

## Terms and Conditions of Purchase

### 1. Application

- (1) In case of a permanent business relationship our Terms and Conditions of Purchase shall also apply to transactions not expressly referring thereto.
- (2) Our Terms and Conditions of Purchase shall apply exclusively. Conflicting terms and conditions of purchase or terms and conditions of purchase differing from our Terms and Conditions of Purchase will not be accepted by us even in case of an unconditional acceptance of goods or services.
- (3) Orders shall only be effective if placed by us in writing unless Supplier expressly waives a written order. Orders placed verbally and amendments shall only be effective if confirmed in writing. In isolated cases a written confirmation may be waived.

### 2. Conclusion of contract

- (1) Supplier undertakes to accept our order within a period of 3 working days unless Supplier objects thereto in writing.
- (2) Using third parties (sub-contractors, in particular) for the purpose of performing the contract shall require our prior written approval. If Supplier intends to use third parties right from the beginning for the purpose of performing the contract, Supplier shall state that in its offer.

### 3. Statutory and official requirements; Supply Chain Due Diligence Act; code of conduct; special rights and duties specified by Minimum Wage Act

- (1) Supplier undertakes to generally comply with all applicable laws, rules and regulations and to meet all regulatory requirements.
- (2) Supplier undertakes to comply with all principles, values and standards. The current version of the OL code of conduct can be downloaded from our homepage ("Verhaltenkodex und Antikorruptionsrichtlinie" - *Code of Conduct and Anti-Corruption Guidelines*).
- (3) Supplier undertakes to comply with the Supply Chain Due Diligence Act. When selecting business partners, in particular, Supplier shall see to it that such selection does not entail any infringements of this act.
- (4) Supplier undertakes to continuously and punctually pay at least the statutory minimum wage pursuant to Section 1, Minimum Wage Act, and to fulfil all other duties under the Minimum Wage Act.
- (5) In the event that subcontractors are used in the course of Supplier's contractual relationship with us Supplier undertakes to require sub-contractors to pay the statutory minimum wage and to

require their sub-contractors to pay the statutory minimum wage, too; such provision shall also apply to temporary work agencies (personnel service providers) contracted by Supplier.

- (6) Supplier shall bear all costs incurred by us as a result of claims made against us for an infringement of the Minimum Wage Act by Supplier, its subcontracts or temporary work agencies contracted by Supplier (Section 13, Minimum Wage Act). In order to secure our claims Supplier shall be required to provide security to a reasonable extent by way of an irrevocable and (except for a written request for payment in line with the respective guarantee) unconditional absolute guarantee upon first request provided by a credit institute licensed to do so in Germany. The costs involved shall be borne by Supplier.
- (7) Supplier shall pay a contractual penalty of EUR 500.00 for each culpable contravention of its obligations specified in this provision. The right to enforce additional claims for damages remains reserved.
- (8) If it becomes apparent that Supplier fails to pay the statutory minimum wage or fails to pay same at the date provided for by law, we shall be entitled to an ordinary or immediate termination of the contract. This provision shall apply mutatis mutandis, if it becomes apparent that Supplier uses a subcontractor failing to pay the minimum wage or failing to pay same at the date provided for by law or if Supplier uses temporary workers who do not receive the statutory minimum wage from their temporary work agency at all or at the agreed date. We shall also be entitled to an extraordinary termination of the contract, if Supplier, its subcontractors or temporary work agencies contracted by Supplier fail to fulfil other obligations under the Minimum Wage Act or hereunder. In such cases an extraordinary termination without any prior warning shall be permissible.

#### **Prices, terms of payment and invoicing**

- (1) All prices agreed upon shall be fixed prices. Statutory value-added tax shall not be included. Unless otherwise provided for all prices include packaging, insurance and transport to a destination within the Federal Republic of Germany freely chosen by us. Customs duties incurred in transport shall also be part of the price agreed upon.
- (2) Upon our request, Supplier shall be required to take back transport packaging and secondary packaging at its expense.
- (3) Invoices shall include at least the following details:
  - a. correct and full invoice address:  
Oskar Lehmann GmbH & Co. KG, Alte Chaussee 59-70, 32825 Blomberg--Donop, and/or  
SEBA Lehmann GmbH & Co. KG, Alte Chaussee 59-70, 32825 Blomberg-Donop
  - b. correct and full address of party making out the invoice
  - c. tax ID and VAT ID of party making out the invoice
  - d. date and number of invoice
  - e. creditor ID

- f. order and delivery note number
- g. OL item number and clear name of objects of delivery and/or scope of services
- h. requester's name
- i. statistical item number

If one of above details is missing,, we reserve the right to claim a contractual penalty amounting to EUR 100.00.

(4) Unless otherwise provided for we will pay the purchase price within a period of 14 working days from delivery and receipt of the invoice with a 3% discount or within 30 days net from delivery and receipt of the invoice. If goods are received after an invoice the date goods are received by us shall be relevant to the calculation of the discount period.

## 5. **Delivery and acceptance**

(1) All delivery periods and delivery dates shown shall be binding. Delivery periods shall start to run from the order date. Supplier shall be required to immediately notify us in the event that circumstances occur or become apparent making it impossible to comply with the delivery period agreed upon. Early deliveries shall be subject to prior coordination and an approval in writing.

(2) Delivery quantities shall be strictly observed. Partial deliveries as well as underdeliveries and overdeliveries shall require our prior written approval. The values determined during the incoming goods inspection shall be decisive in terms of quantity, weight and dimensions.

(3) In case of a delay in delivery we shall be entitled to claim a flat-rate damage caused by delay totaling 1% of the delivery value per completed week with a total of 5% not being exceeded. The right to assert additional statutory claims remains reserved. Supplier shall be entitled to prove that such delay did not cause any damage or caused a significantly lower damage.

(4) Unforeseeable or unavoidable events such as unforeseen interruption of operations, unrest, official measures and other external influences due to an Act of God shall relieve Supplier from its obligation to deliver during the period of such interruption and in respect of the extent of its effects.

During the period of such event we shall be entitled to rescind the contract if it becomes apparent that such interruption will persist for a period of three months or if as a result of such interruption we can no longer use a delivery / service for operational reasons.

## 6. **Place of fulfillment and passing of risk**

(1) Venue shall be our registered office.

(2) Irrespective of the terms of delivery agreed upon (Incoterms) the risk shall pass onto us when goods are handed over to us at the destination agreed upon.

## 7. Material defects and defects of title

- (1) We shall check goods for material defects within a reasonable period of time upon arrival at the destination. The way an incoming goods inspection is performed shall be at our sole discretion and subject sampling in case of mass-produced parts. If we redirect or forward goods in the ordinary course of business and if this is communicated to Supplier in good time, the inspection period and complaint period shall be extended correspondingly.
- (2) Supplier shall be strictly liable for material defects (par. 3 and 4).
- (3) If upon passing of the risk goods have a material defect we shall demand either a subsequent performance or a reduction. Subsequent performance shall at our sole discretion be effected either by remedying a defect or by way of a replacement delivery. The costs involved shall be borne by Supplier.
- (4) If Supplier vainly makes two attempts to effect subsequent performance or refuses a subsequent performance without justification or allows the period prescribed to expire, we shall be entitled to remedy a defect ourselves or claim compensation for expenses reasonably incurred.
- (5) The statutory right of rescission, the right to claim damages (damages in lieu of performance, in particular) and the right of recourse pursuant to Section 478 and Section 479, German Civil Code, remain reserved.
- (6) Supplier shall be liable for defects of title.

## 8. Ownership protection

- (1) Orders or documents such as drawings or illustrations, 3D models, calculations and descriptions shall be copyrighted.  
We expressly reserve ownership therein.  
Supplier shall neither disclose them to third parties, use them personally, allow third parties to use them nor reproduce them without our express written approval. If requested by us, Supplier shall return all of them to us or irrevocably delete them if they are no longer needed in the ordinary course of business or in case of non-finalised contractual negotiations.  
If Supplier copies said documents, such copies shall be destroyed. This provision shall not apply to documents subject to statutory storage obligations and documents stored for back-up purposes in the course of ordinary data storage processes.
- (2) Tools and devices made available to Supplier or produced by Supplier for the purpose of performing the contract and charged separately shall remain or become our property. Supplier shall mark them as our property, store them carefully, protect them against any damage and use them solely for performance of the contract. Unless otherwise provided for costs of maintenance and repair shall be borne by Supplier.  
Costs due to defective tools and devices produced by Supplier or an improper use by Supplier, its employees or other vicarious agents shall be borne by Supplier. Supplier shall be obligated to

immediately notify us of any damage. Upon request Supplier shall return items to us in orderly condition if they are no longer needed for the purpose of performing the contract.

(3) Supplier's reservations of title shall only apply when referring to our obligation to pay those items to which Supplier reserves title. Extended reservations of title shall be excluded.

## 9. **Warranty claims**

(1) In case of defects we shall be entitled to the statutory claims without limitation. In derogation thereof the warranty period shall be 36 months.

(2) Goods and services shall be accepted subject to checks for defectiveness and, in particular, for correctness and completeness to the extent this is feasible in the ordinary course of business. Supplier waives the objection of delayed complaint.

(3) Different qualities and quantities are deemed complained about in good time, if communicated to Supplier within 7 working days following the receipt of the goods. Hidden material defects are deemed complained about in good time, if communicated to Supplier within 7

(4) We shall not waive our warranty claims even if we accept or approve specimens or samples submitted by Supplier. The limitation period concerning warranty claims shall be suspended upon receipt of our written notice of defects as long as Supplier refuses our claims or deems them remedied or refuses to continue negotiations on our claims. The warranty period for replaced or subsequently improved parts shall restart at the date of the replacement delivery and/or remedying a defect.

(5) An unconditional acceptance of a delivery or a service shall not imply a waiver of claims due to us on grounds of a defect or a delay.

(6) In case of a subsequent performance by way of a subsequent delivery of replaced items the limitation period shall restart at the date of a replacement delivery.

(7) In case of a defect of title Supplier shall internally indemnify us against all third party claims based on such defect of title.

## 10. **Property rights**

(1) Supplier shall guarantee that as a result of its delivery and the foreseeable use thereof no third party patents or other property rights are infringed.

(2) If a third party makes a claim against us for an infringement of property rights, Supplier shall upon first written request indemnify us against such claims and shall reimburse all costs incurred by us in connection with such claims.

(3) Aforementioned terms shall be inapplicable, if Supplier produces goods supplied on the basis of our documents, specimens, models or similar specifications and if Supplier does not know and is not required to know of a violation of property rights.

## **11. Right of rescission and right of termination**

(1) We shall be entitled to terminate the contract without giving any reason (Section 313, German Civil Code), if goods ordered can no longer be used in the ordinary course of business due to circumstances occurring after conclusion of the contract. The contract shall be terminated in writing. Supplier shall be entitled to a compensation for a partial performance. Additional claims shall be excluded.

(2) We shall be entitled to immediately rescind or terminate the contract for good cause. Good cause means, in particular, if

- due to an existing or imminent significant deterioration of Supplier's financial position the fulfillment of contractual obligations is at risk,
- Supplier is overindebted or insolvent or filed a petition for institution of insolvency proceedings or if such petition is dismissed for lack of funds,
- despite a warning and fixing a reasonable deadline Supplier violates an essential contractual obligation.

(3) If due to the provisions specified in par. 2 the contract is rescinded or terminated, the costs involved shall be reimbursed by Supplier, unless Supplier is not responsible for such good cause.

(4) Statutory provisions shall remain unaffected.

## **12. General liability**

(1) If Supplier is responsible for a product defect, Supplier shall be under an obligation to indemnify us against third party claims for damages upon first request provided that the cause lies within Supplier's sphere of control and organization and if Supplier is externally liable.

(2) If due to such product a recall is deemed necessary, Supplier shall likewise be obligated to reimburse us for the necessary expenditure incurred.

(3) Our additional claims shall remain unaffected.

(4) Supplier undertakes to submit a product liability insurance to us and to produce corresponding evidence upon request.

### **13. Secrecy, contractual penalty**

(1) Supplier undertakes to keep secrecy of the following and not to disclose the following to third parties or the public without our express prior written approval:

- contents of business relationship
- terms of order including all information and documents provided in this respect and required for offer preparation and performance of the contract
- contract products and all data, business secrets and trade secrets concerning us
- information marked as confidential as well as documents and other information which by their nature are deemed confidential including, in particular, technical or product-related data, CAD data, drawings, calculations, illustrations, construction sketches, product developments, specimens, machines, test equipment, formulas, raw materials or other tools

Third party does not mean any person needing specific information and content for the purpose of performing the contract.

(2) Par. 1 shall not apply to information which

- are demonstrably known to the general public, or
- demonstrably through no fault of Supplier become known to the general public, or
- were already known to Supplier bound by secrecy prior to the beginning of the contract, or
- were or are lawfully obtained by a third party during the contract term, or
- were or are independently created by Supplier as demonstrated, or
- need to be made accessible to competent authorities or other third parties as ordered by a court.

(3) This obligation of secrecy shall survive the termination of the contract. Information, documents and items provided by us shall be returned by Supplier without delay upon request.

(4) Supplier shall be obligated to take all necessary and reasonable precautions in order to prevent unauthorized persons from having access to the contents deemed confidential according to par. 1. To the extent Supplier uses third parties in order to fulfill its obligations Supplier shall make sure that they are bound by secrecy in the same way.

(5) We reserve the right to impose a contractual penalty for each infringement of the obligation of secrecy the amount of which shall be at our sole discretion unless otherwise provided for and verified by a court having jurisdiction.

### **14. Reservation of title**

(1) Materials provided shall remain our property and shall be marked as such, stored separately and used solely for our orders.

(2) Supplier processes or transforms items for us. If items are combined or mixed with items not belonging to us we shall acquire co-ownership in this new item in proportion of the value of our

item to the value of the other items at that point in time. In the event that Supplier's item is the main item Supplier undertakes to transfer proportional co-ownership therein.

(3) We reserve title to tools provided or financed by us. Supplier shall be obligated to use tools exclusively for the production or processing of the goods ordered by us. Supplier shall be obligated to mark tools as such, insure them at their original value and maintain them.

**15. Assignment, transfer, setoff**

(1) Supplier shall not be entitled to assign claims arising from the contractual relationship to third parties. Monetary claims shall be excluded.

(2) Supplier's rights under this contract shall not be transferrable.

**16. Final provisions**

(1) Unless otherwise provided for place of fulfillment of all contractual obligation shall be our registered office.

(2) Venue for all disputes arising from or in connection with the business relationship shall be our registered office.

(3) German law shall apply exclusively. The United Nations Convention on Contracts for the International Sale of Goods shall be excluded.

Version: October 2022