

# General Terms and Conditions of Purchase

## 1.0 Scope of application

- 1.1 These General Terms and Conditions of Purchase (GTCP) shall apply to every order and all contracts for deliveries and/or services (hereinafter referred to collectively as 'Goods') from the Supplier to CTA AG (hereinafter also referred to as the 'Purchaser').
- 1.2 By accepting an order from CTA AG, the Supplier acknowledges these GTCP and expressly waives the assertion of any general terms and conditions of its own. Any additional or conflicting terms and conditions proposed by the Supplier, in particular terms and conditions of sale and delivery, shall not apply and shall not become part of the contract even if the Purchaser does not expressly reject them.

## 2.0 Quotation, ordering, order confirmation

- 2.1 Quotes from the Supplier shall be free of charge. The Supplier shall expressly point out any deviations from the Purchaser's request for quotation and any ambiguities, omissions or technical specifications contained therein that are liable to affect the suitability of the Goods for their intended purpose or their conformity with the state of the art or with applicable laws and regulations.
- 2.2 Sketches, drawings, specifications, etc. mentioned in the order shall be considered part of the order. If an order is not accepted by the Supplier within 3 (three) working days (in the form of an order confirmation), the Purchaser shall be entitled to cancel it.
- 2.3 The order confirmation must contain the following information as a minimum: the type and quantity of the Goods ordered, the Purchaser's order and article number, the order number, price, country of origin, delivery date, Incoterms and terms of payment.

## 3.0 Delivery and delivery dates

- 3.1 The delivery of Goods must, unless otherwise agreed, take place pursuant to the 'Delivery At Place (DAP) Destination (Incoterms 2020 or most recent version)'.
- 3.2 Agreed delivery dates shall be binding. Delivery periods shall commence with the day on which the Purchaser receives the unconditional order confirmation from the Supplier. If the Goods are not received at the agreed location and on the agreed delivery date, the Supplier shall be automatically in default, without any reminder needing to be issued. The delivery of ordered Goods as partial deliveries or early deliveries shall only be permitted by agreement.
- 3.3 The Supplier shall immediately inform the Purchaser of any circumstances that have occurred, or are likely to occur, which may affect the agreed delivery date, as well as of the expected duration of the delay. If it is clear that the agreed delivery date will not be met, the Purchaser may waive the delivery early and claim damages for non-

performance. In this case, the Supplier shall be obliged to refund all payments already made in addition to all other statutory claims of the Purchaser.

- 3.4 In the event of a delay in delivery for which the Supplier is responsible, the Purchaser shall be entitled to demand a contractual penalty of 2% of the net purchase price per calendar week of delay, up to a maximum of 10% of the net purchase price. The Purchaser reserves the right to claim the contractual penalty until the final payment has been made. Once the maximum contractual penalty has been reached, the Purchaser may, at its discretion, continue with the contract or withdraw from the contract. CTA AG reserves the right to assert claims for damages resulting from the delay.
- 3.5 The delivery of Goods and the provision of services shall take place during the Purchaser's business hours (or the business hours at the place of delivery), unless otherwise requested by the Purchaser. The Supplier shall bear all costs and expenses incurred as a result of failure to comply with the customer's instructions regarding transport or customs clearance.
- 3.6 Force majeure: If a delivery date cannot be met due to force majeure, CTA AG may not bring any claims against the Supplier for any loss or damage caused by the delay for the duration of the event, provided that the Supplier has informed CTA AG immediately and has taken all measures to minimise the damage to CTA AG. Force majeure includes, in particular, natural events, wars, strikes, acts of sabotage, official orders, etc. However, to the extent permitted by law, the following shall not be considered force majeure: events foreseeable at the time of conclusion of the agreement, energy or raw material shortages, operational disruptions, delayed or faulty deliveries and transport issues.

## 4.0 Shipping and packaging

- 4.1 The packaging must be such that the Goods are effectively protected against damage and corrosion during transport and subsequent storage. The Supplier is liable for damage caused by improper packaging.
- 4.2 The delivery note and invoice must have the same form and content. At least one declaration of contents is required for each packaging unit. If the Goods are dispatched in several packaging units, it must be possible to identify each unit individually.
- 4.3 If the Purchaser does not receive the delivery note together with the Goods, it shall be entitled to reject the Goods or to store them at the Supplier's expense and risk until the proper documents are received. This shall also apply in the event of incorrect deliveries and quantity errors.



## 5.0 Incoming Goods inspections

- 5.1 Upon receipt of the Goods, the Purchaser shall inspect solely the packaging units for transport damage and other patent defects, as well as for identity and quantity. If the Purchaser discovers a defect during this inspection, it shall notify the Supplier of this within 30 (thirty) working days. The Purchaser shall have no further obligation to inspect or notify the Supplier; in particular, CTA AG shall not be obliged to carry out an incoming Goods inspection.
- 5.2 The Purchaser reserves the right to reject and refuse to accept any damaged or defective Goods delivered. All consequential costs associated with this shall be borne by the Supplier.

## 6.0 Prices and payment terms, transfer of title

- 6.1 The prices agreed in the order are fixed and may be changed solely by mutual agreement between the parties.
- 6.2 Unless otherwise agreed, a separate invoice shall be issued for each order. Invoices must be sent separately for each delivery. Invoices must comply with the applicable VAT regulations.
- 6.3 The Supplier's invoices must also as a minimum state the order number, the article number, the delivery date and the scope of the delivery, e.g. partial deliveries or outstanding deliveries. Invoices that do not meet the above requirements may be withheld, and the corresponding payment withheld, until a properly issued invoice is submitted.
- 6.4 Unless otherwise agreed, payments shall be made at the discretion of the Purchaser within 2 (two) weeks of receipt of the invoice with a 2% discount or within 60 days, in both cases subject to the proper delivery of the Goods and the associated documentation.
- 6.5 Defects in the Goods shall entitle the Purchaser to withhold a reasonable part of the agreed price until the defects have been remedied.
- 6.6 If the Supplier has undertaken to install or assemble the Goods and no other agreement has been made, the Supplier shall bear all associated costs, such as travelling expenses, accommodation, provision of tools and allowances.
- 6.7 Title to the Goods shall pass to the Purchaser at the earlier of the following two times: a) delivery; or b) advance payment in full.

## 7.0 Claims arising from defects

- 7.1 In the event of a defect, the Purchaser may exercise the following rights at its own discretion: rectification, reduction, cancellation, replacement, price reduction and additional compensation.
- 7.2 After informing the Supplier in advance, the Purchaser shall also be entitled to remedy the defect itself at the Supplier's expense if there is imminent danger or particular urgency.

- 7.3 In the event of a recall action on the part of the Purchaser as a result of defective Goods delivered, the Supplier shall bear all associated costs.
- 7.4 The Purchaser's claims for defects shall lapse 24 months after the transfer of risk, or 48 months in the case of Goods that have been incorporated into an immovable structure in accordance with their intended use. A defect may be reported at any time during the limitation period. If a defect has been remedied, the limitation periods for the repaired or replaced Goods shall begin to run again for half their original duration; however, they shall end at the earliest upon expiry of the original limitation period.

## 8.0 Warranty

- 8.1 The Supplier hereby warrants that the properties and specifications set out in the respective delivery agreements will be observed, and that the Goods delivered by it do not have any defects that impair the functionality, operational reliability or the usual service life under known conditions of use. Irrespective of this, the Supplier hereby guarantees that the Goods to be delivered will be inspected and checked, and that they comply with the recognised rules of technology, statutory regulations and existing regulations and guidelines with regard to execution, occupational safety, fire safety and environmental protection.
- 8.2 The Supplier shall also ensure that the Goods are of such quality that, when used as intended and with due care, they do not pose any risk to life or health.

## 9.0 Liability and insurance

- 9.1 As long as the Supplier is liable to the Purchaser, it must maintain adequate business and liability insurance and provide the Purchaser with corresponding proof of insurance at the Purchaser's request.

## 10.0 Replacement parts

- 10.1 For a period of at least 5 (five) years after delivery of the Goods, the Supplier shall be obliged to supply the Purchaser with replacement parts on competitive terms.
- 10.2 If the Supplier intends to discontinue the production of replacement parts for the Goods delivered to the Purchaser after the expiry of the five-year minimum period pursuant to Section 10.1, the Supplier shall notify the Purchaser of this immediately upon taking the decision to discontinue. This notification must be made at least three months before production is discontinued. In this case, the Purchaser shall be entitled to place a final order for the delivery of replacement parts at standard market conditions within one month of receipt of the notification.
- 10.3 The Purchaser shall also be entitled to obtain any replacement parts required for the Goods that are not covered by an industrial property right of the Supplier directly from the Supplier's subcontractor or any third party.

10.4 The Supplier shall ensure that its subcontractors and Suppliers also fulfil the obligations of Section 10 hereof.

#### **11.0 Supplies, tools, intellectual property rights**

11.1 Documents, tools, drawings, models, samples or materials provided by the Purchaser to the Supplier shall remain the property of the Purchaser and must be returned upon first request or following completion of the order at the latest. If any components or materials provided by CTA AG are culpably damaged or destroyed within the Supplier's area of responsibility, the Supplier's liability shall also extend to the repair or replacement of the components/materials provided.

11.2 The Supplier shall be obliged to use tools provided or paid for by the Purchaser exclusively for the manufacture of the Goods ordered by the Purchaser. The Supplier shall be obliged to handle and store the tools belonging to the Purchaser and located in its plant with the degree of care of a prudent businessman and, at its own expense, insure them at replacement value against fire, water damage and theft.

11.3 All intellectual property rights that arise and are used within the scope of this agreement shall remain the property of the respective rights holder. This includes, but is not limited to, copyrights, trademark rights, patent rights and trade secrets. Unless otherwise agreed in the Agreement, each party grants the other party a non-exclusive, non-transferable licence to use the intellectual property rights solely for the purpose of fulfilling its obligations under this Agreement. Any further use or transfer of intellectual property rights by one party requires the prior written consent of the other party.

#### **12.0 Infringement of third-party property rights**

12.1 The Supplier shall indemnify, defend and hold harmless the Purchaser against all damages, costs, claims and expenses (including court and legal costs as well as the settlements of such claims and actions) incurred by the Purchaser as a result of claims or actions brought by a third party due to the fact that the Goods or their use by the Purchaser or its customer as agreed with the Supplier infringe the industrial property rights or copyrights of this third party. Notwithstanding the above, the Supplier shall not be liable where the infringement results from the manufacture of the delivery item in accordance with CTA AG's instructions, and the Supplier could not have known, despite exercising the care customary in the industry, that following those instructions would lead to an infringement of a third party's industrial property rights or copyrights.

12.2 The parties shall inform each other immediately of any such infringements of third-party rights of which they become aware, including any suspected infringements. The Supplier shall support the Purchaser in its investigations into, defence against or processing of such claims, including by providing any documents required by the Purchaser for that defence.

#### **13.0 Confidentiality, information security**

13.1 The Supplier shall be obliged to treat all information received from the Purchaser in writing, verbally or by inspection as strictly confidential and to use it exclusively for the purpose of performing the contract with the Purchaser, and solely to the extent necessary for that purpose. The duty to confidentiality shall continue to apply even after termination of the Agreement.

13.2 The Supplier shall ensure that all subcontractors or sub-Suppliers who receive the confidential information for the purpose of executing the subcontractor agreement also agree to comply with the Purchaser's confidentiality and non-utilisation obligations.

13.3 The Supplier may neither disclose the fact that it has concluded a contract with the Purchaser nor use the Purchaser's order for advertising purposes without the Purchaser's prior consent.

13.4 The Supplier undertakes to take appropriate technical, organisational and legal measures to ensure the confidentiality, availability, integrity and authenticity of any information received and to protect the data from unauthorised access by third parties

#### **14.0 Protection of personal data**

14.1 The parties undertake to use personal data in accordance with the applicable laws on the protection of personal data, in particular, where applicable, the requirements of the EU General Data Protection Regulation of 4 May 2016 (EU 2016/679; 'GDPR') and to ensure that no unauthorised third parties have access to such personal data without the consent of the data subjects or for any other legal reason.

14.2 The parties shall treat the other party's personal data as strictly confidential and process this data exclusively for contractual purposes. The party processing personal data shall be responsible for the lawfulness of its processing and for safeguarding the rights of the data subjects.

#### **15.0 Supply chain sustainability**

15.1 The Supplier undertakes to take preventive measures, both in relation to its own business operations and in relation to the subcontractors directly employed by it for the provision of services, in order to avoid human rights violations, violations of labour and health and safety regulations and violations of environmental protection regulations in accordance with the applicable laws and regulations by the Supplier itself or by its subcontractors and to identify violations at an early stage. Upon request, the Supplier shall provide the Purchaser with written information about the preventive measures. The Purchaser shall be entitled to inspect the preventive measures taken by the Supplier, either itself or through third parties, once a year during normal business hours and after having given due notice of such inspection.



15.2 Should there be a violation by the Supplier itself or by its directly or indirectly employed subcontractors of human rights or of the provisions on labour, health and safety or environmental protection mentioned under Section 15.1, the Supplier shall immediately work towards taking suitable remedial measures, review the effectiveness of these remedial measures and inform the Purchaser of the violations and the remedial measures taken. The Purchaser's right to extraordinary termination shall remain unaffected.

18.4 No delay or omission by a party in exercising any right, remedy or appeal granted to it under these provisions shall be deemed a waiver of such rights.

18.5 Any communication transmitted by fax or electronically (e.g., via the Internet, including but not limited to electronic data interchange (EDI), e-mail, etc.) shall also be deemed to be 'in writing'.

#### **16.0 Applicable law and place of jurisdiction**

16.1 Cross-border agreements with the Purchaser shall be governed by the UN Convention on Contracts for the International Sale of Goods (CISG) and, for matters not covered by the CISG, by the substantive law of the Purchaser's domicile.

16.2 The exclusive place of jurisdiction for all actions arising from or in connection with an order or any other agreement between the parties shall be the place of business of the Purchaser, whereby the Purchaser shall also be entitled to bring an action before any other court having jurisdiction over the subject-matter of the dispute. In this case, the substantive law applicable at the relevant place of jurisdiction shall apply.

#### **17.0 Compliance**

17.1 The Supplier undertakes to refrain from committing any acts or omissions that could lead to prosecution under regulatory or criminal law (e.g. corruption or antitrust and competition offences). The Supplier shall be responsible for establishing appropriate preventive measures.

17.2 The Supplier undertakes to provide the Purchaser with information on those preventive measures upon written request.

17.3 The Supplier undertakes to inform CTA AG immediately if official investigation proceedings are initiated due to possible corrupt acts or antitrust and competition offences.

#### **18.0 Final clauses**

18.1 Subcontracts for the design or manufacture of the Goods, whether in whole or to a considerable extent, as well as any subcontractors selected by the Supplier shall require the prior approval of the Purchaser. Such subcontracting does not release the Supplier from its liability for the proper fulfilment of the agreement.

18.2 The Supplier may not assign or transfer the rights and obligations arising from a delivery or service agreement to third parties in whole or in part without the prior written consent of the Purchaser.

18.3 Should individual parts of this GTCP be legally invalid, this shall not affect the validity of the remaining provisions. In this case, the parties undertake to agree on an analogous replacement provision that comes as close as possible to the invalid provision and is legally valid. The same shall apply in the event of any omissions.