

# Günter Till GmbH & Co KG

## Conditions of Purchase

### 1. General Provisions

- 1.1 The following General Conditions of Purchase ("GCP") of the Günter Till GmbH (hereinafter referred to as the "Customer") shall apply exclusively. Terms and conditions of the Supplier deviating from these GCP shall not be recognized, unless the customer has expressly agreed to their application in writing. The acceptance of or payment for goods or services of the Supplier does not represent agreement to contrary or supplementary contract conditions of the Supplier, even if the acceptance or payment is performed in knowledge of these conditions. Any General Terms and Conditions of the Supplier are hereby expressly rejected. These will be replaced by the Principal's GCP.
- 1.2 These GTC apply only to entrepreneurs within the meaning of Section 14 of the German Civil Code (BGB), legal persons under public law or special funds under public law.
- 1.3 If not otherwise agreed, the GCP shall also apply as a framework agreement for future contracts of the same type.

### 2. Conclusion and Changes of Contract

- 2.1 Orders, transactions and call-offs and any corresponding changes and additions must be issued in written form. This written form requirement may also be satisfied by fax, data transfer or email.
- 2.2 All agreements concluded between the Supplier and the Customer upon the conclusion of the agreement are documented fully in writing in the agreement including these GPC.  
Oral agreements of any kind that exceed these GCP—including subsequent changes or additions to these GCP—must be confirmed by the Customer in writing to be effective.
- 2.3 Offers and cost estimates are binding and not to be remunerated, unless expressly agreed otherwise.
- 2.4 Orders, changes to orders and call-offs as part of order or call-off planning will become binding, if the Supplier does not object within 3 business days of their receipt. Apart from that, the Customer will be entitled to withdrawal if the Supplier does not accept the order within 2 weeks of receipt.

### 3. Delivery/ Packaging/ Transfer of Risk

- 3.1 The Supplier is obligated to comply with all deadlines specified in the Contract. The Supplier shall inform the Customer without delay and in text form where circumstances arise or it becomes aware of any circumstances from which it appears that agreed deadlines cannot be met, and reach an agreement with the Customer on a new deadline. For the enforcement of the claims of the parties, the initially agreed deadlines shall apply in any case regardless of the declaration of any new deadlines.
- 3.2 Whether a delivery date or delivery period is met depends on when the goods are received by the Customer.
- 3.3 Shipping must be DDP (DDP under Incoterms 2010) for the Customer to the place of receipt specified by the Customer.
- 3.4 Unless delivery "ex works" is agreed, the Supplier must provide the goods in time in consideration of the necessary loading and shipping time. If it has been agreed that shipping costs are to be borne by the Customer and if the shipping method is not specified, the delivery must be shipped using the least expensive shipping method, in consideration of the urgency of the case.
- 3.5 Any transportation insurance costs must be borne by the Supplier. The Supplier must bear the risk of accidental loss, destruction or deterioration of the goods until acceptance by the Customer or an agent of the Customer at the location to which the goods must be delivered as specified by the order.
- 3.6 Any necessary expenses of the Supplier relating to the delivery or installation of the contractual object, e.g., travel costs, tool provision or daily allowances, must be borne by the Supplier, unless agreed otherwise between the Parties.
- 3.7 If the Supplier defaults on deliveries or performance, legal regulations will apply. If reasons for hindrances that may

prevent the Supplier from making deliveries on time or at the agreed quality become recognizable to the Supplier, the Supplier must notify the Customer without undue delay.

- 3.8 Unconditional acceptance of late deliveries of services does not represent a waiver of the compensation claims to which the Customer is entitled due to the late delivery or performance; this applies until the complete payment by the Customer for the respective delivery or performance.
- 3.9 The Supplier may not provide partial deliveries or services, unless expressly authorized by and only if reasonable for the Customer.
- 3.10 For quantities, weights and dimensions, the values determined by the Customer during incoming goods inspections will apply, unless other values are proven.
- 3.11 The Supplier will be liable for suitable packaging. The return of packaging requires a separate agreement. If a separate fee is expressly agreed for packaging, the Customer may return the packaging material to the Supplier's address with a chargeback of at least 2/3rds of the packaging value.

### 4. Force Majeure

- 4.1 Events for which the Supplier is not responsible that prevent the Supplier from service performance (force majeure), such as operational disruptions for which the Supplier is not responsible, strikes, lawful lockouts, natural disasters or other force majeure events, official measures and other unpreventable events will release the Supplier from assumed contractual performance obligations for the duration of the hindrance.
- 4.2 The Supplier must notify the Customer of the occurrence and projected duration of a force majeure event without undue delay.
- 4.3 If such a hindrance lasts longer than 3 months, the Customer may—without prejudice to other rights—fully—or, if only part of the delivery or service is affected—partially withdraw from the contract. In such cases, any payments already provided must be refunded to the Customer without undue delay.

### 5. Shipping Notice and Invoice

- 5.1 The specifications in the Customer's orders and call-offs apply.
- 5.2 One copy of the invoice with the invoice number and other assignment characteristics must be submitted via electronic data transfer to the email address [purchase\\_invoice@till-hydraulik.de](mailto:purchase_invoice@till-hydraulik.de).  
If the Supplier does not fulfill the necessary prerequisites to do so, the invoice must be submitted by mail to the address printed on the order—the invoice may not be included with the delivery.

### 6. Pricing

Unless otherwise agreed, prices are for deliveries to the named place (DDP under Incoterms 2010), including packaging. VAT is not included.

### 7. Terms of Payment

Unless otherwise agreed with the Supplier, as of the due date of the fee claim and receipt of the invoice and of the goods or performance of the service, invoices will be settled within 14 days with a 2% discount or within 30 days without a discount. Payment will be made subject to invoice verification.

### 8. Notice of Defect

- 8.1 For deliveries of goods that the Customer is required to examine in accordance with Section 377 of the German Commercial Code [Handelsgesetzbuch, HGB], the period for inspecting and reporting obvious goods defects shall be 30 calendar days from receipt of the delivery. The reporting period for hidden defects shall be 14 calendar days from the defect's discovery. In this respect, the Supplier waives the defense of late defect reporting.
- 8.3 The Customer will only inspect incoming goods for obvious damage, and especially transport damage and, identity and quantitative deviations of the delivery, unless this is contrary to the quality assurance agreement (Till-QAA).
- 8.4 Apart from that, defects will be reported without undue delay upon their discovery.

## 9 Claims for defects

- 9.1 The Supplier must guarantee that deliveries or services feature the agreed characteristics, fulfill their intended usage purpose, correspond to the specifications, samples, etc., approved by the Customer, applicable standards, especially DIN standards, EC standards, etc., official and professional association requirements, the state of the art and German and EU safety regulations and—if possible—bear the CE mark. The same applies to the service details in the Supplier's order confirmation and other characteristics.
- 9.2 The statutory defect-related claims shall apply, unless otherwise regulated in the following.
- 9.3 The Customer has the right to select the type of supplementary performance. The costs of the supplementary performance, including expenses within the meaning of Section 439 para. 2, 3 of the German Civil Code (BGB), and the necessary ancillary performance, in particular transport, travel, labor, installation, removal, sorting and material costs shall be borne by the Supplier.  
The Supplier may only refuse the type of supplementary performance selected by the Customer if it is only possible at unreasonable cost.
- 9.4 If the Supplier does not commence rectification without undue delay upon request, the Customer may, in urgent cases, perform rectification itself or have rectification performed by a third party at the Supplier's expense, especially to avert acute danger or to prevent greater damage.
- 9.5 The Supplier must hold the Customer harmless of any third-party legal defect claims, unless the Supplier is not responsible for the legal defect.
- 9.6 The period of limitation is three years from the date of complete delivery of the object of the contract (transfer of risk).
- 9.7 If the Supplier provides a replacement delivery as supplementary performance, the limitation period for the replaced goods will recommence upon delivery. However, this does not apply if the Supplier expressly provides the replacement delivery as a gesture of goodwill, to prevent disputes or in the interest of maintaining the supply relationship.
- 9.8 In the event of rescission, the Contractor shall bear the cost of dismantling/removal, as well as return freight charges, and shall assume responsibility for disposal.
- 9.9 The Supplier will be responsible for any fault of its sub-suppliers as if it were its own fault.

## 10 Product liability and Recall of Products

- 10.1 If product liability claims are exercised against the Customer, the Supplier must hold the Customer harmless of any third-party damage claims (based on violations of protected legal assets life, body, health or property) on first demand to the extent that the cause lies in the Supplier's sphere of control and organization and the Supplier is liable externally.
- 10.2 However, in case of fault-based liability, this only applies if the Supplier is at fault. If the cause of the damage lies within the Supplier's sphere of responsibility, the Supplier must bear the burden of proof for demonstrating that the Supplier is not at fault.
- 10.3 In this respect, the Supplier must also refund any expenses resulting from or in relation to recall campaigns conducted by the Customer, except for claims based on Section 830 or Section 840 *et seq.* of the German Civil Code [Bürgerliches Gesetzbuch, BGB] pursuant to Section 426 & Section 254 of the German Civil Code.
- 10.4 The Supplier must maintain adequate product liability insurance coverage with a sufficient insured sum for the duration of the business relationship or contracts, i.e., until the expiration of the respective defect or liability limitation, though legal regulations, e.g., of the German Product Liability Act [Produkthaftungsgesetz, ProdHaftG], must especially be considered.
- 10.5 Apart from that, if Section 10.1 applies, the Supplier must bear all costs and expenses, including legal costs.
- 10.6 In addition, the statutory provisions shall apply.

## 11 Withdrawal and Termination Rights

- 11.1 In addition to legal withdrawal rights, the Customer may withdraw from the contract if a significant deterioration of the Supplier's asset situation occurs or is imminent and threatens the performance of service obligations to the Customer.
- 11.2 Furthermore, the Principal may withdraw from the contract if:
- The Supplier becomes insolvent,
  - The Supplier suspends payments,
  - The Supplier is subject to imminent insolvency under Section 18 of the German Insolvency Code [Insolvenzordnung, InsO] or over-indebtedness,
  - Insolvency or similar debt settlement proceedings are requested for the Supplier's assets or establishment or
  - Insolvency proceedings for the Supplier's assets are rejected due to lack of assets.
- 11.3 In case of continuing obligations, Section 11.1 and Section 11.2 apply analogously, though with extraordinary termination rights replacing withdrawal rights.
- 11.4 In case of partial performance by the Supplier, the Customer may only withdraw from the entire contract if this partial performance is of no interest to the Customer.
- 11.5 If the Customer withdraws from or terminates the contract under the above-stated contractual withdrawal or termination rights, the Supplier must compensate the Customer for any resulting damage, unless the Supplier is not responsible for the establishment of the withdrawal or termination rights.
- 11.6 Legal rights and claims are not limited by this Section 11.

## 12 Performance of works

Persons who perform work on factory premises of the Customer in execution of the contract must comply with the Customer's respective work regulations. Liability for third party accidents on the factory premises is excluded, unless caused by intentional or gross negligent breaches of duty by the Customer's legal representatives or vicarious agents.

## 13 Provision by the Customer

- 13.1 Materials, parts, containers, special packaging, tools, measuring equipment or the like provided by the Customer (provisions) will remain the property of the Customer.
- 13.2 Processing, restructuring or combining conditional goods with other objects not owned by the Customer will create co-ownership rights to these new items for the Customer according to the ratio of the value of the new item to that of the total product at the time of the processing or combining.
- 13.3 If the combination is performed so that the Supplier's item must be regarded as the main item, the Supplier must transfer proportional co-ownership to the Customer; the Supplier must store the solely or jointly owned items for the Customer. The Supplier is not entitled to rights of retention to provisions for any reason.

## 14 Documents and Non-Disclosure

- 14.1 Any business or technical information (including characteristics derived from provided objects, documents, drawings or software and other knowledge or experience) made accessible to the Supplier by the Customer must be kept confidential towards third parties if and for as long as such information is not demonstrably public knowledge and may only be provided to persons at the Supplier's establishment who require this information for the delivery and who have been subjected to the same confidentiality obligations.
- 14.2 The Customer will retain title and any other rights (e.g., copyrights, trademark, patent and similar rights) to any information, drawings, movies, models, samples, items, tools or technical applications provided to the Supplier. These may only be used for the performance of the respective order. Transfers to third parties, other publications or use for own purposes require the Customer's express prior written authorization; reproductions may only be produced with the Customer's prior authorization.
- 14.3 If requested, any information (including copies or notes) provided and items lent by the Customer must be fully returned or destroyed without undue delay.  
Items produced based on documents, e.g., drawings, models, etc., prepared by the Customer or by using the Customer's tools or copied tools may not be used by or offered or supplied

to third parties by the Supplier. If confidential information includes personal data, Section 18 will apply with priority.

#### **15. Export, customs and other regulations**

- 15.1 The Supplier must inform the Customer about any approval obligations or restrictions concerning (re-)exports of its goods under German, EU or export or customs regulations of the country of origin of the goods in its business documents and must send the necessary information for goods requiring approval to the address [einkauf@till-hydraulik.de](mailto:einkauf@till-hydraulik.de) in time prior to the first delivery.
- 15.2 The Supplier must inform the Customer without undue delay about any changes to approval obligations based on technical or legal changes or official regulations concerning its delivered goods.
- 15.3 If deliveries are subject to foreign trade regulations, Supplier must independently comply with any regulations ; obtain any necessary approvals. Imported goods must be delivered with customs duties paid.
- 15.4 The Supplier must especially comply with any requirements (especially registration, notification and approval obligations) of Regulation (EC) No. 1907/2006 (Registration, Evaluation, Authorization and Restriction of Chemicals (REACH)). The Supplier must provide the information required under Art. 33 of Regulation (EC) No. 1907/2006 for safe use of products under Art. 57 of Regulation (EC) No. 1907/2006 to the Customer. If Regulation (EC) No. 1907/2006 requires changes to the availability or intended use of material components, component groups or final products or requires measures by the Customer, the Supplier must notify the Customer without undue delay. The Supplier must subject to pre-Suppliers to these obligations.
- 15.5 Any parts and/or devices supplied to the Customer must comply with Directive 2012/19/EU (Waste Electrical and Electronic Equipment Directive, WEEE) and Directive 2002/95/EC (Restriction of Hazardous Substances Directive, RoHS) and corresponding national regulations in EU member states; especially device labeling obligations, hazardous substance prevention and provision of information to waste management.
- 15.6 If requested by the Customer, the Supplier must provide any statements of origin, e.g., Supplier's declarations, movement certificates, etc.

#### **16. Compliance**

- 16.1 The Supplier may not perform any actions or omissions that, irrespective of the form of participation, may result in administrative offense or criminal penalties, especially due to corruption or violations of anti-trust or competition law, for the Supplier, the Supplier's employees or third parties commissioned by the Supplier. The Supplier is responsible for taking any measures suitable for preventing violations. The Supplier must especially subject employees or commissioned third parties to these obligations.
- 16.2 In case of suspicions of violations of Section 16.1 - Section 16.4, the Supplier must investigate any possible violations without undue delay and must inform the Customer about the implemented measures. If suspicions prove to be justified, the Supplier must report the internal measures the Supplier implemented to prevent future violations.
- 16.3 In case of severe legal violations by the Supplier and in case of violations of Section 16.1 - Section 16.4, the Customer may withdraw from or terminate existing contracts with the Supplier without notice.
- 16.4 The Supplier assures compliance with applicable minimum wage laws and must subject commissioned sub-suppliers to the same obligations.
- 16.5 The Supplier must comply with applicable laws concerning employee treatment, environmental protection and work safety and must try to reduce adverse effects on people and the environment.
- 16.6 If requested, the Supplier must prove compliance with the above-stated assurances. In case of non-compliance with an above-stated assurance the Supplier must hold the Customer harmless of any third-party claims and reimburse the Customer for any corresponding fines.

#### **17. Brexit**

- 17.1 The Supplier must bear all costs for the performance of its contractual obligations towards the Customer resulting from the United Kingdom's withdrawal from the European Union. This especially includes costs for ensuring compliance with then-applicable laws.
- 17.2 If this leads to unreasonable economic disadvantages for the Supplier, the Parties must try to find an amicable solution for the cost distribution through joint negotiations. If the Parties cannot agree, they may, in consideration of applicable contractual regulations, terminate the contract with 3 months' notice.

#### **18. Data Protection**

- 18.1 As part of the existing contractual relationship, the Customer will process personal data disclosed by the Supplier concerning the Supplier's employees and other data for the purpose of establishing, performing or terminating the contractual relationship.
- 18.2 Such data will not be transferred to other third parties.
- 18.3 After the contractual relationship ends, the Customer will store the data relevant to this contractual relationship for the legal storage duration and erase this data thereafter.
- 18.4 The Supplier must inform its employees that and to what extent the Customer will process the Supplier's employee data.
- 18.5 If and to the extent that, for the performance of contractual obligations to the Customer, the Supplier processes personal data provided or disclosed to the Supplier for processing on the Customer's behalf or at the Supplier's own or under joint responsibility between the Supplier and the Customer, the above regulations apply correspondingly.

#### **19. Miscellaneous**

- 19.1 If a regulation of these GCP (General Conditions of Purchase) or of correspondingly concluded agreements is or becomes invalid, this shall not affect the validity of the remaining regulations. The contract parties must replace the invalid regulation with a regulation that most closely approximates its economic aims.
- 19.2 For the contractual agreement, German law applies exclusively, excluding the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 (CISG).
- 19.3 The place of jurisdiction for any legal disputes that may result directly or indirectly from contractual relationships based on these General Conditions of Purchase is Helmstedt.
- 19.4 Irrespective of the language of the respective order, the contract language is German or English. Accordingly, the Customer's GCP apply exclusively in the contract language.