

General Terms and Conditions of Purchase of GOTTLIEB BINDER GmbH & Co. KG, 71088 Holzgerlingen

1.0 Scope

- 1.1 The General Terms and Conditions of Purchase of Gottlieb Binder GmbH & Co. KG (hereinafter: "Buyer" or "we") apply for business transactions with companies, legal entities under public law and special funds under public law (hereinafter: "Supplier") as the rules governing our purchasing transactions within the scope of our global business activities. These Terms and Conditions of Purchase do not apply for consumers.
- 1.2 Our Terms and Conditions of Purchase apply exclusively. We do not recognize any terms and conditions of the Supplier that conflict with or deviate from our Terms and Conditions of Purchase, unless we have expressly agreed to their validity in writing. Our Terms and Conditions of Purchase shall also apply if we accept delivery without reservations in the knowledge that the Supplier's terms and conditions conflict with or deviate from our Terms and Conditions of Purchase.
- 1.3 Our Terms and Conditions of Purchase also apply for future transactions with the Supplier, insofar as such transactions are of a similar nature.
- 1.4 We process any personal data obtained from the Supplier itself or from third parties within the scope of the business relationship in accordance with the provisions of the German Federal Data Protection Act (*Bundesdatenschutzgesetz*) and the General Data Protection Regulation.

2.0 Conclusion of Contract, Cost Estimates, Changes

- 2.1 Supply contracts (purchase order and acceptance), call-off orders and other legal transactions between us and the Supplier as well as any amendments or supplements thereto must be made in writing. Purchase orders and call-off orders may also be made by way of remote data transmission if agreed between the parties.
- 2.2 The Supplier shall be obligated to accept or reject our purchase order within a period of two weeks by sending an order confirmation, unless a shorter acceptance period has been specified in the order.
- 2.3 Cost estimates of the Supplier shall be binding and shall not be reimbursed by us.
- 2.4 Within the scope of what is reasonable for the Supplier, we may require changes to be made to the construction and design of the delivered goods. In this context, the effects in terms of an increase or decrease in costs as well as the delivery date shall be mutually and appropriately agreed between the parties. Changes of any kind by the Supplier shall be subject to our prior consent in text form.

3.0 Prices, Ancillary Costs, Price Increases

- 3.1 The price stated in the purchase order shall be binding.

If the delivery prices have not yet been determined at the time of placing the order, the Supplier shall enter them in the copy of the order to be returned. An order shall not become effective until we have accepted the delivery prices in writing.
- 3.2 Unless expressly agreed otherwise, the price shall include delivery of the goods in accordance with Incoterms 2020 "DAP", all ancillary services (packaging, assembly, installation) and all ancillary costs (transport, insurance). The price shall be considered the net price excluding statutory value added tax, unless it has been expressly designated as the gross price.
- 3.3 Any price increases of the Supplier and increases of the ancillary costs, if such costs are borne by us, shall be subject to our prior consent in text form.

4.0 Terms of Payment, Rights of Set-off and Retention, Assignment

- 4.1 Unless otherwise agreed in writing, invoices issued to us shall be paid with a 3% discount 2 weeks after receipt of the invoice or net 30 days after receipt of the invoice. We can only process invoices if they contain the invoice address specified in the purchase order and our order number and if all accounting documents are attached. The Supplier shall be responsible for all consequences arising from non-compliance with this obligation, unless such consequences are not attributable to the Supplier. If the completeness of the accounting documents requires the cooperation of third parties, there shall be no entitlement to a discount after expiration of the payment period if and to the extent that the incompleteness of the documents is due to the failure of these third parties to cooperate. However, any payments made shall not constitute an acknowledgement of the contractual conformity of the delivery or service.
- 4.2 The Supplier shall only be entitled to set off if its counterclaims are undisputed, legally established, ready to be decided by a court or acknowledged by us in writing. The Supplier shall be entitled to exercise a right of retention to the extent that its counterclaim is based on the same contractual relationship.

We shall have rights of set-off and retention to the extent permitted by law.
- 4.3 The assignment of any payment claims of the Supplier to third parties shall require our prior consent in text form. If the Supplier should assign its claims without our prior consent, we shall continue to be entitled to make payments to the Supplier with discharging effect.

5.0 Delivery, Partial Delivery, Transfer of Risk

- 5.1 Unless otherwise agreed, delivery shall be made to the destination specified by us in accordance with Incoterms 2020 "DAP". In this context, we shall be entitled at all times to specify the type of packaging and the type and method of shipment.

- 5.2** The delivery dates and deadlines specified in the purchase order or call-off order shall be binding for the Supplier.
- 5.3** The receipt of the goods and the complete shipping documentation at our premises or at the receiving location designated by us shall be decisive for compliance with the delivery date or the delivery period. If delivery does not take place as a "delivery duty paid", the Supplier shall be obligated to make the goods available in due time, in consideration of the usual amount of time for loading and shipping, and to take the loading and shipping time into account accordingly.
- 5.4** The risk of accidental loss or deterioration of the goods shall pass to us only after the delivery or services have been handed over to us at the agreed place of performance and, if formal acceptance has been agreed, have been accepted by us.
- 5.5** In the case of call-off orders, we shall determine the quantity of the individual call-off and the dates for the partial delivery. Notifications of the anticipated demand or the anticipated call-off quantity shall not constitute an obligation to purchase but are instead intended for information purposes only. Call-off orders can also be made by electronic transmission in accordance with the generally accepted standards.
- 5.6** In the event of overdelivery or underdelivery of the ordered quantities and in the event of early delivery, we reserve the right to refuse acceptance of the delivery at the expense of the Supplier or to adjust the invoice accordingly.
- 5.7** The Supplier shall notify us without undue delay if it becomes apparent that the delivery date may be exceeded, stating the reasons and the expected duration of the delay. By unconditionally accepting the late delivery, we shall not waive our rights relating to the late delivery.
- 5.8** The delivery shall be carried out in such a way that the statutory and regulatory provisions in force at the time of delivery, in particular EC Directives, the German Equipment Safety Act (*Gerätesicherheitsgesetz*), accident prevention and other occupational health and safety regulations, are observed. The CE mark must be clearly visible and the conformity or manufacturer's declaration as well as the identification number of the goods must also be provided.

6.0 Delay in Delivery, Force Majeure

- 6.1** If the Supplier is in default, we shall be entitled, after setting a reasonable deadline, to demand payment of a contractual penalty - in addition to any further statutory rights - in the amount of 0.5% of the net order value per week commenced, however, no more than 5% of the net order value of the late delivery, unless the Supplier is not responsible for the delay in delivery. Any contractual penalty paid shall be offset against any claims for damages. In all other respects, the statutory provisions shall apply. Acceptance of the late delivery shall not constitute a waiver of claims for damages or the contractual penalty.
- 6.2** If events of force majeure occur, i.e. impediments to delivery and performance through no fault of the Supplier lasting longer than 14 calendar days, the Buyer shall be notified thereof without undue delay. In this case, the Supplier shall be entitled to postpone performance for the duration of the hindrance and an appropriate start-up period. The Buyer shall be entitled to withdraw from the contract, in whole or in part, on account of the part not yet performed if the Supplier has failed to comply with its aforementioned duty to inform, has assumed the production risk, and the impediment to performance is not just temporary in nature. The following shall be deemed equivalent to force majeure: strike, lockout, official interventions, shortage of energy and raw materials, transport bottlenecks for which the Supplier is not responsible, operational hindrances for which the Supplier is not responsible (for example due to fire, water and machine damage, epidemics) and any other hindrances which, viewed objectively, have not been culpably caused by the Supplier.

7.0 Defects of Title and Material Defects, Limitation Period

- 7.1** We must notify the Supplier of any visible defects without undue delay after delivery of the products and of any hidden defects without undue delay after their discovery. The notification of defects by us shall in any case be deemed to be without undue delay if such notification is provided within 10 working days after the discovery of defects that are not detectable upon proper inspection and within 4 working days after delivery at the destination in the case of any other obvious defects. Furthermore, Section 377 of the German Commercial Code (HGB) shall remain unaffected, including any longer periods for notification of defects resulting therefrom.
- 7.2** Any payments made by us shall not constitute an acknowledgement of the absence of defects.
- 7.3** Unless otherwise provided for in these Terms and Conditions of Purchase, the statutory provisions regarding material defects and defects of title shall apply.
- 7.4** In principle, we shall have the right to choose the type of supplementary performance.

We shall be entitled to remedy the defect ourselves at the Supplier's expense if the Supplier fails to meet its obligation to remedy the defect within a reasonable time limit set by us.

In addition, the Supplier shall bear the costs arising in connection with the rectification of the defect, in particular transport, dismantling and installation costs as well as any administrative costs, regardless of fault. In particular, the Supplier shall also bear such costs arising from the fact that we have to participate in any programs for the rectification of defects of our customers. Any further legal or other contractual claims for damages due to defective delivery shall remain unaffected.

- 7.5** Unless otherwise agreed, material defects and defects of title shall become time-barred 3 years after delivery. If a material defect is discovered within the above-mentioned periods, it shall be presumed that the defect already existed at the time of transfer of the risk, unless this presumption is incompatible with the nature of the object or defect. In the case of replacement deliveries and delivered goods that have been rectified or repaired due to claims for defects, the limitation period shall begin to run again at the time when the claims for defects have been fully satisfied, provided that the seller acknowledges the claims for defects and does not merely satisfy them as a gesture of goodwill.

7.6 Other claims on our part due to any culpable breach of contractual or other obligations shall remain unaffected.

8.0 Product Liability, Liability Insurance Protection

8.1 If any claims are asserted against us on the basis of product liability, the Supplier shall be obligated to indemnify us against such claims of third parties upon first request if and to the extent that the damage was caused by a defect in the goods delivered by the Supplier. In the event of any liability on our part that is dependent on fault, this shall only apply if the Supplier is at fault. The Supplier shall bear the burden of proof in this respect.

8.2 Within the above limits, the Supplier shall also be obligated to reimburse us for all costs and expenses, including the costs of any legal proceedings or recall action. We shall inform the Supplier of the content and scope of the recall measures to be taken - to the extent possible and reasonable - and give the Supplier the opportunity to respond. The Supplier shall be obligated to demonstrably maintain extended insurance for product liability and recall costs with an appropriate amount of coverage per person/property damage for the goods to be delivered and hereby assigns to us all claims for compensation under this insurance. We hereby accept this assignment. If such assignment is not permitted under the insurance contract, the Supplier shall hereby instruct the insurer to make any payments only to us. Any further claims on our part shall thereby remain unaffected. Upon request, the Supplier shall provide us with evidence that the extended insurance for product liability and recall costs has been obtained and exists. The Supplier shall refrain from any action or omission that could jeopardize the insurance coverage. Furthermore, the statutory provisions shall apply.

9.0 Execution of Work, Subcontractors

9.1 Any persons, who carry out work on behalf of the Supplier on our company premises or the premises of any third parties named by us in performance of the contract, shall observe the respective company regulations. Liability for accidents involving these persons on company premises shall be excluded. The exclusion of liability shall not apply for damages resulting from injury to life, body or health caused by an intentional or negligent breach of duty on the part of our legal representatives or vicarious agents. The exclusion of liability shall also not apply for any other damages based on an intentional or grossly negligent breach of duty on the part of our legal representatives or vicarious agents.

9.2 The involvement of subcontractors or sub-suppliers shall require our prior written consent. However, any such consent shall not affect the responsibility prescribed by law.

10.0 Tools and Packaging

10.1 We shall retain ownership of any tools made available to the Supplier. The Supplier shall be obligated to use the tools exclusively for manufacturing the goods ordered by us. In the case of any tools manufactured by the Supplier or third parties commissioned by the Supplier, we shall become the owner of the tools at the latest upon payment of 80% of the tool costs. Furthermore, we shall become co-owners of the tools in proportion to the payments made relative to the agreed tool prices. If the tools are to remain at the Supplier after the above payments have been made, the transfer of the tools shall be replaced by the Supplier holding these tools in safe custody for us free of charge. The Supplier shall be obligated to use all tools exclusively for manufacturing the goods ordered by us. The Supplier shall mark the tools as our property or the property of the person named by us.

10.2 The Supplier shall be obligated to insure the tools owned by us at the original value against material damage at its own expense and hereby assigns to us all claims for damages under this insurance. We hereby accept this assignment. If such assignment is not permitted under the insurance contract, the Supplier shall hereby instruct the insurer to make any payments only to us.

10.3 The Supplier shall be obligated to carry out all required servicing and inspections of the tools and any necessary maintenance and repair work, including the purchase of any necessary replacements, in a timely manner and at its own expense. The Supplier shall bear the risk of accidental loss of the tools at the Supplier. Any incidents concerning the tools shall be reported to us immediately.

10.4 In the event of discontinuation of delivery, the submission of an application for or the commencement of insolvency proceedings, or the termination of the supply contract by us, we shall be entitled to demand the return of any tools, if necessary, subject to payment of the remaining tool costs, without the Supplier having a right of disposal or right of retention of any kind whatsoever.

10.5 If the Supplier has commissioned third parties to manufacture tools or if the tools are left at third parties for the purpose of manufacturing the goods to be delivered or parts thereof, the Supplier shall be obligated to enter into corresponding agreements with the third parties which grant us the aforementioned rights vis-à-vis the third parties in the event of full payment of the tool costs. To the extent that we have not already acquired ownership of the tools, the Supplier shall assign its claims against the third party for the return of the tools and any other claims relating to the tools to the extent that we have paid the tool costs owed to the Supplier. We hereby accept this assignment.

10.6 Insofar as any payments of the Supplier to third parties in respect of the tools are still outstanding, in the event of termination of the contract, the submission of an application for the commencement of insolvency proceedings against the Supplier or the insolvency of the Supplier, we shall be entitled to make payments to the third party, with simultaneous assignment of all claims of the Supplier against the third party relating to the tools, instead of paying the outstanding tool costs to the Supplier. The Supplier hereby agrees to such assignment in this case.

10.7 The Supplier shall be obligated to take back the packaging at the location of the delivery address at its own risk and expense. If we must bear the packaging costs as an exception, the invoiced packaging shall be credited to us at full value upon return, provided that such packaging is reusable.

11.0 Property Rights of Third Parties

- 11.1 The Supplier warrants that no rights of third parties shall be infringed in connection with its delivery or by the delivery itself.
- 11.2 The Supplier undertakes to indemnify and hold us harmless from and against any and all claims of third parties arising from the delivery or performance due to any infringement of property rights and to reimburse us for all costs and expenses incurred.
- 11.3 This shall not apply if the Supplier has manufactured or provided the goods or services in accordance with drawings, models or other equivalent documents provided by us or our instructions and does not know or should not have known in connection with the goods or services provided by it that this would infringe the property rights of third parties.
- 11.4 The Supplier shall give notice of the use of any published and unpublished proprietary and licensed property rights and property right avoidances relating to the delivered goods.

12.0 Dangerous Goods

- 12.1 For materials (substances, preparations) and objects (e.g. goods, parts, technical equipment, unclean empty containers), which may pose a risk to human life and health, the environment or property due to their nature, characteristics or condition, and which therefore require special treatment due to regulations with regard to packaging, transport, storage, handling and waste disposal, the Supplier shall submit to us with the offer a fully completed safety data sheet and an accident instruction sheet (transport) that is correct in accordance with the statutory provisions and shall comply with all other applicable legal provisions, in particular the regulations on the transport of dangerous goods. In the event of any changes to the materials or the legal situation, the Supplier shall provide us with an updated safety data sheet and instruction sheet. The Supplier shall submit to us annually, without being requested to do so, a valid long-term supplier's declaration, stating the article number and the corresponding code number (list of goods, foreign trade statistics).
- 12.2 The Supplier shall notify us without undue delay of any known risks of infringement and any alleged infringements arising from or in connection with the goods delivered by it.

13.0 Quality Management

- 13.1 The Supplier's delivery or service shall comply with the latest state of the art, the applicable safety regulations as well as all generally applicable regulations under public law and the agreed technical data and other specifications.
- 13.2 The Supplier must have a corresponding (process-oriented) quality management system (at least ISO 9001) in place. We reserve the right to verify the effectiveness of the quality management system on site at any time as part of an audit. Serial delivery may commence only after we have accepted the samples in writing. Independent thereof, the Supplier shall verify the quality of the delivered goods itself and subject them to outgoing inspections. If our customer requires further or additional testing, this shall be implemented by mutual agreement.
- 13.3 The drawings, CAD data, descriptions, etc. related to the order shall be binding for the Supplier. The Supplier shall check these for any discrepancies and notify us in writing without delay of any errors discovered or suspected. If this is not done, the Supplier shall no longer be entitled to refer to such discrepancies/errors at a later point in time. The Supplier shall remain solely responsible for all drawings, plans and calculations made by the Supplier even if these have been approved by us.
- 13.4 In the case of the delivery of tools or equipment, the Supplier shall provide us with documentation relating to their operation, maintenance and repair no later than upon delivery of the tools or equipment.
- 13.5 With regard to the parts identified in the technical documents or by means of separate agreements (parts subject to mandatory inspection), the Supplier shall record in special documents when, in what manner and by whom the delivered goods have been inspected with regard to the required characteristics and the results of the required quality tests. The test documents shall be kept for fifteen years and submitted to us if required. The Supplier shall impose the same obligation upon any sub-suppliers to the extent permitted by law.
- 13.6 To the extent that any public authorities responsible for product safety require insight into our production process and the test documents in order to verify certain requirements, the Supplier agrees to grant these authorities the same rights at its business premises at our request and to provide all reasonable support in this respect.
- 13.7 The Supplier shall be obligated to supply the delivered goods to us for 15 years after the serial production has been discontinued and to service, repair and store any tools, if they exist, free of charge.
- 13.8 Any devices, models, samples, drawings or other documents provided to the Supplier or prepared by the Supplier in accordance with our instructions shall remain or become our property. These resources may only be used to process the offer or execute the delivery of the ordered goods or services. Without our prior written consent, they may not be made available to third parties or used for any deliveries to third parties. They must be carefully stored by the Supplier free of charge and at its own risk and returned to us upon our request at any time.

14.0 Retention of Title, Provided Materials

- 14.1 We shall acknowledge a simple retention of title demanded by the Supplier with regard to its services. We shall, however, be entitled to further sell and process the delivered goods in the ordinary course of business without the acknowledgement of any extended or prolonged retention of title or other forms of retention of title, including any processing clauses. The Supplier shall disclose to us without delay any rights of third parties in relation to the delivered goods or parts thereof. This shall also apply for any assignments of receivables.

- 14.2** We shall remain the owner of any materials, parts, containers or special packaging provided by us. The processing of materials and the assembly of parts shall be carried out on our behalf. If the materials provided are processed or mixed with other objects that do not belong to the Buyer, we shall acquire co-ownership of the new object according to the ratio of the value of the materials provided to the other processed or mixed objects at the time of processing. If the mixing takes place in such a way that the Supplier's object is to be regarded as the main object, it shall be deemed agreed that the Supplier shall transfer co-ownership to us in proportion to the value of the object provided; the Supplier shall hold the sole ownership or co-ownership on our behalf free of charge.

15.0 Confidentiality, Advertising

- 15.1** The Supplier shall keep confidential vis-à-vis third parties all non-public commercial and technical information concerning business operations, which it has become aware of in connection with the order, as business and trade secrets, both during the existence of the business relationship and after the completion of the respective orders. Furthermore, the Supplier shall not disclose any data obtained from the business relationship with us.
- 15.2** The Supplier shall impose the obligations set out in clause 15.1 upon its vicarious agents or other third parties engaged by it and ensure compliance with these obligations.
- 15.3** The confidentiality agreement shall expire if and to the extent that the commercial and technical information concerning the business operations, equipment, facilities, etc. has become generally known or was demonstrably already known to the Supplier at the time of notification within the meaning of sentence 1.
- 15.4** The use of our inquiries, orders, order confirmations and associated correspondence for advertising purposes is not permitted. The Supplier may only advertise its business association with us with our prior written consent.

16.0 Right of Withdrawal of Gottlieb Binder

If the financial circumstances of the Supplier deteriorate significantly or if the justified application for the commencement of insolvency or comparable proceedings against the assets of the Supplier is rejected due to a lack of assets, we shall be entitled to withdraw from the contract, in whole or in part.

17.0 Export Control, Origin of Goods, Customs and Security in the Supply Chain

- 17.1** The Supplier shall inform us in its business documents of any licensing requirements or restrictions for the (re-)exportation of its goods in accordance with German, European, US export and customs regulations as well as the export and customs regulations of the country of origin of its goods and shall send us the required information for goods that are subject to licensing in good time before the first delivery. The required information may include in particular: Description of the goods, export list numbers, commercial origin of the goods, statistical goods number as well as a contact person at its company to clarify any queries.
- 17.2** The Supplier shall notify us of the trade origin and the respective prescribed preferential origin of its goods in a binding manner. For this purpose, the Supplier shall issue to us, without being requested to do so, a long-term supplier's declaration for deliveries of goods within the European Union (EU) in accordance with the applicable EU implementing regulation at the end of each calendar year. In addition, the Supplier shall enclose the respective prescribed proof of origin for any deliveries of goods from a country for which a free trade agreement/preferential agreement exists. The commercial origin shall be indicated on the respective commercial invoice and, if required, a certificate of origin shall be issued, in the case of an initial delivery, in writing by the time of the first delivery at the latest. We must be notified immediately in writing of any changes to the origin of the goods.
- 17.3** In the case of deliveries of goods across customs borders, the Supplier shall attach to the delivery all necessary documents, such as the commercial invoice and delivery bill, as well as any other information required for a complete and correct import customs declaration. With regard to the invoice, any costs not included in the price of the goods shall be listed separately in each case. In the case of free deliveries, the Supplier shall specify the market value, the information "For Customs Purpose Only" and the reason for the free delivery on the pro forma invoice.
- 17.4** The Supplier shall assist us in reducing or minimizing our payment obligations with respect to customs duties as well as costs for customs clearance.
- 17.5** The Supplier shall ensure the security of the supply chain and observe the corresponding legal requirements. The Supplier shall provide appropriate evidence upon our request, e.g. by means of certificates or declarations, and support us in the context of official audits.
- 17.6** The Supplier shall be liable to Binder for any and all losses incurred by us as a result of the Supplier's culpable breach of the obligations set forth in clause 17.

18.0 Compliance

- 18.1** Within the business relationship with us, the Supplier shall not offer or grant, or demand or accept, any advantages in business dealings or in dealings with public officials, which violate applicable anti-corruption legislation.
- 18.2** The Supplier shall not enter into any agreements or concerted practices with other companies within the business relationship with us, which have the purpose or effect of preventing, restricting or distorting competition in accordance with the applicable antitrust legislation.
- 18.3** The Supplier shall use only personnel having the required work permits, shall comply with the applicable laws regulating the general minimum wage and shall impose the same obligations upon any subcontractors engaged by it.

- 18.4** The Supplier shall comply with the respective statutory regulations on dealing with employees, environmental protection and occupational safety and shall take measures to avoid adverse effects for humans and the environment when conducting its activities.
- 18.5** In the event of any suspected violation of the obligations arising from clauses 18.1 to 18.4, the Supplier shall immediately clarify any potential violations and inform us of the clarification measures taken. If the suspicion proves to be justified, the Supplier must inform us within a reasonable period of the internal measures taken to prevent future violations. If the Supplier fails to comply with these obligations within a reasonable period, we reserve the right to withdraw from the contracts with the Supplier or terminate them with immediate effect.
- 18.6** In the event of any serious violations of the law by the Supplier or any violations of the provisions in clauses 18.1 to 18.4, we reserve the right to withdraw from existing contracts or terminate them without notice.

19.0 Additional Terms and Conditions of Purchase for Work and Services

19.1 Scope

These additional terms and conditions of purchase for work and services shall apply for all work and services of the Supplier and shall supplement our above General Terms and Conditions of Purchase. In the event of any contradictions or deviations from the General Terms and Conditions of Purchase, these additional terms and conditions of purchase for work and services shall take precedence over the General Terms and Conditions of Purchase.

19.2 Acceptance of Work Performance

- 19.2.1** We shall carry out the acceptance test within a reasonable period. The Supplier shall support us in this respect to a reasonable extent.
- 19.2.2** The principle of complete acceptance of the services provided by the Supplier shall apply. The warranty period for the services to be provided in accordance with the contract shall begin uniformly upon the complete acceptance.
- 19.2.3** Any defects identified during the acceptance test shall be recorded in an acceptance report. The Supplier shall remedy any defects preventing acceptance without delay and submit the performance for acceptance again. The Supplier shall remedy any defects, which do not prevent acceptance, within the scope of the warranty.
- 19.2.4** We shall be entitled to refuse acceptance as a whole if there are several defects that do not prevent acceptance.
- 19.2.5** The payment or use of the services shall not be deemed acceptance of the services.

19.3 Rights of Use and Ownership of Work Results

- 19.3.1** The Supplier shall transfer to us the sole ownership of the development result produced in the course of or on the occasion of the execution of the supply relationship, including industrial property rights, if the development has been commissioned by us. If we have not paid for the development result, we shall be granted a simple right of use that is unrestricted in terms of subject matter, time, place and content and is free of charge, irrevocable, transferable and sublicensable. The transferable and sublicensable right to use, reproduce and modify all types of industrial property rights shall also be granted without restrictions.
- 19.3.2** The Supplier shall grant us a simple, free of charge, transferable, sublicensable and irrevocable right to use any know-how, development results or industrial property rights of the Supplier existing prior to the cooperation with the Supplier ("Old Industrial Property Rights") in order to be able to use, in whole or in part, the aforementioned development result or the delivery or service provided by the Supplier in all areas of use.
- 19.3.3** We shall be solely responsible for registering and asserting industrial property rights for paid developments that arise during our cooperation with the Supplier. The same shall apply for any inventions made by employees of the Supplier during the term of the contract and with regard to the execution of the contract. Any remuneration for employee inventions prescribed by law shall be borne by each individual party to the contract. Furthermore, the statutory provisions shall apply.
- 19.3.4** In the event of early termination of the contractual relationship, we shall also be entitled to these rights and they shall relate to the partial development results achieved up to the time of termination.
- 19.3.5** Upon payment of the agreed remuneration, all claims of the Supplier for granting the rights under this clause shall be satisfied. This shall also apply for the granting of rights to unknown types of use, unless this is unreasonable for the Supplier, taking into account the income and benefits from the new type of use.

19.4 Subcontractors

The Supplier shall perform the commissioned services independently. No third party may be subcontracted to perform parts of the services without our prior consent. In the event of any subcontracting, the Supplier shall remain responsible for the performance and success of the services.

19.5 Remuneration

Unless otherwise agreed in writing between the parties, the agreed prices shall be fixed prices, which cover all services and expenses of the Supplier.

19.6 Terms of Payment, Offsetting

- 19.6.1** Any payments made by us shall in no case imply acceptance or acknowledgement of the contractual conformity of the performance.

19.6.2 If we have any claims against the Supplier, we shall be entitled to withhold payments. This shall not affect any agreed delivery dates. We shall be entitled at any time to offset all of our own claims against the claims of the Supplier.

19.7 Warranty for Work Services/Deliveries

19.7.1 The Supplier warrants that its performance is free of material defects and defects of title in accordance with the statutory provisions, the General Terms and Conditions of Purchase and the following paragraphs.

19.7.2 The services must have the agreed quality at the time of the transfer of risk. In the absence of an agreement on specific qualities, the deliveries and services shall be free of defects if they are suitable for the contractually intended use, otherwise for normal use, and if they have a quality which is usual for works of the same kind and which the Buyer can expect according to the type of work.

19.7.3 In the event of any defects, the Supplier shall immediately carry out all investigations that appear necessary and inform us as soon as possible of the causes and measures to remedy such complaints. The Supplier shall also fully participate in the clarification of the causes of the defects as well as in the search for an efficient solution to the problem if the cause of the complaints is disputed between the parties.

19.8 Rights of Withdrawal and Termination

19.8.1 We may terminate individual orders for work performance in writing at any time until completion of the work.

19.8.2 In the case of individual contracts for services, ordinary termination by the Supplier during the term of such contracts shall be excluded.

19.8.3 If the Supplier gives extraordinary notice of termination within the term of an individual contract without us having caused the termination, the services provided shall not be remunerated if we have no interest in the services as a result of the termination. This shall apply accordingly if a termination made by us is based on a breach of contract by the Supplier.

19.8.4 In all other respects, the statutory provisions shall apply. They shall not be limited by the provisions contained in clause 19.8.

20.0 Applicable Law, Place of Performance, Place of Jurisdiction, Partial Invalidity

20.1 The law of the Federal Republic of Germany shall apply with the exclusion of the UN Convention on Contracts for the International Sale of Goods.

20.2 The place of performance for our services shall be our registered office (Holzgerlingen). The place of performance for the Supplier's services and the place of any subsequent performance shall be the place where the delivery is to be made in accordance with clause 5.1.

20.3 If the Supplier is a merchant, a legal entity under public law or a special fund under public law, the place of jurisdiction shall be our registered office, whereby we shall also be entitled to sue the Supplier at any other statutory place of jurisdiction.

20.4 If any of the above provisions or any other agreement made in the course of the business relationship is or becomes invalid, this shall not affect the validity of the other provisions. In place of the invalid provision, a regulation that comes as close as possible to the invalid provision in terms of the economic effect shall apply.