulations, DIN standards and specifications contained in the current versions of regulations of associations such as Association for Electrical, Electronic & Information Technologies (VDE), Association of German Engineers (VDI). Without express notification by us, the area of deployment shall be considered to be the European Union. The Contractor further represents and warrants that it has at its disposal all licensing requirements as may be required, in particular permits and certificates.
- 12.2 The Contractor is particularly responsible for ensuring that
- a) the contractual services and products to be delivered to us do not contain arsenic, asbestos, lead or other hazardous and/or contaminated substances, components or waste materials which are prohibited at the place of manufacture and/or in any area of application of the contract items pur-

suant to Section 12.1 under laws and other regulations, according to contract or on the basis of internationally recognized energy engineering standards, and

- b) in carrying out its activities in connection with the contract it will not expose our employees, our agents or other third parties authorized by us to act in our name to such hazardous and/or contaminated substances, components or waste materials as described under sub-paragraph a) above.
- 12.3 The Contractor further guarantees that the staff which it deploys have unrestricted social insurance coverage and are insured by an employer's liability insurance association (Berufsgenossenschaft) and hold the necessary residence and work permits. On request, the Contractor shall provide us with evidence that it has purchased a suitable liability insurance policy with adequate coverage amounts before carrying out the work.
- 12.4 We shall have full entitlement to statutory warranty and compensation claims. The Contractor shall bear all costs incurred by remedying the defects, such as assembly and disassembly costs, transport costs, etc.
- 12.5 The defects liability period shall, depending on which period expires first, be thirty-six (36) months, beginning with the delivery of the products, or twenty-four (24) month, beginning with the commercial use of the products.
- 12.6 If we report defects, the warranty period shall be extended by the period between the date on which the defect is reported and the date on which it is remedied. If the Delivery is replaced in full, the warranty period starts anew; if the Delivery is renewed in part, the warranty period starts anew only for the parts replaced.
- 12.7 The Contractor shall have sole responsibility for drawings, plans, calculations, etc. used for the contract even if these have been approved by us.

### **13. Product liability, indemnity and product liability insurance**

- 13.1 If the Contractor is responsible for product damage, it must indemnify us upon first demand against claims of third parties to the extent that the cause lies within its sphere of control and organization and the Contractor itself is liable in legal relations with third parties.
- 13.2 Within the limits of its liability for damages within the meaning of Section 12.1 the Contractor is also obligated to reimburse any expenses pursuant to Sections 683 and 670 BGB or pursuant to Sections 830, 840 and 426 BGB which arise from or in connection with any recall carried out by us. We shall - as far as possible and can reasonably be expected - inform the Contractor of the content and scope of the recall measures to be carried out and give the Contractor an opportunity to comment. Other statutory claims remain unaffected.
- 13.3 The Contractor shall maintain a product liability insurance policy with minimum – blanket – cover of ten (10) million Euro per personal injury/property damage claim. We are entitled to demand that the underwriter provide us with confirmation of this coverage. If we have any further damage claims, these shall remain unaffected.

#### **14. Provision of materials, documents**

- 14.1 If we provide parts, tools, specimens, drawings, standards, guidelines, methods of analysis, recipes and other documents to the Contractor to prepare the delivery, these shall remain our property. They must be carefully preserved by the Contractor and may not be used or reproduced by him for other purposes.
- 14.2 When parts and materials supplied by us are processed or mixed, we shall acquire joint ownership of the new item in the same proportion as that of the value of the parts and materials supplied by us to the processed items at the time of the processing.

#### **15. Spare parts**

- 15.1 For the contract items, the Contractor shall be obligated to supply us on request at short notice with operational, functional, and compatible spare parts for at least ten (10) years of the same or improved quality at market prices. The Contractor shall provide us with at least twelve (12) months' written notice if the production of spare parts is to be discontinued.
- 15.2 The provisions of these General Conditions of Purchase and the Framework Purchase Agreement shall apply by analogy to the delivery of the spare parts mentioned in Section 14.1.

#### **16. Declaration on export restrictions, origin of goods**

The Contractor undertakes to provide in writing the following information in the relevant commercial documents (offer, order confirmation, delivery note and invoice) to comply with German, EU and US export control regulations and customs regulations:

- a) delivery-related indication of the commodity codes for the contract items according to the Commodity Classification of Foreign Trade Statistics / HS coding for each item concerned
- b) delivery-related indication of the country of origin (non-preferential origin)
- c) delivery-related indication of the preferential origin and naming of the individual countries to which this statement applies
- d) at our written request the Contractor shall provide additional supporting evidence in accordance with the supplier declarations pursuant to Council Regulation (EC) No 1207/2001. In addition, a certificate of origin concerning the contract items must be issued by the Contractor free of charge and provided to us at our request.

#### **17. Rights of third parties and indemnity obligation**

- 17.1 The Contractor guarantees that its Delivery and use thereof shall not infringe domestic or international patents, intellectual property rights or other third-party rights or breach statutory or official provisions of any kind whatsoever. The Contractor shall indemnify us from any such claims which third parties or our customers assert against us owing to or in connection with the Delivery and use thereof.

17.2 The Contractor shall ensure that there are no third-party rights regarding retention of title in the goods ordered.

## **18. Rights of retention, offsetting and assignment**

18.1 Retention rights and set-off rights of the Contractor against us are excluded unless the Contractor derives these rights from recognized claims or claims which are final and absolute.

18.2 The Contractor is not entitled without our prior written consent, which we may not unreasonably refuse, to assign its claims against us or to dispose of them otherwise.

## **19. Confidentiality and data protection**

19.1 The Contractor shall treat any documents or other information which it receives from us with the strictest confidentiality. The Contractor shall keep any documents received from us in a manner which prevents access by unauthorized persons.

19.2 The Contractor shall notify its staff, and any other persons entrusted with implementation of the contract having access to documents associated with the contract, about the confidentiality obligation in writing and oblige them to observe the confidentiality obligation.

19.3 The confidentiality obligation set out in both paragraphs 19.1 and 19.2 above shall apply for an unlimited period.

19.4 The confidentiality obligation set out in both paragraphs 19.1 and 19.2 above shall not apply to persons who are authorized and who are obliged under law or contract to observe confidentiality and/or in as far as the confidentiality obligation prevents them from pursuit of their own claims. Information and documents which are or which will be in the public domain shall not/no longer be subject to the confidentiality obligation provided that the Contractor is not responsible for such information or documents entering into the public domain. It is the responsibility of the Contractor to prove the existence of one of the above exceptions.

19.5 The Contractor shall be entitled to include our name in a reference list only if we give our written consent.

19.6 To the extent that personal data are required in rendering services due under the contract, the Contractor shall observe the applicable statutory data protection regulations, i.e., in particular, it shall ensure that the collection, processing, and use of personal data are lawful, and it shall submit its staff to appropriate confidentiality measures. The Contractor shall indemnify us against third-party claims which are attributable to the fact that collection, processing, or use of personal data as provided for under the contract were unlawful. The above indemnity clause shall also cover any costs of legal defense.

**20. Miscellaneous**

- 20.1 Collateral agreements, additions, and amendments to the individual contracts and to the Framework Purchase Agreement are binding only if we have confirmed them expressly in writing.
- 20.2 The exclusive venue for all disputes arising from this contract and the business relationship with us, including action filed with regard to checks and bills of exchange, shall be Lübeck; however, we may also file suit at the registered seat of the Contractor. This shall not apply to disputes with customers who are not businesspersons.
- 20.3 This contract is exclusively governed by the law of the Federal Republic of Germany, excluding private international law and the UN Convention on Contracts for the International Sale of Goods (CISG).