

## 1. **Validity**

- These General Terms and Conditions of Purchase and Ordering (hereinafter referred to as "GTCPO") shall apply
- only to entrepreneurs within the meaning of § 14 BGB (German Civil Code), legal entities under public law or special funds under public law within the meaning of § 310 para. 1 BGB and shall apply to all present and future legal relationships between the Supplier and us;
  - irrespective of whether they are based on a purchase contract, contract for work and services or an atypical contractual relationship, whether we purchase goods, consulting services or other contractual deliveries and services (hereinafter collectively referred to as "Services"), or a pre-contractual legal relationship exists;
  - if the supplier accepts or executes our order and thereby expresses his consent to the legally effective inclusion of these GTCPO in the contractual relationship;
  - even in the event that we do not expressly mention our GTCPO again after conclusion of the contract;
  - even if we unconditionally accept the supplier's services in the knowledge of deviating terms and conditions of business of the supplier, or if we do not attach our GTCPO in individual cases or do not expressly include them in future transactions with the supplier.
- 1.2 In these GTCPO, third parties from whom we wish to purchase, purchase or have purchased services or who offer us such services in advance of the contract are referred to uniformly as "Supplier", irrespective of the existing or intended content of the contract.
- 1.3 Only individual agreements made in writing with the supplier shall take precedence over these GTCPO. Any terms and conditions of the supplier that deviate from, contradict or supplement these GTCPO shall therefore not become part of the contract unless we have expressly agreed to the validity of the customer's GTCPO in writing.
- 1.4 Any rights to which we are entitled by law or contract beyond the scope of these GTCPO shall remain unaffected.
- 1.5 These GTCPO shall come into force with effect from 1 May 2022, replace all our previous terms and conditions of purchase and are available for information and download at any time on our website at "<https://www.lacher-praezision.de/en/gtc>"

## 2. **Orders, confirmations and conclusion of contract**

- 2.1 The supplier shall confirm our individual orders at least in text form within two weeks, otherwise we shall be entitled to revoke them.
- 2.2 If a supplier's order confirmation deviates from our order, in particular with regard to price or delivery time, the supplier shall expressly notify us separately of the deviation. Deviations shall only become part of the contract in the event of our confirmation, at least in text form.
- 2.3 Delivery contracts with suppliers must be in writing to be effective. Associated delivery call-offs can be made by us in writing or in text form.
- 2.4 The supplier's cost estimates shall be binding even without the supplier's declaration to this effect and shall not be remunerated by us.

## 3. **Handed over documents, data and confidentiality**

- 3.1 If we provide the supplier with documents or data in connection with orders or contracts, for example concerning calculations or technical specifications and the like, the unrestricted ownership and copyright of these shall remain exclusively with us. Such documents may be used by the supplier exclusively for the performance of his services to be rendered to us under restriction to the necessity corresponding to the contract and shall be returned to us at the end of the contract without being requested to do so or shall be destroyed in accordance with our stipulation in this respect and proof thereof shall be furnished. The supplier may not make the documents/data accessible to third parties unless we have given our written consent.
- 3.2 The supplier undertakes to keep secret any technical or commercial information which is not generally known and which becomes known to him even indirectly through the business relationship with us and to use it exclusively for the provision of the services to us. Subcontractors shall be obligated accordingly by the supplier. This obligation to maintain confidentiality shall continue to exist after termination of the contract and shall only expire if and to the extent that the information becomes generally known.

## 4. **Prices, formal requirements and payment**

- 4.1 Prices agreed with us are binding fixed prices. In the absence of any written agreement to the contrary, the price shall include delivery to us free of charge, including packaging. The return of the packaging shall be at the supplier's expense.
- 4.2 If the supplier reduces his general prices or improves other general conditions for his performance in the period between order and delivery, the more favorable price or condition valid on the day of delivery shall automatically also apply to us.
- 4.3 If the supplier has assumed the installation or assembly of the object of performance, he shall bear all necessary ancillary costs, unless otherwise agreed in writing.
- 4.4 Invoices and delivery notes from the supplier must contain our purchase order number in order to be considered correct.
- 4.5 Unless otherwise agreed, at least in writing, a proper invoice shall not be due for payment before complete performance of the service by the supplier and not before the agreed payment date. This shall also apply if we accept premature performance by the supplier; in this case, we reserve the right to assert claims for reimbursement of expenses, in particular storage costs.
- 4.6 Unless otherwise agreed, at least in writing, we shall settle proper invoices of the supplier due for payment within 30 days after receipt of the invoice by bank transfer and the supplier shall grant us a discount of 3% if we make the transfers to the supplier within 14 days.
- 4.7 Settlement of the supplier's invoice shall be subject to subsequent invoice and performance verification.

## 5. **Offsetting and retention**

We shall be entitled to rights of offsetting and retention to the extent permitted by law.

## 6. **Dates, deadlines, provision of services and contractual penalty**

- 6.1 Agreed delivery dates and delivery periods for services of the supplier shall be binding, shall be deemed fixed dates and must be complied with by the supplier. Decisive for compliance is the complete fulfillment of the service by the supplier, for example the time of receipt of the goods by us or at the agreed receiving point, or the completion of the service.
- 6.2 If the supplier recognizes that there may be delays in the provision of his service, he must inform us of this immediately, at least in text form, stating the reasons and the expected duration of the delay. This shall not affect the continuation of the binding nature of the agreed delivery date.
- 6.3 Partial deliveries and premature delivery are not permitted unless we have expressly agreed in writing. If we accept partial deliveries or delayed deliveries or performance of services without reservation, this shall not constitute a waiver of the claims to which we are entitled on account of the partial delivery or delay.
- 6.4 The supplier shall bear the risk of performance until acceptance by us or by our agent at the agreed place of receipt.
- 6.5 If the supplier is in default with his performance, we shall be entitled to the statutory claims. In addition, in the event of culpable delay in delivery, we shall be entitled to demand a contractual penalty in the amount of 1% of the order value for each full week of delay, with a maximum of 5% of the order value. The contractual penalty may be claimed until the supplier's invoice has been paid in full. We reserve the right to claim further damages. The contractual penalty demanded shall be offset against claims for damages due to failure to meet the delivery date.

## 7. **Retention of title**

- 7.1 An extended or expanded retention of title by the supplier requires our express written consent in order to be effective.
- 7.2 The unrestricted ownership of parts provided to the supplier shall remain with us. The processing or transformation of these parts provided by the supplier shall always be carried out for us. If the supplier processes the parts provided with other objects not belonging to us, we shall acquire co-ownership of the new object in the ratio of the objective value of our parts to the other processed objects at the time of processing. The same shall apply mutatis mutandis to a mixing of the parts provided, in which case the supplier shall transfer co-ownership to us on a pro rata basis and shall keep this for us, provided that the supplier's item is to be regarded as the main item.

**8. Quality assurance and material defects**

- 8.1 The supplier shall provide his services in accordance with the state of the art and free of defects and shall fully comply with our requirements regarding technical specifications and the rules and regulations of industry associations to be observed.
- 8.2 The supplier shall establish and maintain an appropriate quality assurance and environmental management system. He shall document quality inspections, keep the documents in accordance with VDA 1 for at least 10 years and make them available to us immediately upon request.
- 8.3 The supplier shall allow us to conduct regular audits to assess the effectiveness of his quality assurance and environmental protection measures in his company and shall support us in this.
- 8.4 The supplier agrees to the waiver of our obligation to inspect and give notice of defects in accordance with § 377 HGB (German Commercial Code) in such a way that he carries out a qualified outgoing goods inspection instead. In this respect, we shall only be obliged to give notice of obvious different deliveries and obvious defects. Our notice of defect shall be deemed to have been given in due time if it is received by the supplier within ten working days of discovery of the defect.
- 8.5 Unless otherwise stipulated below, the statutory provisions on liability for defects and subsequent performance shall apply.
- 8.6 We shall be entitled to choose the type of subsequent performance.
- 8.7 Unless otherwise agreed in writing, a limitation period of 36 months shall apply to material defects and defects of title. In the event of a longer statutory limitation period, this shall apply.

**9. Spare parts**

- 9.1 The supplier undertakes to supply the delivery item and spare parts for it for the duration of normal technical use, but at least for 15 years after our last delivery, under reasonable conditions.
- 9.2 If, notwithstanding the above provision, the supplier nevertheless plans to discontinue production/supply before the expiry of the aforementioned period, he shall notify us thereof in writing 6 months in advance and enable us to place a final order on reasonable terms.

**10. Property rights**

- 10.1 The supplier warrants that the use of its services in accordance with the contract does not conflict with any domestic or foreign industrial property rights of third parties.
- 10.2 The contracting parties shall inform each other without delay of any identified risks of infringement or claims.
- 10.3 If claims are asserted against us by a third party due to infringement of domestic or foreign industrial property rights by use of a service of the supplier in accordance with the contract, the supplier shall indemnify us upon first request against the costs of a necessary and reasonable protection of rights and shall also compensate us for any further damage resulting therefrom.

**11. Compliance**

- 11.1 The supplier shall provide its services in compliance with all relevant statutory provisions, regulations, directives and technical rules at the place of performance and, if applicable, also at the non-European place of use of its products.
- 11.2 In particular, the supplier is obliged to,
- to fulfill its corporate responsibility in social, ethical, environmental and sustainability-related terms and to support us in ensuring that human rights are respected within the supply chain, relevant labor standards are complied with, and forced and child labor, discrimination, undercutting of minimum wages, corruption and bribery are excluded;
  - to identify the use of so-called "Conflict Minerals" in its supply chain and to take appropriate measures to ensure that materials and components supplied to us do not contain any Conflict Minerals pursuant to Regulation (EU) 2017/821 of the European Parliament and of the Council and Section 1502 of the U.S. Dodd-Frank Act;
  - to comply with the legal requirements related to substance bans, especially with regard to the REACH Regulation EC No. 1907/2006 and the RoHS Directive RL 2011/65 EU;
  - to rule out the possibility that the items delivered by him are subject to export restrictions and, in the event of any doubt in this respect, to expressly inform us of this at least in writing in advance of his performance.
- 11.3 At our request, the supplier shall provide us free of charge with written product-specific declarations of conformity suitable for forwarding to our customers.

**12. Product liability / Insurance**

- 12.1 If claims for damages are asserted against us due to a product defect for which the supplier is responsible or if we incur damages in another way as a result, for example in the form of recall costs, removal and installation costs, costs for handling, transport and material expenses, travel costs or costs for an incoming goods inspection exceeding the usual scope as well as costs which we have to reimburse to our customer or third parties within the scope of our statutory liability, the supplier shall compensate us for the damage and indemnify us against third-party claims upon first demand. If, according to the objective circumstances, it can be assumed that the cause of the damage was within the supplier's sphere of responsibility, the supplier shall bear the burden of proof to the contrary.
- 12.2 If the supplier does not begin to remedy the defect within the reasonable period set by us in accordance with section 13.1, we shall be entitled to remedy the defect at the supplier's expense. In the event of acute danger to essential legal interests and in order to avoid otherwise imminent substantial damage, we shall also be entitled to remedy the defect ourselves at the supplier's expense without setting a deadline.
- 12.3 During the existence of the business relationship with us as well as after its termination until the expiry of its liability, the supplier shall be obliged to maintain product liability insurance for its services, which shall have a lump sum coverage of at least € 5 million for personal injury and property damage with double maximization and shall include product asset damage coverage including testing and sorting costs, individual parts replacement costs and motor vehicle and non-vehicle product recall costs. Upon our request, the supplier shall immediately provide proof, at least in text form, of the existence of the insurance and its essential contents.

**13. Uncontrollable events and contract termination**

- 13.1 Insofar as a not only temporary or not only insignificant reduction in our need for the supplier's services occurs due to force majeure, labor disputes, operational disruptions through no fault of our own, unrest, official measures, pandemic or any other comparable unavoidable event, we shall be entitled to withdraw from the contract with the supplier in whole or in part; this shall apply without prejudice to our other rights.
- 13.2 Notwithstanding the foregoing, each party shall be entitled to terminate the contract concluded with the other party without notice in the event of good cause; in particular, good cause shall be deemed to exist if an application is filed for the opening of insolvency proceedings against the assets of a party, or if such or comparable proceedings are opened under domestic or foreign law or are rejected for lack of assets.

**14. Place of performance, place of jurisdiction, applicable law**

- 14.1 To the extent permitted by law, the place of jurisdiction for all legal disputes arising directly or indirectly from a contractual relationship based on these Terms and Conditions of Purchase shall be Pforzheim, Germany. We shall also be entitled, at our discretion, to sue the supplier at the court of its registered office.
- 14.2 The law of the Federal Republic of Germany shall apply to all - including international - legal relationships between us and the supplier on the basis of these Terms and Conditions of Purchase, to the exclusion of the UN Convention on Contracts for the International Sale of Goods.