

General Terms and Conditions of Purchase

I. General Provisions

- These General Terms and Conditions of Purchase (GTPs) shall apply exclusively to all business relationships between Steinel Solutions AG, CH-8840 Einsiedeln (hereinafter referred to as STEINEL) and its suppliers (sellers, manufacturers, service providers, etc.). We do not accept any general terms and conditions of the Supplier that are contrary to or deviate from these GTPs unless we have expressly agreed to their validity in writing. These GTPs shall also apply if we accept or pay for deliveries of goods or services with knowledge of the Supplier's terms and conditions that contradict or deviate from these GTPs.
- These GTPs shall also apply to all future goods and services of the Supplier up to the validity of new GTPs.
- Deviations from these GTPs are permitted only if this has been agreed in writing between STEINEL and the Supplier.

II. Conclusion of contract and contract amendments

- Offers from STEINEL are non-binding and subject to change.
- Acceptances, orders, transactions and delivery call-offs, as well as amendments and supplements thereof, must be given in writing. Framework agreements, orders and delivery call-offs may also be made by remote data transmission, email or fax. In the event of the digital transmission of such documents, STEINEL's signature is not required.
- Oral agreements before, upon or after the conclusion of the contract shall require written confirmation from the Purchasing Department to be valid. Section II.2, second sentence, shall remain unaffected hereby.
- Orders and delivery call-offs shall be deemed to have been accepted if the contractor does not object to them in writing within 1 (one) week of receipt. However, STEINEL shall also be entitled to cancel the contract within a further week if the Supplier has not declared its acceptance in writing prior to STEINEL's cancellation.
- Cost estimates, initial samples and samples shall be binding and no remuneration for them is payable, unless otherwise expressly agreed.

III. Prices and payment terms

- The agreed prices are fixed prices and are quoted 'free at place of use duty paid', including packing and freight costs, plus the applicable value added tax. If an EXW price (according to INCOTERMS 2020) is agreed, STEINEL shall pay only the most economical freight costs. In such case, the Supplier shall agree with STEINEL the most economical forwarding agent. All costs incurred until handover to the carrier, inclusive of loading and exclusive of cartage, shall be borne by the Supplier. The type of pricing shall not affect the parties' agreement on the place of performance.
- STEINEL reserves the right to accept over- or under-deliveries.
- The version of Incoterms in force at the time of conclusion of the contract shall apply to the interpretation of the trade terms.
- Payments shall be made in accordance with the agreed payment terms. Failing any agreement by the Parties, STEINEL will pay by the 25th day of the month following delivery with 3 (three) % discount, or the first working day following that day. Where early deliveries are accepted, the due date shall be the agreed delivery date.
- Payments by STEINEL do not imply acceptance of the statement of account and invoices are subject to verification.
- Claims of the Supplier under this Contract may only be assigned to third parties with STEINEL's written consent.
- STEINEL may offset or apply a set-off against any claims that the Supplier has against it.

IV. Proofs of origin, proofs required under VAT, export restrictions

- Proofs of origin requested by STEINEL shall be provided in duly signed form to the latter without delay, together with all the necessary information. The same applies to proofs required under VAT law in the case of deliveries abroad and intra-Community supplies within the European Union.
- The Supplier shall inform STEINEL immediately if any shipment is subject to export restrictions in whole or in part.
- Suppliers from Member States of the European Union are obliged to deliver long-term supplier declarations to STEINEL unbidden, within 30 (thirty) days of acceptance of the order, and then within the first two months of each calendar year in accordance with the relevant applicable European regulation. If this cannot be done with respect to individual deliveries of goods, the corresponding proofs of origin must be provided together with the invoice, at the latest.
- The Supplier warrants that the services or products and their delivery comply with all applicable export control laws and regulations of the United States of America, the United Nations or the European Union.

V. Delivery, deadlines, delays, safety and pollutants

- The date of receipt of the goods at the agreed place of use is decisive for compliance with the delivery deadline or delivery period. If the parties have not agreed delivery DAP, DPU or DDP (in accordance with INCOTERMS 2020), the Supplier shall provide the goods in a timely manner for loading and shipping, taking into account the time required for coordinating with the forwarding agent.
- If the Supplier has assumed the task of the installation or assembly and unless otherwise agreed, the Supplier shall bear all necessary ancillary costs such as travel costs, provision of tools as well as allowances etc.
- If agreed deadlines are not met, the statutory provisions on default shall apply.
- The consequences of delays specified in these GTPs shall apply regardless of whether the Supplier gives notice of force majeure.
- Unless otherwise agreed between the parties, STEINEL shall have an additional right to claim lump-sum damages to be paid by the Supplier equal to 1% per day of delay for each breach of Section V.1 by the Supplier, up to a maximum of 15% of the purchase price for the relevant order. Such damages shall be payable immediately as liquidated damages or may be offset by STEINEL against an open invoice without any reminder or other legal action being necessary and without impairing any other rights to which STEINEL is entitled, such as the right to claim specific performance of the contract or claims against the Supplier for (additional) compensation for actual losses or damages suffered. If the Supplier anticipates difficulties with regard to pro-

duction, supply of input materials, compliance with the delivery date or similar circumstances that might prevent it from delivering on time or in the agreed quality, the Supplier shall immediately notify the ordering department of STEINEL in writing.

- The unconditional acceptance of the delayed goods or services shall not constitute a waiver of STEINEL's claims for compensation due to the delayed goods or services; this shall apply until the full payment of the remuneration owed by STEINEL for the relevant goods or service.
- Partial deliveries are only permitted if STEINEL has expressly consented to them.
- For quantities, weights and measures, unless otherwise proven, the values determined by STEINEL during the incoming goods inspection shall be decisive.
- If STEINEL asks the Supplier for whatever reason, the Supplier shall store in a properly packed manner, secure and insure the products and clearly indicate that they are intended for STEINEL, without this entailing any costs for STEINEL.
- Without prejudice to its other rights, STEINEL shall be entitled to resile from the contract in whole or in part in the event of force majeure, labour disputes, disruptions of operations for which it is not at fault, unrest, official measures or other unavoidable events, provided that they last for more than one month (30 days) and result in a significant reduction in STEINEL's requirements.
- The Supplier shall take the necessary organisational instructions and measures, in particular in the areas of: Site security, business associate, personnel and information security, packaging and transport to ensure security in the supply chain, e.g. by adopting the requirements of internationally recognised initiatives based on the WCO SAFE Framework of Standards (e.g. AEO, C-TPAT). The Supplier shall protect its goods and services to STEINEL from unauthorised access and manipulation and shall deploy only reliable staff for delivery of such goods and services. Any sub-suppliers must be subject to corresponding measures and instructions.
- The Supplier warrants that the products do not contain substances that fall within the scope of the substance prohibitions under EC Directive 2011/65/EU (RoHS). The supplier further warrants that the substances contained in the products and their use(s) are either already registered or are not subject to registration under Regulation (EC) No 1907/2006 (REACH Regulation) and that, where necessary, an authorisation under the REACH Regulation exists.

VI. Quality

- The Supplier warrants that
 - it shall carry out its duties in a professional and technically competent manner and without undue delay; and
 - it has exercised all the necessary expertise and care in the manufacture of the products.
- The Supplier warrants that the products
 - comply with the contract and the warranted characteristics and comply with the most stringent standards of the respective industry;
 - have no design, material or processing defects;
 - are of satisfactory quality and are fit for the purposes indicated by STEINEL are suitable for the intended purpose or as communicated to the Supplier;
 - comply with the technical specifications.
- The Supplier warrants that no claims, demands, liens, encumbrances and obstacles to the transfer of ownership or other rights to the Supplier's products or services (or parts thereof) are or may be asserted against STEINEL's which are in opposition to STEINEL's rights.
- The Supplier warrants that its services will be provided in a timely, competent and professionally in accordance with the Contract and in accordance with all applicable service levels or technical specifications or instructions and comply with the most stringent standards of the respective industry. The Supplier is aware that the timely provision of services high-quality work of key importance for STEINEL.
- Where software is being supplied to STEINEL, the Supplier warrants, in addition to the warranties set out in Sections VI.1 to VI.4, that the Software
 - will run without interruption for at least 12 (twelve) months as per the technical specifications;
 - there are no programming errors, defects or potential intrinsic security risks, which would impair the confidentiality, completeness and availability of the data; and
 - no blocking mechanisms, viruses or malicious code have been introduced by the Supplier to the Software.
- The Supplier shall carry out a quality inspection before dispatching the goods and document it accordingly. STEINEL checks deliveries only for completeness. STEINEL shall have the right to inspect the subject matter of the Contract to the extent and as soon as this is possible in the ordinary course of business. Any defects discovered shall be reported by STEINEL immediately after discovery. In this respect, the Supplier also waives its right to object to the delayed notice of defects.
- The Supplier shall continuously align the quality of its Contract Products to be delivered to STEINEL with the latest state of the art and advise STEINEL of possibilities for improvement and technical modification.
- The Supplier warrants that its deliveries comply with the current regulations of Switzerland and the regulations of the European Union for the protection of the environment and health, in particular the Chemicals Prohibition Ordinance (*Chemikalien-verbotsverordnung*) and, if contact with foodstuffs cannot be excluded as an intended use of the product, the Foodstuffs and Consumer Goods Act (*Lebensmittel- und Bedarfsgegenständengesetz*) and the Consumer Goods Ordinance (*Bedarfsgegenständerverordnung*).
- The Supplier shall set up and maintain a documented quality management system that corresponds to the latest state of the art in terms of type and scope. It shall prepare records, in particular of its quality checks, and furnish these to STEINEL on request.
- The Supplier hereby consents to quality audits by STEINEL or an agent of STEINEL to assess the effectiveness of its quality assurance system and/or its environmental management system, where applicable with the involvement of STEINEL's customer.
- Upon STEINEL's request, the Supplier shall be obliged to conclude a quality assurance agreement with STEINEL (in accordance with EN ISO 9000 et seq.).

General Terms and Conditions of Purchase

VII. Warranty, claims for defects and recourse

1. The warranty period for goods and services is 24 (twenty-four) months. This does not apply to the extent that the law prescribes longer periods [e.g. materials for buildings] as well as in cases of injury to life, limb or health, in the event of a wilful or grossly negligent breach of duty by the Supplier and in the event of fraudulent concealment of a defect. The statutory provisions governing suspension, interruption and new commencement of time limits remain unaffected. The warranty period shall commence upon successful incoming goods inspection or upon successful acceptance of the service to be provided.
2. If, as a result of defective delivery, a complete inspection that exceeds the usual level of input control is necessary, the Supplier shall bear the costs thereof. In urgent cases (e.g. in order to avoid interruptions to production), STEINEL shall be entitled to rectify the identified defects itself at the Supplier's expense without any need to set a grace period. The Supplier shall bear the costs and risk of returning defective delivery items. The foregoing claims shall become time-barred one year after the defect has been reported.
3. If a quality defect is found within 18 (eighteen) months of the passage of risk, the defect shall be presumed to have existed at the time of the passage of risk, unless this presumption is incompatible with the nature of the object or the defect.
4. Notwithstanding the foregoing provisions, the limitation period shall commence at the earliest 2 (two) months after STEINEL has honoured the claims of STEINEL's customer against STEINEL, but no later than 5 (five) years after delivery by the Supplier.
5. The Supplier shall be liable for warranty characteristics of goods on a no-fault basis.
6. In addition to the provisions made in the preceding paragraphs, the statutory provisions shall apply.

VIII. Product liability

1. If STEINEL is subject to claims under national or other law governing product liability, the Supplier shall indemnify STEINEL to the extent it would be directly liable. Any contractual liability of the Supplier shall remain unaffected. The Supplier is obliged to hold STEINEL harmless against such claims if and insofar as the damage was caused by a defect in the contractual item delivered by the Supplier. In cases of fault-based liability, however, this shall only apply if the Supplier is at fault. Where the cause of the damage is the responsibility of the Supplier, it shall bear the burden of proof in this regard. In such cases, the Supplier shall bear all costs and expenses, including the costs of any legal action or recall action. In all other respects, the statutory provisions shall apply.
2. STEINEL shall inform the Supplier immediately if it wishes to assert a claim against it in accordance with the foregoing paragraph. STEINEL shall, to the extent reasonable to STEINEL, afford the Supplier the opportunity to investigate the loss event and to agree with STEINEL on the measures to be taken, e.g. settlement negotiations.
3. The Supplier shall have a duty to conclude a policy of liability insurance covering product liability and recall costs with a correspondingly high level of cover for personal injury, property damage and financial loss per claim (state of the art), to maintain such policy in full and continuously during the term of this Contract and to provide evidence to STEINEL thereof at any time upon request.
Depending on the demands made by the respective customer of STEINEL, the financial solvency of the supplier, the business relationship and the liability risks, STEINEL may request the supplier to extend its insurance cover both in substance and amount. The Supplier undertakes to examine these claims and, where possible, to approve them. If an insured event occurs, STEINEL and the Supplier shall inform each other of all circumstances and occurrences relating to the insured event. The Supplier shall inform its liability insurer of the contents of these GTPs and, by countersigning these GTPs, submit to STEINEL written proof of the existing insurance cover and a written confirmation from its liability insurer confirming that cover is not prejudiced by this Contract.
In the event of a change of liability insurer, the Supplier shall promptly provide STEINEL with the relevant evidence unbidden.

IX. Intellectual property rights

1. The Supplier warrants that the contractual use of the deliverables does not infringe third-party intellectual property rights. The Supplier is aware of the intended use of the deliverables by STEINEL. The Supplier shall inform STEINEL as soon as it becomes aware that the use of its goods and services results in the use of third-party intellectual property rights applications or intellectual property rights. In the event of a breach, the Supplier shall indemnify STEINEL against all claims made by third parties against STEINEL based on the infringement of intellectual property rights. In the event of a breach, the Supplier shall also provide STEINEL free of charge with the right to use the deliverables in question in accordance with the contract or to modify them in such a way that the infringement of intellectual property rights ceases, but the deliverables are nonetheless in compliance with the contract.
2. The Supplier shall notify STEINEL regarding the use in its deliverables of published and unpublished proprietary intellectual property rights or licenced rights or applications for such rights.
3. The Supplier shall immediately notify STEINEL of any inventions by it and/or its vicarious agents arising under or in connection with this Contract and shall submit all documents necessary for the evaluation of the invention and provide all information requested by STEINEL concerning the inventions. This shall apply *mutatis mutandis* to all know-how of the Supplier and/or its vicarious agents that may arise in connection with or at the time of the performance of the contract. The Supplier shall convey to STEINEL the right to make applications for intellectual property rights for all inventions by it and/or its vicarious agents arising under or in connection with this Contract. Any rights granted or transferred above shall be settled in accordance with the prices agreed for the deliverables.

X. Execution of work

Persons who perform work on the premises of the factory in performance of the contract must comply with the provisions of the STEINEL Work Rules. STEINEL disclaims all liability for accidents that occurred to these persons on STEINEL's premises unless they were caused by wilful or grossly negligent breach of duty by the legal representatives or vicarious agents of STEINEL.

XI. Spare parts for outdated serial requirements

The Supplier undertakes to supply spare parts at reasonable prices for a period of at least 5 (five) years after the cessation of serial deliveries.

XII. STEINEL contributions

Materials, parts, containers and special packaging provided by STEINEL shall remain the property of STEINEL. These may only be used for their intended purpose. The processing of materials and the assembly of parts are carried out for STEINEL. It is agreed that STEINEL shall be a co-owner of the products manufactured using STEINEL's materials and parts, in proportion equal to the value of the supplies contributed relative to the value of the total product, which shall in this respect be kept by the Supplier for STEINEL.

XIII. Drawings, execution documents, tools

1. STEINEL shall retain proprietary title to STEINEL's drawings and other documents, appliances, models, tools and other means of production provided to the Supplier. Ownership of tools and other manufacturing facilities paid for by STEINEL shall be governed by the agreements to be made in a separate tool agreement.
2. The aforementioned items may not be scrapped or provided to third parties, e.g. for manufacturing purposes, without STEINEL's written consent. They may not be used for purposes other than those agreed in the Contract – e.g. delivery to third parties defined by STEINEL. They shall be stored carefully by the Supplier at the Supplier's cost for STEINEL during the performance of the Contract. The provisions of Sections XIII.1 and XIII.2 shall also apply *mutatis mutandis* to print orders.
3. The care, maintenance and partial refurbishment of the aforementioned items shall be governed by the agreements between STEINEL and the Supplier.

XIV. Confidentiality and data protection

Unless otherwise provided by a separate Non-Disclosure Agreement (NDA) with the Supplier, the following rules shall apply:

1. All business or technical information furnished by STEINEL (including features that can be inferred from such items, documents or software, and other knowledge or experience) must be kept confidential from third parties for so long as and to the extent that it is not demonstrably publicly known and may only be disclosed within the Supplier's business to persons who are being necessarily deployed for purposes of delivering goods to STEINEL and who are also bound by confidentiality; they remain the exclusive property of STEINEL. Without STEINEL's prior written consent, such information may not be reproduced or used in any other way except for deliveries to STEINEL. Upon request of STEINEL, all information originating from STEINEL (including, where applicable, any copies or recordings made) and items provided by way of loan shall be returned to STEINEL promptly and in full or destroyed. STEINEL reserves all rights to such information (including copyrights and the right to apply for industrial property rights such as patents, utility models, semiconductor protection, etc.). To the extent STEINEL received these from third parties, this reservation of rights shall also apply in favour of those third parties.
2. Products produced according to STEINEL's design documents such as drawings, models and the like or according to STEINEL's confidential information may not be used by the Supplier itself or offered or delivered to third parties. This also applies *mutatis mutandis* to print orders.

XV. Place of performance, partial invalidity, jurisdiction, applicable law

1. The place of performance for goods and services shall be exclusively the place of use; for payments, the place of performance shall be deemed the registered office of STEINEL.
2. Exclusive jurisdiction and venue shall be vested in the courts with general jurisdiction over Steinel Solutions AG, CH-8840 Einsiedeln. However, STEINEL may also sue the Supplier in the court with general jurisdiction over the Supplier or at any other place.
3. By way of supplementation to these terms and conditions, Swiss substantive law shall apply exclusively, but excluding its conflict of laws provisions and the United Nations Convention on Contracts for the International Sale of Goods (CISG).
4. Should any provision of these terms and the other agreements made be or become invalid, this shall not affect the validity of the remaining terms and conditions. STEINEL and the Supplier shall replace the invalid provision with a provision that comes as close as possible to it in terms of its economic result.