

Standard Terms and Conditions of Purchase

EKATO

§1 General / Applicability

- (1) These terms and conditions apply only to transactions with companies.
- (2) They have exclusive validity for all—including future—orders placed by FLUID Misch- und Dispergiertechnik GmbH (hereinafter referred to as 'Purchaser'). Any terms and conditions of Supplier that are contrary or supplementary to these shall only apply if Purchaser expressly agrees to them in writing.
- (3) Only orders placed in writing or agreements made in the written form shall be binding. In particular, our employees are obligated to confirm in writing any verbal agreements or commitments that go beyond the content of the written contract or amend these Terms and Conditions of Purchase to our detriment.

§2 Purchase orders

- (1) Purchase orders must be accepted by Supplier in writing within seven calendar days by its returning a signed copy of the order to Purchaser.

§3 Documentation / Supplier declarations / Certificates of origin

- (1) Supplier shall furnish Purchaser all necessary supplier declarations, certificates of origin, preference certificates and any other documentation essential to the execution of the purchase order without further request.
- (2) All the required test and inspection certificates, attestations and other documents specified in the purchase order are considered an integral part of the order. This documentation must be sent as defined in the purchase order with the corresponding FLUID purchase order and item numbers clearly stated.

§4 Prices / Conditions of payment

- (1) The agreed prices are fixed prices to include packing, DAP named place of destination (INCOTERMS® 2020) as specified in the purchase order.
- (2) The statutory value-added tax must be stated separately if applicable.
- (3) Payment is within 14 days at a 3% discount or within 30 days strictly net. The period of credit commences with the delivery of the goods or services duly complete with all documentation as set forth in §3, but not before the agreed delivery date.
- (4) Invoices must state the purchase order and item numbers specified by Purchaser. Supplier shall be responsible for all consequences arising from failure to comply with this requirement.

§5 Delivery date / Delayed delivery

- (1) The agreed delivery dates or periods are binding. Delivery shall only be deemed to be punctual if the complete documentation as set forth in §3 has also been furnished.
- (2) Should Supplier at any stage estimate that punctual delivery of some or all of the goods or services will not be possible, Purchaser must be informed immediately, with the reasons for the delay and its estimated duration being stated.
- (3) In the event of delayed delivery, Purchaser shall be entitled to claim a penalty of 0.5% of the agreed purchase price for each week or part of a week of delay. This penalty, which shall not exceed 5% of the agreed purchase price, may be claimed until the final payment is made.
- (4) Supplier has the right to demonstrate that the delay causes no loss or a smaller loss than that asserted.
- (5) If the delay is due to Purchaser not having furnished essential documentation in good time, Supplier shall only be entitled to invoke this as reason if Purchaser had been previously reminded thereof in writing.

§6 Packing

- (1) The goods to be supplied must be packed appropriately to commercial standards or to special standards requested and specified by Purchaser.
- (2) Transportation packing materials must be taken back by Supplier free of charge.

§7 Passing of risk / Shipping

- (1) Risk shall pass to Purchaser at the place of destination named in the purchase order (DAP as per INCOTERMS® 2020). This shall apply also when, in exceptional cases, Purchaser's own logistics personnel are involved. If an acceptance inspection has been agreed or is a regulatory requirement, risk shall pass to Purchaser

on successful completion of the inspection at Purchaser's premises. If an inspection at Supplier's premises has been agreed, this shall only be considered a preliminary inspection solely to release the goods for transportation.

- (2) Purchaser shall be entitled to specify the mode of transportation and the freight carrier. Failing this, Supplier is obligated to select the mode of transportation that is the most favorable for Purchaser while being appropriate for the goods concerned.
- (3) A delivery note stating Purchaser's exact order number, the number of articles and their description must be included with each consignment shipped. Supplier shall be responsible for any delays arising from failure to comply with this requirement.

§8 Force majeure

- (1) Impediments to performance shall relieve Purchaser of all obligations, such as receipt of goods, for the duration of the impediment and the extent of its impact. Strikes, lockouts, acts of God, civil unrest, acts of war or terrorism, actions by the authorities or other unforeseeable, unavoidable and critical events constitute such impediments to performance.

§9 Inspection of goods / Liability for defects

- (1) Supplier shall carry out a thorough inspection of the goods before shipping. If Supplier is also the manufacturer of the goods, it must also carry out appropriate inspections at every stage of manufacture. The inspection by Purchaser's Receiving Department is limited to checks for obvious defects, transportation and packing damage visible externally, and verification of identity and quantity by comparing Supplier's delivery notes with the purchase order documentation. There is no further obligation to inspect the consignment. Purchaser will notify Supplier immediately of any defects thus identified. Supplier thereby waives the defense of the delayed notification of defect.
- (2) If an acceptance inspection has been agreed or is a regulatory requirement, the final acceptance inspection at Purchaser's premises means that no prior inspection in Purchaser's Receiving Department will take place.
- (3) Supplier warrants that the goods, on handing over to Purchaser or Purchaser's customer, are free of all defects of quality or title, and comply with the generally recognized state of the art, the applicable laws, safety and accident prevention regulations, and the generally accepted technical and quality assurance standards (e.g. DIN, VDE, VDI, TÜV, explosion protection regulations of the German Social Accident Insurance Institutions). If these standards are interpreted differently, the German version shall prevail.
- (4) Purchaser shall be entitled, at its discretion, to require either repair or replacement delivery of any defective goods. Supplier may only refuse to provide the remedy selected by Purchaser if this is possible only at disproportionate expense. All expenditure incurred in the execution of the remedy, in particular the costs of transportation, travel, labor and material, together with the cost of inspection work exceeding its normal extent, shall be borne by Supplier.
- (5) If a reasonable period of grace has elapsed without satisfactory remedy—or reasons of particular urgency preclude setting such a period—Purchaser shall be entitled, after duly advising Supplier thereof, either to remedy the defects itself, have a third party remedy them or procure replacements elsewhere. The costs thus incurred shall be borne by Supplier, unless it is not responsible for the defects.
- (6) If part consignments are defective, and no satisfactory remedy has been effected, Purchaser shall be entitled to withdraw from the entire purchase contract if the outstanding consignments are no longer of interest.
- (7) Supplier shall bear all expenditure for the purposes of rectifying defects or furnishing replacements at the respective locations where the goods are to be used. Purchaser shall inform Supplier of the locations concerned on request.
- (8) The period of limitation for claims arising from defects is 36 months. For civil works and building materials, the statutory periods of limitation shall apply. The period of limitation commences with the passing of risk.
- (9) The period of limitation of warranties for properties and durability, pursuant to Sections 195 and 199 of the German Civil Code, is 36 months from the end of the year in which the claim is filed.
- (10) If Supplier rectifies or replaces goods delivered with defects, the period of limitation in respect of those defects shall recommence, unless the remedy involves an insignificant expenditure or results from the explicit goodwill of Supplier.
- (11) In all other matters, the statutory provisions shall apply.

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§10 Liability / Insurance

- (1) In the event that a product liability claim is filed against Purchaser, Supplier undertakes to indemnify Purchaser from such a claim at the first written request, provided that the violation was caused in full or in part by a defect in the product from Supplier. In cases of fault-based liability, however, this shall not apply if Supplier is not at fault.
- (2) If the cause of the damage lies within Supplier's area of responsibility, the evidence that the fault caused the damages shall be sufficient; in general the burden of proof shall lie with Supplier.
- (3) In all cases, Supplier shall bear the costs and expenses proportionate to its share of responsibility or fault, including the costs of any legal action or product recall campaigns; this shall also apply to discernable or impending epidemic failures.
- (4) Supplier shall bear the cost of damages arising from noncompliance with this condition of purchase, unless it is not responsible for such noncompliance. Moreover, Supplier shall be liable for all culpable conduct by its employees or contractors.
- (5) Supplier agrees to maintain at its own expense commercial general liability insurance with an appropriate level of cover of at least 5 million euros. Upon request, Supplier shall provide Purchaser with certificates of such insurance.

§11 Tooling / Provision of materials

- (1) Tools or other manufacturing equipment (hereinafter jointly referred to as 'Tooling') manufactured by order of and paid for by Purchaser shall become property of Purchaser upon full payment, so that instead of a transfer of ownership, Supplier loans the Tooling from Purchaser. Supplier shall store the Tooling belonging to Purchaser separately from other items not belonging to Purchaser. Purchaser's ownership must be marked on the Tooling items themselves and duly recorded in the accounting documents. Purchaser shall be entitled to have the Tooling returned at any time upon request. Supplier must not use the Tooling for its own purposes or make it accessible to third parties.
- (2) Supplier shall instigate at its own expense all necessary maintenance and inspection measures in good time, and shall inform Purchaser immediately of any malfunction.
- (3) Purchaser shall retain ownership of all materials provided 'free issue' to Supplier. Supplier shall store said materials separately from other items not belonging to Purchaser. They must be clearly identifiable and labelled as property of Purchaser. The materials may only be used as specified and must be returned to Purchaser if no longer needed for executing the order.
- (4) Supplier shall inform Purchaser in writing of all defects in the free issue materials immediately on taking delivery of them. Accidental deterioration or loss of the materials shall be at the risk of Supplier for as long as they are in Supplier's custody.
- (5) After the free issue materials have been processed, Purchaser shall acquire co-ownership of the manufactured item in proportion to the value of the materials.
- (6) Purchaser is obligated to insure the tooling and free issue materials at its own expense against losses due to fire, water and theft, with adequate cover for their replacement costs.

§12 Intellectual property and proprietary rights

- (1) Purchaser shall retain all property rights and copyright on all technical drawings and other documentation made available to Supplier.
- (2) Supplier may not itself utilize those products manufactured using Purchaser's designs (in the form of drawings, models or similar), confidential data or tooling, nor may such products be offered or supplied to third parties.
- (3) Documentation and articles of all descriptions, such as samples, drawings, tooling, models or similar, that Purchaser has made available to Supplier, must be returned without further request and free of charge to the Purchaser as soon as they are no longer needed to execute the purchase order. Supplier may not itself utilize Purchaser's documentation, nor may this be made accessible to third parties.

§13 Confidentiality

- (1) Unless a more stringent confidentiality agreement has been specially concluded, Supplier shall be obligated, as a minimum requirement, not to disclose to third parties any particulars of purchase orders, such as quantities, technical details, conditions, etc., or any further information of a confidential nature, in particular the documentation specified in §12, that it has knowingly or inadvertently received from

Purchaser, and only to use such information for the execution of the order.

- (2) Supplier shall refer to its business relationship with Purchaser in its advertising only if the latter has expressly agreed to such in writing.

§14 Property rights / Data protection

- (1) Supplier shall ensure that no rights of a third party are violated through the manufacture, sale and intended use of the goods and services it provides. This shall apply equally at the place of use of the final product, which Purchaser will advise on request if not already specified in the purchase order.
- (2) If Purchaser is held liable by a third party because of a violation of its intellectual property, Supplier shall be obligated to indemnify Purchaser from these claims on first demand by the latter.

Purchaser shall be entitled, with due regard for the EU General Data Protection Regulation (GDPR) and other relevant data protection regulations, to save and process for its own purposes all data received from Supplier in connection with the execution of the purchase contract. Purchaser primarily saves company-specific data such as addresses, business telephone numbers, names of contact persons, tax numbers, business bank account data, article-specific data and the data concerning business procedures (quotations, acknowledgements of orders, delivery notes, invoices, etc.). The data are used for the purpose of conducting the business transactions and are saved. Article 6(1)(b) of the GDPR constitutes the legal basis for this. The data are only used for other purposes or made available to third parties if the explicit consent of the data subject has been obtained, or if this is necessitated for the execution of the contract or justified by the legitimate interests of Purchaser. The data are erased when their continued retention is no longer necessary for the above purposes and their erasure does not contravene the legally mandated retention period.

The e-mail addresses of Suppliers are used in order to send brochures, quotations, updated price lists and invoices as PDF files. Article 6(1)(f) of the GDPR constitutes the legal basis for this. According to the statutory provisions, Suppliers are entitled to assert the following rights: information, rectification, data portability, erasure, restriction of processing, lodging of complaints with the responsible data protection supervisory authority, the Data Protection Officer for the State of Baden-Württemberg. The data held by Purchaser are protected against unauthorized access. Suppliers with concerns about data protection can e-mail Purchaser's data protection officer at this address: datenschutz@ekato.com.

§15 Place of performance / Place of jurisdiction / Applicable law

- (1) The place of performance for all payments is Schopfheim, Germany; the place of performance for all deliveries and services is the destination specified in the purchase order.
- (2) The place of jurisdiction is the court responsible for Purchaser's registered office, but Purchaser shall also be entitled to have recourse to the court responsible for Supplier's registered office.
- (3) German law shall apply.

§16 Minimum wage

- (1) Supplier shall ensure that all persons whom it deploys in the performance of its obligations receive the statutory minimum wage, and it shall provide Purchaser with evidence of this on request by giving access to or submitting the corresponding documentation on wages and salaries, rendered anonymous where necessary, or other proof indicating proper payment of wages. Insofar as Supplier uses a subcontractor in the performance of its contractual obligations, the latter shall be placed under a similar obligation.
- (2) In the event that an employee of Supplier brings a claim against Purchaser for failure to pay sufficient wages, Supplier shall indemnify Purchaser on first demand.

§17 Conflict minerals

- (1) Supplier shall ensure that it furnishes Purchaser with no products that contain so-called 'conflict minerals' from the Democratic Republic of Congo and its adjoining countries Angola, Burundi, Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda and Zambia, the so-called 'Covered Countries' or 'DRC countries'.
- (2) Supplier shall check whether it incorporates conflict minerals as set forth in the Dodd-Frank Act in its products. If this be the case, Supplier shall duly inform Purchaser without further request and provide additional information when called upon to do so.