

Purchasing Conditions of GEZE GmbH (GEZE)

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1 Scope

The following conditions apply for all the orders placed by GEZE with the supplier; they are considered part of the contract. They are accepted by the supplier with the acceptance of the order and apply for the entire duration of the business relationship.

2 Conclusion of contract

- 2.1 The supplier must base his offers on the quantities and characteristics indicated in the GEZE request. If there are deviations, he must point these out explicitly. The offers are submitted free of cost.
- 2.2 The supplier is obligated to submit a binding offer for every request within a period of maximum 14 days from the day of dispatch. Only one written order submitted shall receive contractual acceptance and shall be binding. Emails or verbal agreements are binding only if they are confirmed by subsequently sending a written order.
- 2.3 If a contract has been concluded, any order based on this contractual basis and these Purchasing Conditions is considered to be a further component of the contract. Regulations in the contract shall take precedence over these Purchasing Conditions.
- 2.4 The supplier shall conduct every contractual communication with the Purchasing Department of GEZE only. Agreements with other departments are subject to the consent of the Purchasing Department for them to be valid.
- 2.5 GEZE reserves the right to withdraw from an order at any time if the supplier fails to send a written order confirmation no later than 7 (seven) days of the order was placed. Even within the framework of the written order confirmation, deviation from the order shall be permitted only after obtaining the prior express consent of GEZE.

3 Delivery, transport, packaging, proof of origin

- 3.1 The delivery is made on the basis of a separate individual order.
- 3.2 The supplier accepts the risk and costs of transport (delivery 'ex works') and delivers to the address specified in the order (delivery DDP in accordance with Incoterms 2010). This address is also the place of fulfilment. The scheduled delivery dates and periods specified by GEZE must be adhered to at all costs. They are considered to be deadlines for the receipt at GEZE. The punctuality of the delivery (without assembly or deployment) is defined as receipt at the address given by GEZE. However, if the parties agree that GEZE shall have the goods collected ex works as part of procurement logistics in order to better manage this delivery of goods, this paragraph shall apply only by analogy.
- 3.3 He shall guarantee that the products are stored and supplied by suitable means of transport and with quality packing in order to avoid damages and defects in quality. If GEZE specifies Sprintbox containers as packaging, these must be used and can be charged to GEZE. The supplier must ensure that the total weight per box incl. packaging does not exceed 30 kg.

Supplied packaging must be taken back by the supplier at his own expense unless agreed otherwise.

3.4 A written dispatch notification must be sent to GEZE immediately after dispatching the individual delivery. A delivery note must be enclosed with every delivery. The dispatch notification and delivery note must include details about the order, the quantity of goods delivered and their label as per the order. In case of partial deliveries, the remaining quantity yet to be delivered must be stated on the dispatch notification.

3.5 The supplier is also under the obligation to immediately submit proof of origin duly signed to GEZE without being asked to do so. This includes:

- Supplier declarations
- Movement certificate or declaration of origin in the sense of a preference document of the European Community
- Certificate of origin as per non-preferential determination of origin

The proof of origin must have all the necessary details and must be duly signed. It must be enclosed as long-term declaration or for every delivery once a year depending on the demand of GEZE.

3.6 In case of over-deliveries exceeding the customary norm, GEZE is not obliged to accept the goods, and is authorised to return or store the oversupplied goods at the supplier's cost. This paragraph shall apply correspondingly to incorrect deliveries.

3.7 In case of early deliveries, GEZE is not obliged to accept the goods, rather, it is authorised to send back the goods delivered early at the supplier's charge and risk or to store them with third parties at the supplier's cost.

4 Costs and payment conditions

4.1 The prices indicated in the orders are fixed prices, including freight and delivery costs and packaging, delivered free of charge. Price increases are recognised only if they have been expressly approved in writing by GEZE in advance.

4.2 Invoices must be submitted immediately after the delivery is completed, and must include the order data. They must be submitted by email to accounts.payable@geze.com. Please note that an invoice suitable for booking must be available, and must state the order number, item number and material number. If culpable disregard leads to an additional expense for GEZE, the supplier is obligated to bear the resulting costs. Invoices must never be enclosed with deliveries of goods, as they do not cause the payment to become due in the event of a breach of this agreement.

4.3 GEZE shall pay the due invoice amount minus 3% cash discount within 14 days after receiving the invoice, otherwise strictly net cash within 30 days.

5 Safeguarding capacity and scheduled dates; delay in delivery

- 5.1 The supplier shall ensure the provision of sufficient production capacity according to the expected demands, and permanently maintain the safety stocks evident from the agreement in order to meet the deadlines. He can make up for increase or decrease in capacity due to fluctuations in demand with the help of flexible working hours and flexible production batch sizes.
- 5.2 If the supplier appoints or replaces subcontractors to fulfil the contract, this is permitted only with the prior written approval of GEZE.
- 5.3 Deliveries are made according to the “first-in-first out” principle in order to avoid ageing of stock.
- 5.4 If the defined delivery date is not met, there is a delay in delivery without any warning being issued. A delay in delivery shall authorise GEZE to demand standard damage compensation amounting to 0.5% of the net order value per week or part thereof, but not exceeding 5% of the total net order sum. Furthermore, GEZE is entitled to legal compensation claims due to the delay. The supplier has the right to prove that the delay did not result in any or significant damage. The compensation is then reduced accordingly.
- 5.5 If circumstances arise which suggest, or the supplier realises, that the agreed delivery deadline cannot be met, the supplier is obligated to inform GEZE immediately. If express transportation is necessary to meet the agreed delivery period in such a case, the supplier shall bear the resulting additional expenditure caused due to delays for which he is liable.
- 5.6 The supplier can cite the absence of the necessary documents and components to be delivered by GEZE in connection with the delay in delivery only if the documents have been requested previously and not provided by GEZE despite a reminder.

6 Guarantee and liability

- 6.1 The supplier shall guarantee that the delivered products:
 - meet the demands of the specification
 - meet the state-of-the-art technology as well as legal and official provisions applicable
 - are not defective, thus restricting the value or the efficiency of the product
 - the agreed inspection processes have been properly executed.
- 6.2 The inspection obligation of GEZE is restricted to faults, which are detected during the goods receipt inspection under external examination including delivery documents as well as during quality inspection during sampling. All defects that cannot be detected due to packaging or random sampling are considered as hidden defects. If a complaint (defect notification) is made by GEZE within 14 working days of delivery (receipt by supplier), it is considered as immediate and timely.

6.3 Before the start of production (processing or installation), GEZE should first give the supplier the opportunity to sort out defective goods, correct defects, or provide a supplementary or replacement delivery, unless this would be unreasonable for GEZE. If the supplier is unable to do so, or fails to do so promptly, GEZE may withdraw from the agreement without further notice and return the goods at the supplier's risk. In urgent cases, following coordination with the supplier, the supplier may correct the defects itself or have the defects corrected by a third party. The resulting expenses are borne by the supplier. If the same goods are delivered again and are once again defective, following a written warning GEZE is also entitled to withdraw from the unfulfilled scope of delivery.

If the fault is discovered only after the start of production, despite observing the obligation to provide notification of defects, GEZE may a) request a new delivery or a repair, at its discretion, with reimbursement of the transportation costs for the supplementary performance (without removal costs) as well as installation and removal costs (labour costs; material costs if agreed) in accordance with Sec. 439 paragraph 1, 3 and 4 BGB or b) reduce the purchase price. Optionally, GEZE may withdraw from the agreement, return the goods at the risk of the supplier and obtain the goods it needs from another source, if the supplier is unable to carry out subsequent performance or fails to do so without undue delay. The resulting necessary expenses are borne by the supplier. GEZE further reserves the right to carry out the improvement or to get it done by a third party. The resulting expenses are borne by the supplier. The supplier must return the products (or parts of them) to be replaced by him on demand and at his own expense.

6.4 The warranty period for defects in contractual products is 24 months from the time of resale or installation by GEZE.

6.5 The supplier is liable for all damage and consequential losses in accordance with statutory regulations. In case of a culpable breach of duty that goes beyond the delivery of defective goods (for instance in the case of an obligation to provide information, advice or examination), GEZE may demand compensation for the resulting consequential damage caused by the defect as well as for the consequential damage caused by the defect reimbursed by the Purchaser to its customer in accordance with by law. The consequential damage resulting from the defect is the damage GEZE has itself suffered to legally protected assets other than the goods themselves, due to the delivery of defective goods. GEZE shall have further legal claims for expenses and damage due to the delivery of defective goods under Sec. 437 BGB, or directly from the regulations mentioned there in accordance with the statutory regulations.

6.6 There is no claim for damage if the fault was caused by a violation of operating, maintenance and installation specifications, improper or unsuitable use, incorrect or negligent handling and natural wear and tear, as well as modifications made by GEZE or third parties to the goods delivered.

6.7 In case of defective deliveries, GEZE's claims under the Product Liability Act, unlawful actions and general management without contract shall remain unaffected by these regulations. Guarantees of quality and durability must be expressly indicated as such in detail and in writing.

- 6.8 The supplier is obligated to arrange product liability insurance with an adequate insurance sum and to provide proof of this if requested.
- 6.9 If GEZE is held liable by third parties due to a supplier's product, or is liable for a violation of protected rights, the supplier shall exempt GEZE from such claims on first demand, if and insofar as the damage has been caused by an error of the contractual item delivered by the supplier. The supplier shall insofar bear the onus. GEZE will inform the supplier promptly of any such claims asserted by third parties and shall not settle payments or acknowledge claims without consultation. This regulation shall not apply if the supplier has carried out manufacturing according to samples and drawings provided by GEZE.
- 6.10 If an official recall is ordered because a supplier's product is faulty/defective, or if a recall is necessary to prevent damage, the supplier shall reimburse all costs associated with the recall. This shall not apply if the supplier proves that the supplier's product was fault-free at the time it was marketed, or if the fault in the supplier's product could not have been avoided based on state-of-the-art knowledge and technology at the time it was marketed.
- 6.11 The supplier guarantees that the products commissioned will be supplied exclusively to GEZE, and processed/sold exclusively by GEZE.

7 Force majeure

- 7.1 Force majeure events (such as natural disasters, earthquakes, pandemics etc.), strikes, official measures and other circumstances which are beyond the direct influence and control of the respective parties shall exempt the parties from their contractual obligations for the duration of their existence and to the extent of their effects.
- 7.2 If the delays thus caused exceed a period of four weeks, GEZE can withdraw from the contract without any possibility of asserting any claims.

8 Initial sample, tools, equipment etc.

- 8.1 If the supplier is issued with an order to deliver initial samples, the regulations in the GEZE supplier regulations must be observed. This is available via the GEZE supplier Portal at: <https://www.geze.de/en/services/for-suppliers>.
- 8.2 If GEZE has agreed that the supplier will assume the cost of the tools, the tools transfer immediately to the ownership of GEZE on (pro rata) payment of the costs, whereby the tool remains on loan to the supplier until such time that the assignment is completed, unless agreed otherwise in writing.
- 8.3 The provisions of point 8.2 are analogously applicable for tools where the costs have contractually been completely or partially included in the price of the ordered article. These tools must be kept operational by the supplier free of charge and must be returned to GEZE at first request after the order is completed. This applies equally to tools which the supplier receives for the manufacture of parts. The tools may be used for purposes other than manufacturing parts commissioned by GEZE only with written approval.

8.4 The supplier shall guarantee that the tools have not been copied and made accessible to third parties in any form without the express written consent of GEZE. The supplier shall bear the cost in case of loss or damage.

9 Prohibition of assignment

The parties agree that assignment of all claims from this contractual relationship is excluded for both the sides.

10 Confidentiality and data protection

10.1 The supplier is under the obligation to treat all the information, such as data, plans, drawings, knowledge, calculations and experiences, such as company and operational secrets (all 'confidential information') which he has obtained directly or indirectly within the scope of cooperation with GEZE, as confidential and to not make them accessible to third parties and to use them exclusively for implementing this contract.

10.2 The supplier must ensure compliance with this obligation, including by the individuals employed to work for it (GEZE employees and approved representatives), whereby the circle of the individuals involved must be correspondingly kept to a minimum (need-to-know-basis). If these individuals need to be involved, they are obliged to the same scope of confidentiality as stated here.

10.3 The non-disclosure obligation does not apply if the information and documents provided are already public (generally known, are a part of the latest technological developments)

- were already known to the supplier at the time of notification or
- were subsequently notified by a third part without any mandatory confidentiality obligation, or
- must be published on the basis of official or judicial order.

The supplier shall bear the onus if there is an exception in the confidentiality obligation, and inform GEZE immediately of any duty of publication.

10.4 If confidential information is passed to the supplier, it remains the property of GEZE. Transfer to third parties is prohibited as is the delivery of objects according to these drawings, models etc. Information may be released to third parties only after obtaining prior consent of GEZE or on the basis of an official obligation. In this case, GEZE must be informed immediately.

10.5 The obligation of non-disclosure is also applicable if the contract about the collaboration does not materialise. It ends five years following signature of the contract, however at the earliest three years after completion of the planned serial delivery/collaboration. The supplier shall completely and immediately return all the documents, which it has received on the basis of the collaboration in each case, to GEZE without being asked. Digital documents, including any files and copies created, must be deleted, with evidence provided to GEZE on request.

10.6 The supplier is also under obligation to adhere to the statutory data protection regulations. Data Privacy Declarations can be requested at any time from the respective contact person, but are also available on our website [geze.com/datenschutz](https://www.geze.com/datenschutz).

11 Ban on poaching of employees

11.1 The supplier shall refrain from actively poaching employees (employees and freelancers) from GEZE directly or indirectly through third parties. This ban on poaching is valid from the inclusion of purchasing conditions and for the duration of 12 months after the termination of the contract or after completion of the processing of the specific order.

11.2 The supplier has the right to prove the right that the employment of the former GEZE employee is not the result of targeted poaching.

11.3 The Contractor shall pay a contractual penalty to GEZE for each violation, amounting to 3x the last gross wages paid by GEZE to the poached employee.

12 Informational obligations/last order/contractual penalty

12.1 The supplier is under obligation to inform GEZE about any significant changes. This is particularly applicable with respect to:

- Company
- Address
- Partnerships and co-operations
- Products from new/changed production processes
- products with primary materials from a new subcontractor
- Changes in production site
- Products whose delivery lags behind for more than 24 months or has been stopped due to problems in quality

This same obligation is applicable where the supplier is legitimately using a third party (subcontractor) to fulfil the contract in compliance with point 5.2.

12.2 In case of delivery of machine-related parts, the supplier must give GEZE six months' notice of the dissolution or termination of the business relationship. GEZE then has the option of a one-off last-call to call off parts under the terms agreed, whereby GEZE determines the scope of the call-off.

12.3 If the supplier violates important contractual obligations, GEZE is authorised to demand a lump sum contract penalty, which is reasonable in an isolated case, of up to 10,000 euro. The assertion of higher damage remains unaffected. The contract penalty is credited against the compensation.

13 Social responsibility & environmental protection

The supplier is under the obligation to comply with the legal and official regulations governing the treatment of employees, environmental protection and work safety. He must work to ensure that his activities exclude negative effects on people and the environment as far as possible. National and international regulations regarding declarable substances must be observed and complied with (for example: REACH, RoHS) – in its current version. If a substance/material used is declarable or forbidden, this must be notified immediately. The supplier attests the physiological harmlessness of his products with his signature.

14 Customs regulations

- 14.1 The supplier undertakes to GEZE to comply with all national, European (if applicable) and USA export control regulations.
- 14.2 If, after an order has been placed, GEZE ascertains and immediately and credibly demonstrates to the supplier circumstances which justify the assumption of an existing or future breach of foreign trade regulations, GEZE is herewith granted, by mutual consent, a reasonable period of time for further review. The parties agree that any delay in acceptance shall be excluded for the duration of this examination period.
- 14.3 If relevant breaches are found during the review period according to the above paragraph, GEZE shall be entitled to refuse performance or to withdraw from the agreement. In this case, the order shall be cancelled, and any services of the supplier can be returned or offset against other orders as partial services, at GEZE's discretion.
- 14.4 The supplier shall be liable to GEZE in the internal relationship for any damage incurred by GEZE due to incorrect fulfilment or failure to fulfil the obligations. The scope of damage to be reimbursed includes reimbursement of all necessary and reasonable expenses incurred by GEZE, in particular costs and expenses associated with any legal defence.
- 14.5 The supplier undertakes to provide GEZE with a notification including the specific AL, dual use or ECCN number without request to do so, if the goods to be delivered or their components are listed in export list part 1, section A or B, in Annex I, II and IV of the EC dual use directive, or the CCL (US).
- 14.6 GEZE shall be entitled to terminate the agreement by extraordinary means if there are facts justifying the suspicion that the supplier has violated national, European or US export control regulations in conjunction with carrying out contractual services for GEZE, in particular European or US sanctions lists and other personal embargoes.

15 Other

- 15.1 If a contractual partner ceases to make payments, or if insolvency proceedings are instituted against its assets or out-of-court composition proceedings are applied for, the other contractual partner shall be entitled to withdraw from the unfulfilled part of the agreement.

- 15.2 The GEZE name or products may be used as a reference or for publicity only with the company's written approval.
- 15.3 Stuttgart is explicitly agreed as the place of jurisdiction for disputes from or in connection with this contract between the parties.
- 15.4 German Law with the exception of the United Nations Convention on Contracts for the International Sale of Goods (CISG) dated 11.04.1980 is applicable to the contractual relationships.
- 15.5 If one or more of the above provisions of this agreement should be or become ineffective or unimplementable, this does not affect the effectiveness of its other provisions.
- 15.6 Other changes and additions to this contract must be made in writing. No contracting party can cite a deviation from the contract as a standard action unless the deviation is put down in writing. There are no oral agreements. If such agreements were concluded before the integration of these General Purchasing Conditions, however, they shall become invalid on integration of these General Purchasing Conditions.
- 15.7 Any GTCs of the contractual partner which differ from, contradict, or supplement these conditions shall apply only with written consent from GEZE. GEZE has no obligation to explicitly object to contractual forms or terms and conditions of contracting partners, even if these general terms and conditions state that their validity is an express condition for conclusion of the business.
- 15.8 Silence from GEZE in response to suggestions, requests or other letters from the supplier does not under any circumstances indicate consent.

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