

General Terms and Conditions of Purchase For services and deliveries

I. Scope GTCP & Definitions

1. These „General Terms and Conditions of Purchase“ (hereinafter referred to as GTCP) shall apply to all procurement contracts of Indu-Sol GmbH (hereinafter referred to as „Client“) for services such as development, programming, services as well as the delivery of goods of any kind. The GTCP apply only if the supplier or contractor is an entrepreneur (§ 14 BGB), a legal entity under public law or a special fund under public law.
2. These GTCP apply exclusively. Deviating, contradictory or additional general terms and conditions of the supplier or contractor shall only become part of the contract insofar as Indu-Sol GmbH has expressly consented to their validity in text form as well as by signing an authorized representative. This consent requirement applies in any case, for example even if the supplier or contractor refers to his general terms and conditions within the scope of the order confirmation and the client does not expressly object to this.
3. Unless otherwise agreed, the GTCP in the version valid at the time of the Customer's order or, in any case, in the version last notified to the Supplier or Contractor in text form shall also apply as a framework agreement for similar future contracts without our having to refer to them again in each individual case.

II. Orders/Changes

1. The contract shall be concluded by an order or order modification of the Customer and a corresponding order confirmation of the Supplier. The supplier is obliged to confirm the order or order change of the customer within a period of 2 working days in text form (order confirmation).
2. The Customer shall be entitled to revoke the order if the Customer does not receive an order confirmation within two working days after receipt of the order by the Supplier.

3. A delayed confirmation by the Supplier shall be deemed a new offer and shall require acceptance by the Customer.

III. Scope of services

1. The agreed services and deliveries shall be understood as „ready for use“, so that the supplier shall take all measures necessary to achieve the contractual purpose and to put/deliver the services/deliveries into a fully functional operating condition without further remuneration, regardless of whether these are expressly mentioned in the contractual documents.
 - a. These include:
 - (1) Use of specialists and qualified employees who are able to fulfill the contractual obligations,
 - (2) State-of-the-art compliance, best product quality, energy efficiency and product safety,
 - (3) Delivery of only brand new unused goods made of the best materials and first-class workmanship,
 - (4) Obtaining any necessary official approvals for the Supplies unless otherwise expressly provided for in text form, and
 - (5) The supplier confirms to be a technical expert and to be fully aware of the technical requirements of the client and its customers.
2. The supplier is responsible for compliance
 - a. All applicable legal and regulatory requirements, including environmental regulations such as minimum wage and employee leasing laws, etc.,
 - b. All applicable import and export regulations, customs and foreign trade regulations.
3. The Supplier is obliged to inform the Customer about all export control regulations, in particular those of the Federal Republic of Germany, the European Union and the United States of America for an export and re-import of deliveries.

IV. Terms of delivery, transfer of ownership, inspection, delay

1. Unless otherwise agreed, delivery shall be DAP customs cleared incl. customs duties according to Incoterms 2020 (to the address specified in the order).
2. The address specified in the order as the place of destination is also the place of performance for the delivery and any subsequent performance (obligation to deliver). Even if shipment has been agreed, the risk shall only pass to us when the goods are handed over to us at the agreed destination.
3. Ownership of the supplies/services shall pass to Customer upon delivery free of any third party rights. If in individual cases a down payment by the Customer prior to delivery has been agreed, the Supplier shall transfer ownership of the supplies/services to the Customer on a pro rata basis according to the payments made in relation to the contract price. In any case, transfer of risk shall not take place before final acceptance or, if the subject matter of the contract does not require acceptance, acceptance of the Supplies at the agreed place.
4. Goods shall only be inspected by the Customer upon delivery with regard to type and quantity as well as externally visible damage, and the goods shall only be accepted as delivered after the corresponding incoming goods inspection.
5. The Customer shall inform the Supplier immediately of any damage/defects detected. The Customer shall notify the Supplier immediately of any damage that is not externally visible. In this respect, the supplier waives the defense of delayed notification of defects.
6. Unless expressly agreed in text form or in accordance with framework agreements, partial deliveries are not permitted.
7. The delivery time specified by us in the order is binding. If the delivery time is not specified in the order and has not been agreed otherwise, it shall be four (4) weeks from the conclusion of the contract.

8. The Supplier shall inform the Customer without delay if the timely delivery/performance of the services is at risk and shall use all possibilities to prevent or reduce any delay.
9. The supplier expressly assures compliance with the delivery dates or schedules for the provision of services.
10. If the Supplier fails to meet the delivery date or other deadline milestones, for whatever reason, with the exception of force majeure or reasons exclusively attributable to the Customer, the Customer shall be entitled, after prior written warning to the Supplier, to a contractual penalty of 1%, up to a maximum of 5%, of the respective order value for each commenced week of the delay in delivery. The contractual penalty shall be set off against the damage caused by delay to be compensated by the Supplier. The Seller reserves the right to prove that no damage at all or only a significantly lower damage has been incurred.
11. A purchase price installment payable upon delivery shall not be due until the corresponding services/deliveries and the associated documentation to be provided by the Supplier have been handed over in full.

V. Force majeure

1. The parties shall not be liable for any delay or non-performance of their contractual obligations caused by force majeure.
2. Force Majeure shall mean circumstances which could not have been foreseen by the affected party at the time of the conclusion of the Contract, which are unavoidable and beyond the control of the affected party and for which the affected party is not responsible, provided that such circumstances prevent the affected party from performing its obligations under the Contract despite taking all reasonable appropriate measures and provided that it notifies the other party of the Force Majeure within five (5) calendar days of its occurrence.

3. In the event of force majeure of temporary duration, the delivery or service deadlines shall be extended or postponed by the period of the hindrance plus a reasonable start-up period.
4. Insofar as the Customer cannot reasonably be expected to accept the delivery or service as a result of the delay, it may withdraw from the contract by means of an immediate written declaration to the Seller.

VI. Investigation and audit

1. During the term of the Contract and for a further seven (7) years after complete delivery or performance of the Services, Supplier shall permit Customer to examine and copy all relevant documents, data and other information relating to the Services and Deliveries and the Contract, grant access to all processes and facilities and permit Customer to inspect and audit the same.
2. The Supplier shall ensure that the Customer can also exercise these rights mentioned under clause 1 with regard to any subcontractors.

VII. Acceptances

1. Insofar as acceptance has been agreed, this shall be decisive for the transfer of risk - even if the terms of delivery deviate in this respect. In all other respects, the statutory provisions of the law on contracts for work and services shall also apply accordingly in the event of acceptance.
2. Acceptance shall take place by formal acceptance with the signing of an acceptance protocol. Acceptance must take place after a successful acceptance test.
3. The use of the delivery or service does not constitute an implied acceptance.

VIII. Invoices/Payments

1. Unless otherwise stipulated in the contract, all prices for trades/services/deliveries are fixed prices

and are not subject to any price adjustment, regardless of the reason.

2. Notwithstanding the payment terms in the order or other agreement, any payment shall be subject to receipt of an auditable invoice, in accordance with applicable legal provisions.
3. The Customer shall be entitled to set off its own claims against claims of the Supplier.
4. We shall be entitled to rights of set-off and retention as well as the defense of non-performance of the contract to the extent provided by law. In particular, we shall be entitled to withhold payments due as long as we are still entitled to claims against the Seller arising from incomplete or defective performance.
5. The agreed price shall be due for payment within 30 calendar days of complete delivery and performance (including any agreed acceptance) and receipt of a proper invoice.
6. Unless otherwise agreed in the individual case, the price shall include all services and ancillary services of the Seller (e.g. assembly, installation) as well as all ancillary costs (e.g. proper packaging, transport costs including any transport and liability insurance).

IX. Defective services/deliveries, warranty, spare parts

1. The supplier represents and warrants that the services/deliveries to be provided comply with the requirements of the contract and the specifications.
2. The warranty period shall be 24 months, beginning with the acceptance of the goods or services and commencing with the complete delivery or provision of services.
3. The warranty period for the defective part or the defective service shall be suspended from the time of notification of the defect until the defect has been completely remedied. For repaired or replaced parts,

the warranty period shall start anew after successful elimination of the defect.

4. The Supplier shall remedy all defects detected and notified within the warranty period at its own expense by repair or new delivery of the defective part of the services/deliveries at the discretion of the Customer.

If the Supplier fails to remedy the defect within a reasonable period set by the Customer, the Customer shall be entitled to withdraw from the contract in whole or in part, to demand a reduction of the purchase price or to remedy the defect itself at the Supplier's expense. The Supplier shall be liable to the Customer for all damages in connection with a defect.

5. The Supplier shall bear the expenses necessary for the purpose of inspection and subsequent performance, in particular transport, travel, labor and material costs and, if applicable, removal and installation costs, even if it turns out that there was actually no defect.

The Customer's liability for damages in the event of an unjustified request for rectification of defects shall remain unaffected; in this respect, liability shall only exist if it was recognized or not recognized due to gross negligence that there was no defect.

6. The Customer shall immediately be entitled, but not obliged, to remedy defects itself at the Supplier's expense if it is unreasonable for the Customer to first request the Supplier to remedy the defect in order to avoid further costs and damage, e.g. due to downtimes at the Customer's or its customer's premises or impending penalties for delay.

7. The supplier shall ensure the supply of spare and wear parts for a period of five (5) years.

8. If the Supplier intends to discontinue the production of spare parts for the products delivered to us with or after the expiry of the aforementioned period, it shall notify us thereof without undue delay after the decision on the discontinuation.

X. Property of the client/provisions

1. All equipment, materials, tools and other supplies owned by the Customer or its end customer and handed over by the Customer to the Supplier („Supplies“) shall remain the property of the Customer. Provisions may not be transferred to any third party without the consent of the Customer in text form. The Supplier shall use the Provisions only for the contractually agreed purpose and shall return all Provisions to the Customer upon request in perfect, usable condition. In the event of termination or cancellation of the contract, the Supplier shall return the Provided Materials within ten (10) working days after the effectiveness of the termination or cancellation of the contract.

2. The supplier shall mark all materials provided as the property of the customer or, if applicable, the end customer and keep them separate from its property. The supplier shall provide sufficient insurance cover against usual risks (e.g. fire, theft, etc.).

3. The Supplier shall inspect all materials provided by the Customer or its end customer immediately upon receipt.

4. If there are no notifications of defects on the part of the supplier, the materials provided shall be deemed to have been accepted in accordance with the specification.

XI. Intellectual property

1. Unless otherwise agreed, all rights of use according to copyright, industrial property rights including any trademark, patent or license rights or other rights or comparable legal positions, which arise during the provision of the services/deliveries according to the concluded contracts, shall pass to the Client immediately upon their creation, without further conditions and without further remuneration. The Client shall be exclusively entitled to use these rights without any restriction in terms of space, time or content. They may also be extended, transferred, revised, adapted, changed, reproduced and published by Customer without Supplier's consent.

2. If the Supplier creates or adapts software during the execution of the contract, the rights of use, industrial property rights and comparable legal positions (pursuant to Section XI. 1.) shall not be limited to the object code, but also to the source code as well as to the documentation for created and adapted software.
3. The Customer shall be granted a non-exclusive, non-revocable, unrestricted, transferable right to use all industrial property rights, copyrights or comparable legal positions of the Supplier which already existed prior to the execution of the contract, insofar as this is necessary for the use of the supplies/services and the copyrights and industrial property rights and comparable legal positions described in Clause XI. 1.
4. The use of the services/deliveries shall not be remunerated separately. The client is entitled to apply for a patent for patentable work results.
5. The supplier guarantees that the deliveries/services do not violate any rights of third parties.
6. The Supplier shall be obliged to indemnify the Purchaser against all claims asserted by third parties against the Purchaser due to such infringement of industrial property rights and to reimburse all necessary expenses in connection with such claim. This shall not apply insofar as the Supplier proves that it is neither responsible for the infringement of industrial property rights nor should have been aware of the infringement at the time of delivery if it had exercised due commercial care.

XII. Secrecy, publication

1. The Supplier undertakes to keep confidential all information which it receives from the Customer in connection with the provision of the supplies/services, such as drawings, plans, layouts, drafts, descriptions, specifications (confidential information),
 - a. Keep them strictly confidential, do not disclose them to third parties, do not make any unauthorized copies, and

- b. To use the confidential information only for the execution of the contract.
- c. Furthermore, the Supplier shall be obliged to return the aforementioned documents to the Customer immediately upon the Customer's request for the purpose of processing the order or dealing with any inquiries relating thereto.

XIII. Cancellation

1. Termination for cause

In the event of a material breach of contract by the Supplier, the Customer may terminate the contract without notice. In addition, the Customer shall be entitled to terminate the contract without notice if the Supplier's financial circumstances deteriorate or there is a risk of such deterioration to such an extent that the fulfillment of the obligations towards the Customer is at risk.

If the Customer so requests after termination, the Supplier shall hand over to the Customer all previous work results including materials, subassemblies, special equipment at the agreed prices or at market prices if no individual prices have been agreed. Payments already made shall be deducted.

XIV. Exemption and insurance

1. If claims are asserted against the Customer in connection with services/deliveries, e.g. due to infringement of third parties or violations of statutory regulations, the Supplier shall indemnify the Customer against such claims upon first request. In addition, the Supplier shall reimburse the Customer for all costs and expenses incurred in this connection, in particular attorney's fees and court costs.
2. The Supplier shall take out insurance against all liability risks arising in connection with the contract up to an amount of at least EUR 5 million per claim with a reputable insurance company and shall provide the Customer with a corresponding insurance certificate upon request.

XV. Other provisions

1. Changes

Amendments, supplements or cancellation of these GTCP or the contract shall only be effective if they are made in text form and signed by both parties by authorized representatives (e-mail is sufficient). This also applies to amendments to this provision.

2. Applicable law

These GTCP and the contract, as well as all rights and obligations in connection therewith, shall be governed by German law, excluding the conflict of laws rules and the UN Convention on Contracts for the International Sale of Goods.

3. The place of jurisdiction is Gera, Germany.

Notwithstanding the foregoing, all disputes arising between the Customer and a Supplier domiciled outside the EU, Norway, Switzerland or Iceland shall be finally and exclusively settled by arbitration in accordance with the Rules of Arbitration of the International Chamber of Commerce (ICC Rules). The seat of the arbitration court shall be Gera, Germany.

4. Assignment

The Supplier shall be entitled to assign rights under this Contract or to subcontract contractual duties and tasks without the prior consent of the Customer in text form. The Customer shall be free to decide on the consent. No assignment shall release the Supplier from its obligation under this contract.

5. Waiver

If the Client does not exercise rights arising from these GTCP or the contract, this shall not be regarded as a waiver. An express waiver of a contractual right shall only be effective for the specific individual case to which it relates.

6. Severability clause

If any provision of these GTP is found to be incomplete, illegal or unenforceable, the remaining provisions shall remain in effect as long as the essential provisions are complete, legal and enforceable and reflect the original commercial intent of the parties. This shall also apply if the contract proves to be incomplete.

7. Change in ownership structure

The Supplier shall notify the Customer without undue delay of any material change in its shareholder/owner structure or that of its parent company („Change of Control“). In the event of a „Change of Control“, Customer shall be entitled to terminate the contract without notice.

8. Completeness

These AEB and the contract embody the complete and final agreement between the parties with regard to the described scopes. Any previous verbal agreements or agreements in text form, contracts, statements or understandings are superseded hereby if they are not expressly incorporated in this contract.