

**General Terms and Conditions of Purchase
of Korrodin GmbH & Co. KG
(hereinafter referred to as "KORRODIN")
No. 05/2023 – Version of May 2023**

I. Scope of application

1. These Terms and Conditions of Purchase shall apply exclusively unless expressly agreed otherwise in writing. They shall apply to all business relationships with contractual partners and suppliers to the extent that these are companies in accordance with Section 310, subsection 1 of the German Civil Code [*Bürgerliches Gesetzbuch, BGB*]. KORRODIN shall not acknowledge any adverse terms and conditions of the supplier or terms and conditions deviating from those of KORRODIN unless KORRODIN has expressly consented to their application.
2. These Terms and Conditions of Purchase shall apply even if KORRODIN accepts a delivery without reservation while being aware of adverse or deviating terms and conditions of the supplier. The delivery of a delivery item without reservation shall be considered – irrespective of any previous objections and deviating conditions – as acknowledgement of KORRODIN's Terms and Conditions of Purchase.

The Terms and Conditions of Purchase (as amended) shall apply as framework agreement also to any future contracts governing the sale and/or the purchase of movable items and/or services with the same supplier without the need for KORRODIN to make aware of them again in each individual case; the respective current version of the Terms and Conditions of Purchase can be retrieved at www.Korrodin.biz.

3. Individual agreements reached with the supplier in individual cases, e.g. framework agreements and quality assurance agreements as well as written ancillary agreements, supplements and amendments thereto, shall have priority over these General Terms and Conditions of Purchase.

II. Purchase orders

1. Orders and call-offs shall be required to be made in text form (no personal signature required) unless otherwise agreed in an individual case.
2. The supplier shall be obliged to accept any purchase orders by KORRODIN within a period of two weeks after their receipt. If a change regarding the quantity, price or delivery date becomes necessary, the Supplier shall announce this in writing. KORRODIN hereby reserves the right to accept that change.
3. The supplier shall make KORRODIN aware of any obvious errors (such as spelling and calculation errors and incompleteness of the purchase order including the order documents) for the purpose of correcting or completing the documents before the acceptance.

III. Duties to provide information

Prior to changes of materials and supplier parts for products or changes of services, the relocation of production sites, and also changes to procedures or equipment for testing the parts or changes to other quality assurance measures, the supplier shall be obliged to inform KORRODIN in due time so that KORRODIN will be able to examine whether the changes may adversely affect the product.

IV. Data protection / obligation to maintain confidentiality

1. The supplier shall be obliged to comply with the data protection regulations and to submit a data protection declaration to Korrodin. Korrodin shall treat the data in accordance with their own data protection declaration.
2. All records provided by KORRODIN including drawings, sketches and samples shall be in the sole ownership of KORRODIN. The supplier shall undertake to not make them available to third parties, to use the documents and samples exclusively for the fulfilment of the relevant purchase order, to not to reproduce the records, to handle and to store the records and samples with care and to return them completely to KORRODIN immediately after the execution of the order.
3. In particular, the supplier shall maintain confidentiality, even after the processing of the relevant order, with regard to the information concerning production processes obtained from KORRODIN in this context and shall not use it for their own production or deliveries to competitors of KORRODIN.

4. The supplier shall be obliged to refrain from registering industrial property rights on the basis of the records provided by KORRODIN.
5. The supplier may not use themselves nor offer or deliver to third parties any products produced on the basis of the records developed by KORRODIN (such as drawings, models or the like) or on the basis of confidential information from KORRODIN.

V. Passing of the risk of accidental deterioration, destruction or loss; place of performance

1. The supplier shall, in any case, bear the risk of the accidental deterioration, destruction or loss until the arrival of the goods at the point of reception designated by KORRODIN. The risk of the accidental deterioration, destruction or loss shall pass to KORRODIN, in principle, upon the handover of the goods to the point of reception designated by KORRODIN. The fact that KORRODIN is in default in acceptance shall be equivalent to the handover or acceptance.
2. The goods shall be delivered within Germany to the place indicated in the purchase order.
3. The respective destination shall also be the place of performance. If the parties have not expressly agreed upon a place of performance, the registered office of KORRODIN shall be deemed to be the place of performance.

VI. Reservation of title

1. The title to the goods shall immediately pass to KORRODIN upon the handover of the goods.
2. KORRODIN shall not acknowledge any reservation of title.
3. However, if KORRODIN accepts, in an individual case, an offer from the supplier regarding the transfer of the title that is conditional on the payment of the purchase price, the supplier's reservation of title shall lapse at the latest upon the payment of the purchase price for the delivered goods.

VII. Prices and fees

1. The price indicated in the purchase order shall be binding. Unless otherwise agreed in an individual case, the price shall include all services and ancillary services of the supplier as well as all ancillary costs (e.g. for proper packaging, transportation costs including any possible transportation and liability insurance).
2. The supplier shall take back packaging materials upon our request and at their own expense.

VIII. Partial deliveries, short and excess deliveries

1. Partial deliveries shall not constitute a completed performance unless they are approved by KORRODIN. The acceptance of a partial delivery shall not constitute such an approval.
2. In cases of short deliveries in the amount of a maximum of 5% per item, KORRODIN shall be permitted to accept the delivery and to cancel the remainder of the delivery that is missing.
3. KORRODIN hereby reserves the right to send back excess deliveries at the supplier's expense.

IX. Delivery date, contractual penalty

1. The delivery time indicated by KORRODIN in the purchase order shall be binding. The supplier shall undertake to meet the agreed delivery date. As soon as the supplier becomes aware of delays, they shall notify KORRODIN of this while stating the reasons and expected additional time required for the delivery.
2. If the agreed deadlines are not met by the supplier, irrespective of the reason for this, KORRODIN shall be permitted – regardless of further statutory claims and at KORRODIN's option – to rescind the relevant contract and to obtain a replacement from a third party and/or to claim compensation on the basis of the non-performance. It shall not be required for that purpose to set a grace period while providing a warning of possibly refusing the acceptance of the delivery.
3. The supplier shall reimburse all additional costs incurred due to delayed deliveries and services. The acceptance of the delayed delivery or service shall not constitute a waiver of claims for compensation.
4. KORRODIN hereby reserves the right to assert further claims for damages. The supplier shall have the right to prove that KORRODIN has incurred no damage or only significantly less damage.

5. Deliveries prior to the agreed date shall only be permitted with KORRODIN's consent. KORRODIN hereby reserves the right to return goods delivered prior to the agreed date or to value the respective invoice and to charge the supplier for any costs of warehouse rent and any stock transfer costs incurred, respectively.

X. Delivery

If specified in our purchase orders, goods shall be delivered exclusively in accordance with KORRODIN's transportation and packaging instructions for suppliers.

XI. Payments

1. Unless otherwise agreed, payments shall be made 30 calendar days after the delivery and/or service and receipt of a proper invoice, with the deduction of an early payment discount in the amount of 3%, or the total invoice amount without any deductions shall be paid 60 calendar days after the delivery. Deducting the early payment discount shall be permitted even in the case of a setoff or when exercising a right of retention.
2. The payment period shall commence after KORRODIN received the goods and the invoice. If this date should be a statutory bank holiday or a weekend, the period shall commence on the following working day.

XII. Origin of the goods, preferences, regulations regarding the international transport of goods

1. The supplier shall be obliged to provide a long-term supplier's declaration regarding all items delivered by the supplier to KORRODIN in which the supplier confirms the preferential origin status of the goods ("goods with EU preferential origin status" or "goods without EU preferential origin status"). In the case of a non-compliance with this obligation or in the case of incorrectly issued declarations, the supplier shall be liable in relation to KORRODIN for any damage arising therefrom.
2. The supplier shall undertake to examine whether their products are subject to prohibitions, restrictions and/or authorisation requirements in international goods traffic and, if applicable, to mark them accordingly and unambiguously with comprehensible information in their quotations, order confirmations and all documents accompanying the goods.
3. If the supplier fails to comply with the obligation set out above, the supplier shall be liable for any damage possibly resulting from this failure on the part of KORRODIN, including subsequent demands of foreign import duties, fines and the like. Key for stating the goods' origin: D = third country / E = EU / F = EFTA.
4. The supplier shall undertake to indemnify KORRODIN against claims by third parties.

XIII. Warranty

1. Unless otherwise specified below, the statutory provisions shall apply in the case of defects of quality or title of the goods (including incorrect and short deliveries as well as improper assembly and incorrect assembly and operating instructions) and in the case of other violations of duty by the supplier.
2. In accordance with the statutory provisions, the supplier shall be liable, in particular, for the goods having the agreed condition when the risk of the accidental deterioration, destruction or loss passes to KORRODIN. In any case, the product descriptions that have become a subject matter of the relevant contract – in particular due to a designation or reference in the purchase order – or which have been included in the relevant contract in the same way as these Terms and Conditions of Purchase shall be deemed to constitute an agreement on the condition of the goods.

The supplier shall warrant the faultlessness of the delivery item with regard to design, fabrication and material as well as compliance with defined specifications and the existence of defined properties.

3. Deviating from Section 442, subsection 1, sentence 2 of the German Civil Code, KORRODIN shall be entitled to claims based on defects without any restrictions even if KORRODIN remained, due to gross negligence, unaware of the defect at the time of the conclusion of the relevant contract.
4. The statutory provisions shall apply to the commercial obligations to inspect the goods and to make complaints (Section 377 of the German Commercial Code [*Handelsgesetzbuch, HGB*]), with the following proviso: KORRODIN's obligation shall be limited to defects that become apparent during the incoming goods inspection with external examination, including the inspection of the delivery documents, as well as during our quality control using a sampling procedure (e.g. damages in transit, incorrect and short deliveries). The obligation to make complaints regarding defects that have been detected subsequently shall remain unaffected. In any case, a notification of a defect shall be considered as submitted by KORRODIN without

delay and in due time if the supplier receives it within two weeks.

5. KORRODIN's liability for damages in the case of unjustified claims for removals of defects shall remain unaffected; in this respect, however, KORRODIN shall be liable only if KORRODIN was aware (or not aware due to gross negligence) of the fact that no defect existed.
6. If the supplier fails to meet their obligation to render a supplementary performance – at KORRODIN's option by removing the defect (supplementary performance) or by delivering a defect-free item (replacement delivery) – within an appropriate period set by KORRODIN, KORRODIN shall be permitted to remove the defect themselves and claim from the supplier the reimbursement of the expenses necessary for that purpose or a corresponding advance payment, respectively. If the supplementary performance by the supplier has failed or if it is unreasonable for KORRODIN (e.g. due to particular urgency, danger to operational safety or imminent occurrence of disproportionate damage), setting a time-limit shall not be required; the supplier shall be notified without delay and, if possible, in advance. The supplementary performance shall constitute the acknowledgement of a contractual obligation.
7. If there is a defect of quality or title, KORRODIN shall additionally be permitted to reduce the purchase price or to rescind the relevant contract in accordance with the statutory provisions. Furthermore, KORRODIN shall be entitled to the reimbursement of expenses and to damages in accordance with the statutory provisions. KORRODIN's entitlements under a warranty and/or guarantee shall become statute-barred 30 months from the handover of the goods unless a longer statutory or contractual period applies. The warranty and/or guarantee period shall commence again when a supplementary performance has been completed.
8. The supplier shall observe the generally accepted engineering standards and the statutory and administrative regulations applicable in each case (in particular, DIN, VDE, VDI, DVGW). At the delivery date, the goods must comply with all applicable statutory and administrative regulations including those of the German Product Safety Act [*Produktsicherheitsgesetz, ProdSG*] and environmental regulations and shall meet the accident prevention regulations. If the supplier delivers hazardous substances as defined by the German Hazardous Substances Ordinance [*Gefahrstoffverordnung, GefStoffV*] or products during the use of which the release of such substances cannot be ruled out, the supplier shall provide, without being requested to do so, to KORRODIN or KORRODIN's service provider the data required for drawing up the EC safety data sheet (Section 14 of the German Hazardous Substances Ordinance).

XIV. Recourse against the supplier

1. In addition to claims based on defects, KORRODIN shall be entitled without restrictions to the statutory claims of recourse within a supply chain (recourse against the supplier in accordance with Sections 478 and 479 of the German Civil Code), irrespective of whether a purchase of consumables is concerned. KORRODIN shall, in particular, be permitted to demand exactly the type of supplementary performance (subsequent improvement or replacement delivery) from the supplier that KORRODIN owes to their purchaser in an individual case. The statutory right to choose (Section 439, subsection 1 of the German Civil Code) shall not be restricted thereby.
2. Prior to acknowledging or fulfilling a claim based on defects (including a claim for the reimbursement of expenses in accordance with Sections 478, subsection 3 and 439, subsection 2 of the German Civil Code) asserted by their customer, KORRODIN shall notify the supplier, describe the facts briefly and shall request a written statement. If the supplier fails to submit a statement within an appropriate period and KORRODIN and the supplier do not reach an amicable solution, the fulfilment of the claim based on defects actually recognised by KORRODIN shall be deemed to be owed to KORRODIN's customer; in such a case, the supplier shall be responsible for providing evidence to the contrary, if applicable.
3. KORRODIN's claims arising under the recourse against the supplier shall apply even if the goods have been further processed by KORRODIN GmbH or by one of our customers (e.g. by being installed into another product) prior to their sale to a consumer.

XV. Producer's liability

1. The supplier shall indemnify KORRODIN against all claims arising from the producer's liability that are attributable to a defect in the product supplied by the supplier.
2. In addition, the supplier shall be liable for any damage that is attributable to the supplier (such as recall measures) and that arises on the part of KORRODIN as a result of reasonable precautionary measures against claims arising from non-contractual liability.
3. The supplier shall undertake to maintain a product liability insurance with an insured – lump – sum amounting to EUR 10 million per personal damage/property damage. If KORRODIN is entitled to further claims for damages, these shall remain unaffected. The supplier shall submit to KORRODIN, upon request, a duplicate of the valid insurance contract.
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XVI. Passing of the title

The title to the delivered goods shall pass to KORRODIN when it is handed over at the destination.

XVII. Force majeure

Strikes, lockouts, operational disruptions, official orders and other cases that KORRODIN is not responsible for that result in a reduction in consumption shall be considered as force majeure and shall permit KORRODIN to rescind the relevant contract.

XVIII. Protective rights

In the case of a culpable infringement of industrial property rights, the supplier shall indemnify KORRODIN and their purchasers against any claims asserted by third parties and based on related infringements of copyrights, rights related to goods, trademark rights, design rights and patents unless KORRODIN designed the delivery item.

XIX. Supply chain law – Code of Conduct

The supplier shall undertake to acknowledge and comply with KORRODIN's Code of Conduct and any obligations arising from the German Supply Chain Act [*Lieferkettensorgfaltspflichtengesetz, LkSG*]. The supplier shall notify KORRODIN without delay when having become aware of violations of the requirements arising from the German Supply Chain Act. The supplier shall undertake to implement the requirements arising from the German Supply Chain Act for their own business operations and to impose these requirements on their direct suppliers.

XX. Certificates, environmental protection

KORRODIN maintains an environmental management system in accordance with DIN EN ISO 14001 and is certified, regarding the production, in accordance with the standard DIN ISO 9001. Environmental protection has a high priority within KORRODIN's understanding of quality. For that reason, KORRODIN expects a corresponding environmental awareness also from their suppliers. For our supplier evaluation, our supplier shall submit to us all quality, production and environmental certificates that the supplier has obtained. The proven current certifications of our suppliers shall influence their evaluation.

XXI. Regulation (EC) No 1907/2006 (REACH)

1. The supplier shall be responsible for the fact that the products delivered by them comply with the provisions of the Regulation (EC) No 1907/2006 on the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH Regulation). The substances contained in the supplier's products shall be – if required under the provisions of the REACH Regulation – pre-registered or registered after expiry of the transitional periods unless the relevant substance is exempt from registration. Suppliers that have their registered office in non-EU member states shall undertake to appoint an Only Representative (OR) (in accordance with Article 8 of the REACH Regulation) that is based in the EU and the name and address of which must be provided to us. The OR shall assume all registration obligations and other obligations of the supplier in accordance with the REACH. If the OR has carried out a pre-registration or registration, this must be communicated to us while stating the registration number. The supplier must inform us immediately if the OR changes or discontinues the OR's activities. The supplier shall hereby assure that the products delivered by the supplier do not contain any substances indicated on the so-called Candidate List in accordance with Article 59 (1, 10) of the REACH Regulation. The supplier shall undertake to notify KORRODIN without delay and in writing if – irrespective of the reason – products supplied by the supplier contain substances indicated on the Candidate List; this shall apply in particular in the case of an extension of/addition to the candidate list. The supplier shall indicate the designation of the individual substances and shall state the mass percentage rate as precisely as possible. The supplier shall further undertake to ensure that the products supplied by the supplier fulfil all requirements of the Regulation (EC) No 1272/2008 (CLP Regulation). In particular, the non-EU suppliers shall be responsible for ensuring that their OR has submitted the notification to the classification and labelling inventory (in accordance with the Articles 39 to 42 of the CLP Regulation) regarding the products supplied.
2. If the supplier infringes one of the aforementioned obligations, we shall be permitted at any time to cancel the corresponding purchase order without delay and to refuse to accept the corresponding delivery without incurring any costs as a result of this. Any existing claims for damages shall remain unaffected by this; cancellations or refusals of acceptance shall not constitute a waiver of any claims for damages.

XXII. Place of jurisdiction, applicable law, agreement regarding arbitration

1. The German version of the relevant contracts shall be legally binding. The contracts shall be governed by German law; the UN Convention on Contracts for the International Sale of Goods shall be excluded.
2. The place of jurisdiction regarding all disputes arising from any contract shall be KORRODIN's place of business if the supplier is a registered businessperson, a legal person under public law or a special fund under public law. KORRODIN shall also be permitted to bring an action at the supplier's place of business.
3. All disputes arising in connection with any contract that includes these Terms and Conditions or with regard to its validity shall be finally settled in accordance with the Rules of Arbitration of the Chamber of Industry and Commerce of Frankfurt am Main; the recourse to the ordinary courts of law shall be excluded. However, the judicial dunning procedure shall remain admissible. The place of arbitration shall be Nuremberg. The language of the arbitration proceedings shall be German. The applicable substantive law in the arbitration proceedings shall be the law of the Federal Republic of Germany; the private international law, harmonised international law and the UN Convention on Contracts for the International Sale of Goods shall be excluded.