

Standard Terms and Conditions of Purchase of Hymmen GmbH Maschinen- und Anlagenbau (March 2017)

1. Orders

All orders must be placed in writing and duly signed as such in order to be valid. This also applies to any amendments or supplements to orders. Our Standard Terms and Conditions of Purchase shall apply exclusively; no deviating terms and conditions of purchase or supply stipulated by a supplier shall apply, even if we have not expressly objected to them in the individual case, or have accepted deliveries and services unconditionally, or have made payments. In the event of any conflict between the text of the order or documents listed in the order and the following Terms and Conditions of Purchase, the text of the order or documents listed in the order shall prevail. These Standard Terms and Conditions of Purchase, as last amended, shall become part of the contract upon acceptance of the order by our supplier and shall also apply to all future transactions with the supplier.

2. Order acceptance

The supplier shall acknowledge and accept the order in writing, by email or fax within five working days of receipt. If no written order acceptance is made by this time, we have the right to cancel the order.

3. Delivery dates

All delivery dates specified in the orders are binding. If they are not met through the fault of the supplier, the supplier shall be in default without a reminder being necessary. The supplier shall notify us immediately of any foreseeable delays in delivery. Both a notification of late delivery by the supplier and a delivery delay without notification shall entitle us to demand compensation from the supplier in addition to due contractual fulfillment. Unconditional acceptance of the delayed delivery does not constitute a waiver of compensation claims. We assume that our suppliers will duly fulfill their supply obligations. If the contractual obligations are nevertheless not fulfilled due to defective performance and/or delayed delivery, we will incur damage which we shall claim from our suppliers in the form of a contractual penalty payment:

1% per week if the delivery date is postponed one week before the confirmed date - up to 5% of the order value,

2% per week if the delivery date is not met and we have not been informed to this effect - up to 5% of the order value,

The assertion of further claims for damages that may arise from a delayed delivery is not excluded by the above provision.

In addition to the legal options described above, we shall be entitled to withdraw from the entire contract and to demand payment of appropriate compensation in lieu of performance in the event that we set a reasonable grace period which the supplier allows to expire without fulfilling its obligations.

In addition, the applicable statutory provisions with regard to default shall apply.

4. Prices and conditions

The prices specified in the order are fixed prices. If orders are placed without fixing a price in individual cases because of the urgency, prices shall be negotiated by both parties retrospectively in a timely manner. In the absence of any written agreement to the contrary, the price includes both delivery "free domicile" and all packaging materials. If the supplier is obliged under the packaging regulations to take back the packaging used, it shall bear the costs of return transport and recycling. Payment shall be made on the terms fixed in the order after receipt of the invoice and the goods within 14 days, starting from the delivery date or from receipt of the invoice, whichever is later, with 3% discount or net within 45 days of invoice receipt. We are entitled to offsetting and retention rights to the extent permitted by law.

5. Assignment

All payments shall be made exclusively to our contractual partner. The supplier is not entitled to assign its claims against us to third parties.

6. Shipment and invoice

Shipment of the goods is at the expense and risk of the supplier. Each delivery must be accompanied by a delivery note clearly stating the order number, a description of the goods and the project number of our company. In general, invoices shall be sent electronically to the email address 'rechnungen@hymmen.com'. If an electronic invoice is not used, the invoice shall be sent in duplicate to our company address, and under no circumstances enclosed with the goods. Partial deliveries require our consent and shall be marked as such in the shipping documents. If these mandatory requirements are not met by the supplier, the supplier shall be liable for the resulting consequences. Unless otherwise specified in the order acknowledgment, the place of business shall be the place of performance for the delivery.

If the delivery is defective, we are entitled to withhold payment without loss of rebates, discounts, and similar payment benefits until proper performance is rendered.

7. Information and documentation for foreign trade

At the time of delivery of the goods supplied, the supplier is obliged to provide the following foreign trade data:

- Classification of goods in trade statistics (Statistical Commodity Code)
- Country of origin
- Marking and classification of goods subject to export control
- Provision of a certificate of origin or preferential status certificate

If the required documents are not provided, the supplier shall bear the resulting costs arising from, for example, delivery delays, delayed acceptance, contractual penalties incurred by us. This list is only by way of example, and is not exhaustive.

8. Force majeure

Exceptional events such as strikes and lockouts as well as obstacles unforeseen at the time of placing the order which are outside the legal and actual control of the contracting parties entitle us to postpone acceptance and payment appropriately. Long-term contracts or blanket orders which entitle us to call off goods in batches may be terminated by giving three months' notice if we are no longer able to use the goods to be supplied due to a change in our production.

9. Complaints

Consignments damaged during delivery entitle us to refuse acceptance. Accepted goods are inspected on a sample basis, according to the agreed or generally applied quality regulations. Complaints in respect of defects that are discoverable by external inspection are deemed to have been duly made in good time if they are notified within five working days of delivery; defects, which cannot be detected by removal or random samples, shall be deemed hidden defects. This includes, in particular, delivery of less than the originally ordered quantity of parts or components. Return shipments of rejected goods and replacement deliveries to us shall be at the expense and risk of the supplier.

10. Warranty

We are fully entitled to statutory claims for defects. In particular, we are entitled to demand from the supplier, at our discretion, either rectification of the

defect or delivery of a new item free from defects. The supplier is obliged to bear all the necessary costs for rectifying the defect or for the replacement delivery. The supplier shall not be entitled to any payment for use. Our right to compensation, in particular to compensation in lieu of the contractually agreed performance, is reserved, also in the event of withdrawal from the contract. The warranty period is 24 months. The start of the warranty period depends on the type of contractually agreed delivery item and is bindingly regulated in the individual contracts.

11. Quality assurance, product safety

In good time prior to delivery, the supplier shall notify us of any changes in manufacturing processes, materials or parts from subcontractors used for the goods supplied, relocation of production sites or changes to processes or equipment for testing the goods supplied or other measures which must impact on the quality and/or safety of the goods supplied. Changes to stipulated specifications, in particular to drawings provided by us, must not be made without our consent.

Any changes to the goods supplied and product-related changes in the process chain shall be documented in a product history. Any changes to drawings, deviation permits, process changes, changes to testing methods or testing frequencies, changes of supplier, parts from subcontractors and operating materials etc. must be documented. The product history documentation shall be disclosed to us upon request.

12. Product liability

Insofar as the supplier is responsible for any product damage, he is obliged to indemnify us on first request against third-party compensation claims as soon as the cause of the product damage lies within the supplier's control and organizational sphere and the supplier itself is liable vis-à-vis third parties. In this context, the supplier is also obliged to reimburse any expenses that we incur from or in connection with a recall campaign carried out with us. We shall inform the supplier of the content and scope of such a recall measure and give it an opportunity to comment, where possible and reasonable.

13. Industrial property rights

The supplier is responsible for ensuring and guaranteeing that no third-party rights are infringed in connection with its delivery. If a claim is made against us by a third party due to such an infringement of third-party rights, the supplier shall be obliged to indemnify us against such claims at our first written request. This shall include reimbursement of all costs incurred by us in connection with the claim as well as any expenses, claims and costs asserted by third parties.

14. Minimum wage obligations

For our orders for work or services within Germany, the supplier undertakes to comply with the provisions of the German Minimum Wage Act (MiLoG, of August 11, 2014, as last amended).

The supplier shall provide us with information on the subcontractors and hire companies used by it for carrying out the orders. The supplier shall not engage any subcontractors or hire companies without first satisfying itself with due diligence that they comply with the Minimum Wage Act. Other subcontractors or hire companies are not permitted - even in a subcontractor chain. In the event of an official inspection, the supplier shall undertake to provide us without delay with all the necessary proof of compliance with the Minimum Wage Act by it and its subcontractors or hire companies - including in a subcontractor chain.

In the event of a breach of the obligation under the foregoing paragraph, we have an extraordinary right of termination.

If claims for payment pursuant to section 13 of the German Minimum Wage Act (MiLoG) in conjunction with section 14 of the German Law on Posting of Workers (AEntG) are made against us by employees of the supplier or by employees of subcontractors or hire companies used by the supplier to carry out our orders, the supplier undertakes to indemnify us against such claims to the extent regulated in section 14 AEntG in the event of a breach of the provisions of the Minimum Wage Act or in the event of a breach of the obligations under para. 1. The supplier shall also be obliged to indemnify us for any damage or loss that we may incur in any other way as a result of the supplier contravening the provisions of the Minimum Wage Act or the obligations under para. 1.

15. Secrecy

The supplier shall undertake to treat the order and the resulting work at its premises, including all the relevant documentation, equipment, drawings, operating equipment, etc., confidentially and to make

them accessible to third parties only after a specific written declaration of consent on our part.

16. Surrender of items

Drawings, models, samples, production materials, operating equipment and the like, as well as production and quality specifications and other documents which we make available to the supplier for fulfilling orders for us, or which the supplier has produced according to our specifications shall remain or become our property and shall be handled with care and maintained by the supplier, and shall also be insured at our request. They must not be made accessible to third parties and shall be returned to us without delay after the order has been completed, together with all copies and internal records, or shall be destroyed at our request. Appropriate proof shall be provided to us in the latter case.

17. Miscellaneous

The place of performance is Bielefeld, Theodor-Hymmen-Str. 3, at our business premises. The place of jurisdiction is in Bielefeld. The law of the Federal Republic of Germany shall apply to the exclusion of any conflict of laws and with application of the Hague Uniform Laws on the International Sale of Goods and the UN Convention on Contracts for the International Sale of Goods (CISG) and any other conventions unless there is a deviating framework contractual agreement.

Should one or more provisions of these Terms and Conditions of Purchase be or become invalid, the validity of the remaining provisions shall not be affected thereby. In the event of any dispute, the wording of the German version of these Terms and Conditions of Purchase shall apply.