

General Terms and Conditions of Purchase of Bachmann Group

September 2024

I. Scope of application

- (1) The following General Terms and Conditions of Purchase shall apply exclusively to all deliveries, services and offers of our contractual partners ("Suppliers") to Bachmann Holding GmbH and affiliated or subsidiary companies ("BACHMANN"). They are an integral part of all contracts which BACHMANN concludes with its Suppliers regarding the deliveries or services offered by them. They shall also apply to all future deliveries, services or offers to BACHMANN, even if they are not separately agreed upon again.
- (2) These General Terms and Conditions of Purchase shall apply exclusively. Deviating, conflicting or supplementary general terms and conditions of the Supplier shall not be recognised by BACHMANN, unless their validity has been expressly agreed. This requirement of consent applies in any case, even if BACHMANN accepts the Supplier's deliveries without reservation in the knowledge of deviating or conflicting general terms and conditions of the Supplier.

II Conclusion of contract

- (1) An order by BACHMANN is an offer to the Supplier to purchase goods or services from the Supplier. Prior to acceptance, an order can be cancelled by BACHMANN at any time without any liability towards the Supplier. An order does not constitute an acceptance of an offer of the Supplier, unless expressly stated in the order. References in orders to offers or letters of the Supplier shall apply exclusively with regard to the object referred to and only insofar as the order does not contradict the object referred to.
- (2) The order by BACHMANN shall only be binding upon written submission or confirmation. Even after conclusion of the contract, legally relevant declarations and notifications (such as setting of deadlines, reminders, declaration of rescission/cancellation and contract amendments) by BACHMANN shall be made in writing (electronic form and text form shall be sufficient). Only authorised signatories and managing directors at BACHMANN are authorised to make verbally agreed deviations from this provision.
- (3) The Supplier shall notify BACHMANN of obvious errors (e.g. typing and calculation errors) and incompleteness of the order including the order documents for the purpose of correction or completion before acceptance.

III Delivery, performance, transfer of risk, retention of title

- (1) The time of delivery or performance stated by BACHMANN in the order is binding. If the delivery time for goods is not stated in the order and has not been agreed otherwise, it shall be two weeks from the conclusion of the contract. The Supplier is obliged to inform BACHMANN immediately in writing if he will probably not be able to meet the agreed delivery or performance times.
- (2) If the Supplier is in default, BACHMANN may - in addition to further statutory claims - claim liquidated damages for the loss caused by the delay in the amount of 1% of the net price per completed calendar week, but in no case more than a total of 5% of the net price of the delayed performance. BACHMANN reserves the right to prove that higher damages have occurred. The Supplier reserves the right to prove that no damage at all or only a significantly lower damages have been incurred.
- (3) Unless otherwise agreed, the delivery of goods shall be made DDP Incoterms in the latest version to the place of delivery specified in the order. Delivery periods and delivery dates refer to delivery to the place of delivery. The risk of accidental loss or accidental deterioration of the goods shall pass to BACHMANN only upon proper and complete delivery at the named place of delivery. The place of delivery is the place of performance.
- (4) Unless otherwise agreed, all goods must be properly packaged, labelled in accordance with applicable regulations, barcoded and dispatched with the care customary in the trade. The delivery must be accompanied by information that can be recorded in an automated process and enables the delivered goods to be traced. For its part, the Supplier is obliged to ensure the traceability of its deliveries.
- (5) Retention of title of the Supplier for goods shall only apply insofar as they relate to BACHMANN's payment obligation for the respective products to which the Supplier retains title. In particular, the extended and prolonged retention of title is inadmissible. Any processing, mixing or combination ("further processing") with objects provided by BACHMANN by the Supplier is carried out for BACHMANN, so that BACHMANN is deemed to be the manufacturer and acquires title to the product at the latest with the further processing in accordance with the statutory provisions. Any further processing of delivered goods by BACHMANN is carried out for BACHMANN itself, so that BACHMANN is deemed to be the manufacturer and acquires title to the new product in accordance with the statutory provisions.
- (6) Unless a personal performance has been agreed, the Supplier is entitled to use third parties to fulfil his contractual obligations, unless there is an

important reason to the contrary, in particular if the third party does not have the necessary know-how to fulfil the obligation towards BACHMANN.

IV. Prices and terms of payment

- (1) The price stated in the order is binding. All prices are inclusive of statutory value added tax, unless value added tax is shown separately. Agreed discounts refer to the agreed fixed price including freight and packaging costs.
- (2) In the case of deliveries of goods ("purchase and works supply contracts"), the price covers the delivery DDP Incoterms in the latest version to the named place of delivery, including all services and ancillary services of the Supplier as well as all ancillary costs (e.g. proper packaging, transport costs including any transport and liability insurances, any costs for "Green Dot"). The Supplier shall take back packaging material at BACHMANN's request. If public or other scales have to be used for delivery, the Supplier shall bear the weighing costs.
- (3) BACHMANN shall not owe any interest as of the due date. The statutory provisions shall apply to default of payment. In any case, however, a reminder by the Supplier is required. Payments shall initially be credited against the main claim of the Supplier.
- (4) Unless otherwise agreed, the agreed price shall be due for payment within 30 calendar days of complete delivery and/or performance (including any agreed acceptance) and receipt of a proper invoice. The invoices must contain the order number and article description.

V. Warranty for deliveries of goods, limitation period

- (1) Subject to the following provisions, the statutory warranty rights shall apply to deliveries of goods. BACHMANN is entitled to the statutory claims for expenses and recourse within a supply chain ("Supplier's recourse" according to sections 478, 445a, 445b or sections 445c, 327 para. 5, 327u BGB) in addition to the claims based on defects without restriction. The claims arising from recourse against the Supplier shall also apply if the defective goods have been combined with another product or processed in any other way by BACHMANN or its customer or a third party, e.g. by incorporation, attachment or installation.
- (2) In the case of deliveries of goods, the Supplier warrants that the goods have the agreed quality or the quality assumed or customary under the contract at the time of the passing of risk. In any case, those product descriptions (irrespective of the issuer) which - in particular by designation or reference in the order of BACHMANN - are subject matter of the respective contract or have been included in the contract in the same way as these General Terms and Conditions of Purchase shall be deemed to be an agreement on the quality.
- (3) BACHMANN is not obliged to examine the goods for defects already at the time of the formation of the contract. In partial derogation from section 442 para. 1 sentence 2 BGB, BACHMANN is therefore entitled to claims based on defects without limitation even if the defect remained unknown to BACHMANN at the time of the formation of the contract due to gross negligence.
- (4) The statutory provisions shall apply to the commercial obligation to inspect and give notice of defects, subject to the following provision: The obligation to inspect shall be limited to defects which become apparent during the incoming goods inspection under external examination including the delivery documents (e.g. transport damage, incorrect and short delivery) or which are recognisable during the quality control in the random sampling procedure. If acceptance has been agreed, there is no obligation to inspect. Otherwise, it depends on the extent to which an inspection is feasible in the ordinary course of business, taking into account the circumstances of the individual case. BACHMANN's duty to give notice of defects discovered later remains unaffected. Irrespective of the duty to examine, BACHMANN's complaint (notice of defects) shall in any event be deemed to have been made without delay and in time if it is sent within 7 working days after discovery or, in the case of obvious defects, within 10 working days after delivery.
- (5) Subsequent performance shall also include the removal of the defective goods and their reinstallation, provided that the goods have been installed in another item or attached to another item in accordance with their nature and intended use before the defect became apparent; BACHMANN's statutory claim for reimbursement of corresponding expenses (removal and installation costs) shall remain unaffected. The expenses necessary for the purpose of inspection and subsequent performance, in particular transport, travel, labour and material costs as well as any dismantling and installation costs, shall be borne by the Supplier even if it turns out that there was actually no defect. BACHMANN's liability for damages in case of an unjustified request for remedy of defects shall remain unaffected; in this respect, however, BACHMANN shall only be liable if it has recognised or grossly negligently failed to recognise that there was no defect.

- (6) If the Supplier does not fulfil his obligation of subsequent performance - at BACHMANN's option either by remedying the defect (subsequent improvement) or by delivering a defect-free item (replacement delivery) - within a reasonable period of time set by BACHMANN, BACHMANN may remedy the defect itself or have it remedied by third parties and claim compensation from the Supplier for the expenses incurred or an appropriate advance payment. If the subsequent performance by the Supplier has failed or is unreasonable for BACHMANN (e.g. due to particular urgency, endangerment of operational safety or imminent occurrence of disproportionate damage), no time limit needs to be set; the Supplier shall be informed immediately, if possible in advance.
- (7) Notwithstanding Sec 438 para. 1 no. 3 German Civil Code, the general limitation period for claims for defects is 3 years from the transfer of risk. If acceptance has been agreed, the limitation period shall commence upon acceptance. The 3-year limitation period shall apply mutatis mutandis to claims based on defects of title, whereby the statutory limitation period for claims in rem for restitution of property of third parties (section 438 para. 1 No. 1 BGB) shall remain unaffected; moreover, claims based on defects of title shall in no case become statute-barred as long as the third party can still assert the right - in particular in the absence of a limitation period - against BACHMANN.
- (8) Upon receipt of BACHMANN's written notice of defects by the Supplier, the limitation period for warranty claims shall be suspended until the Supplier rejects the claims or declares the defect to be remedied or otherwise refuses to continue negotiations on the claims. In case of replacement delivery and remedy of defects, the warranty period for replaced and repaired parts starts anew, unless BACHMANN had to assume from the behaviour of the Supplier that the Supplier did not consider himself obliged to take the measures, but only carried out the replacement delivery or remedy of defects as a gesture of goodwill or for similar reasons.
- (9) If the Supplier purchases goods from third parties for the manufacture of the goods to be delivered, or for the delivery itself, it shall be obliged to carry out its own incoming goods inspection so that compliance with the product specifications of the purchased goods is ensured. Insofar as parts purchased by the Supplier are used for its production, the Supplier shall be obliged to subsequently inspect the goods after the purchased parts have been used.
- VI Product liability, insurance**
- (1) Insofar as the Supplier is liable to a third party for product defects for delivered goods, he shall indemnify BACHMANN in the event of a claim due to the defect upon first request to the extent that the responsibility for the product liability lies within the area of the Supplier. The same applies to the costs of a recall initiated by the authorities.
- (2) The Supplier is obliged to maintain a product liability insurance with a sum insured of at least € 10 million at his own expense. The Supplier shall send BACHMANN a copy of the liability policy at any time upon request.
- VII. Assignment, offsetting, retention**
- (1) The Supplier is not authorised to assign its claims arising from the contractual relationship to third parties. This shall not apply insofar as monetary claims are concerned.
- (2) BACHMANN is entitled to rights of set-off and retention as well as the defence of non-performance of the contract to the extent permitted by law. BACHMANN is in particular entitled to withhold due payments as long as BACHMANN is still entitled to claims against the Supplier based on incomplete or defective performance. The Supplier has a right of set-off or retention only on the basis of counterclaims that have been recognised by declaratory judgement or are undisputed.
- VIII Confidentiality, use of IP rights, tools**
- (1) BACHMANN reserves the property rights and copyrights to illustrations, plans, drawings, calculations, instructions for execution, product descriptions and other documents which BACHMANN has provided to the Supplier. Such documents are to be used exclusively for the contractual performance and are to be returned to BACHMANN or deleted after completion of the contract. Documents and information of any kind which the Supplier has received from BACHMANN must be kept secret from third parties for at least 10 years or until they become public knowledge.
- (2) The above provision shall apply accordingly to substances and materials (e.g. raw materials, finished and semi-finished products) as well as to tools, templates, samples and other objects that BACHMANN provides to the Supplier for production. Such objects are - as long as they are not processed - to be stored separately at the Supplier's expense and to be insured to the usual extent against destruction and loss.
- (3) Insofar as BACHMANN authorises the Supplier to use a trademark belonging to BACHMANN, the use outside the agreed purpose is prohibited. This also applies to the use of the trademarks in countries for which BACHMANN has no trademark, sign and/or design protection. The Supplier may not use the trade marks for any third party and may not transfer them in any way to third parties or grant third parties rights of use.
- IX Place of jurisdiction, applicable law, severability clause**
- (1) For all disputes arising out of or in connection with the contract between the Supplier and BACHMANN, irrespective of the legal basis, the place of jurisdiction shall be, at BACHMANN's choice, Stuttgart or the Supplier's registered office. Stuttgart shall, however, be the exclusive place of jurisdiction for actions against BACHMANN. Mandatory statutory provisions on exclusive places of jurisdiction remain unaffected by this provision.
- (2) The contractual relationship between the Supplier and BACHMANN shall be governed exclusively by the law of the Federal Republic of Germany. UN sales law is excluded.
- (3) Should individual provisions be invalid or unenforceable or should the contract contain gaps, the remainder of the contract shall remain valid. Insofar as the contract or these General Terms and Conditions of Purchase contain gaps, those legally effective provisions shall be deemed to have been agreed to fill these gaps which the parties would have agreed in accordance with the economic objectives of the contract and the purpose of these General Terms and Conditions of Purchase if they had been aware of the gap.