

### **Section 1 Application of the General Terms and Conditions of Purchase (GTCP)**

1. The present General Terms and Conditions of Purchase (GTCP) shall apply to any agreements concluded by the company EFAFLEX Tor- und Sicherheitssysteme GmbH & Co. KG or by the company EFAFLEX CZ s.r.o., hereinafter jointly referred to as EFAFLEX, as the purchaser or orderer.
2. This shall not include any agreements concluded by EFAFLEX CZ s.r.o. as the purchaser or orderer with any contractors based in the Czech Republic. In this case, the Czech GTCP of EFAFLEX CZ s.r.o. shall apply.
3. The GTCP shall apply exclusively. Any conflicting terms and conditions or any such terms and conditions of the contractor that deviate from the GTCP shall be recognised by EFAFLEX only if EFAFLEX agrees to their applicability both explicitly and in writing. The GTCP shall also apply in the event that EFAFLEX accepts or pays for the delivery without any reservation despite being aware of any conflicting terms and conditions or any such terms and conditions of the contractor that deviate from the GTCP.
4. The GTCP shall also apply to any future transactions with the contractor, in as far as they are transactions of the same nature.
5. The Incoterms 2010 shall apply additionally.

### **Section 2 Conclusion of the Agreement and Modifications of the Agreement**

1. The contractor shall be obliged to accept the order within a period of one month following the date of order. Any delivery call-offs within the framework of any order and call-off planning system shall become binding, unless the contractor objects within a period of three days following the date of receipt.
2. Any orders, contract conclusions and delivery call-offs shall require written form. The written form requirement shall be deemed to be complied with by FAX, EDIFACT or e-mail.
3. Any oral arrangements of any kind, including any subsequent modifications and amendments, shall be binding only if they are confirmed by EFAFLEX in writing.

### **Section 3 Scope and Content of the Obligation to Perform**

1. The scope of the contractor's obligation to perform shall be the result of the specifications and service descriptions provided at the time when the agreement is concluded or, in the absence of such documents, from the information laid down in the contractor's offers and prospectuses.
2. If the contractor has any reservations with regard to the nature of the execution requested by EFAFLEX, the contractor shall notify EFAFLEX thereof in writing without undue delay.
3. Any deliveries shall be in compliance with the applicable laws, regulations, the standards of the German Institute for Standardisation (*Deutsches Institut für Normung; DIN*) and/or of the German Association for Electrical, Electronic and Information Technologies (*Verband der Elektrotechnik, Elektronik und Informationstechnik, VDE*), the other standards customary in the industry and/or the EU standards and other provisions, unless anything to the contrary has been explicitly agreed upon in writing. The contractor shall be obliged to execute the order in such a manner that the environmental protection, accident prevention as well as occupational health and safety regulations (including the professional trade association rules and regulations) as well as the generally accepted technical safety and occupational medicine rules will be observed. Upon request of EFAFLEX, the contractor shall provide evidence of compliance with the provisions at the contractor's own expense.
4. EFAFLEX shall not be obliged to accept any partial deliveries and/or advance deliveries and/or advance executions, unless anything to the contrary has been agreed upon in writing.
5. The place of fulfilment shall be the registered office of the contracting EFAFLEX company and/or the receiving entity specified by EFAFLEX in the purchase order.

### **Section 4 Change in Performance**

1. If it turns out during the execution of the agreement that any deviations from the specification initially agreed upon are necessary or expedient, the contractor shall notify EFAFLEX thereof without undue delay. In this respect, EFAFLEX shall be entitled, to the extent of what is reasonable to be expected, to request changes to the order regarding the scope of delivery and performance and the time of delivery. In this context, any effects (such as delivery dates, increases and decreases in costs, etc.) shall be defined by mutual agreement.

### **Section 5 Delivery Time**

1. The delivery and/or execution times and delivery periods specified in the purchase order or in the delivery call-off shall be binding. The decisive factor for compliance with the delivery date or delivery period shall be the date of receipt of the goods by EFAFLEX or by the recipient designated by EFAFLEX. Unless delivery "ex works" (DAP or DDP in accordance with the Incoterms 2010) has been agreed upon, and if EFAFLEX has declared its willingness to take on the transport of the goods, the contractor shall make the goods available at good time taking into account the time to be coordinated with the freight forwarder for loading and dispatch. In any other cases, the contractor shall be liable in accordance with section 5 paragraph 4 for any delays in delivery caused by the freight forwarder.
2. In the event that the contractor anticipates any difficulties regarding compliance with the delivery date or any similar circumstances which might prevent the contractor from carrying out the delivery on schedule or from performing the delivery in the agreed quality, the contractor shall notify EFAFLEX thereof without undue delay, specifying the reasons and the probable duration of such delay.

- Any events of force majeure, industrial actions with the exception of illegal lock-outs, operational disruptions through no fault of EFAFLEX, civil disorders, administrative measures and other unavoidable events for which EFAFLEX cannot be held responsible shall entitle EFAFLEX, notwithstanding any other rights of EFAFLEX, to withdraw from the agreement either in whole or in part, provided that such events are not of inconsiderable duration or will only result in an insignificant reduction in the demand of EFAFLEX.
- In the event of any delay in delivery, EFAFLEX shall be entitled to the statutory claims.
- Irrespective hereof, EFAFLEX shall be entitled to demand payment from the contractor from the date of said delay in delivery of a contractual penalty in the amount of 0,3% per working day, up to a maximum, however, of 5% of the net order value of the delivery. The assertion of any further damage shall remain expressly reserved. Unless EFAFLEX explicitly reserves the right to assert the contractual penalty upon acceptance of the delayed performance, the contractual penalty incurred may be asserted within a cut-off period of ten working days following the date of acceptance.

#### **Section 6 Transfer of Risks, Documents**

- Unless agreed upon otherwise in writing, the delivery shall be performed DDP place of destination (Incoterms 2010). The risks shall pass to EFAFLEX upon handover of the goods to EFAFLEX or to the recipient designated by EFAFLEX.
- Any delivery shall be accompanied by a delivery note. Any invoices shall be sent to EFAFLEX simultaneously with dispatch of the goods, specifying the order number. The invoices shall not be enclosed with the goods deliveries, but shall be transmitted by separate mail. If the contractor fails to do so, any delays in processing shall not be deemed attributable to EFAFLEX.

#### **Section 7 Prices and Terms of Payment**

- The price specified in the purchase order or in the delivery call-off shall be binding. It shall include any services and ancillary services, unless they are remunerated separately, which will be required to render the service to be provided, including, for example, any costs for auxiliary means, freight, customs duties, packaging material and its removal, transport to the place of use designated by us, as well as any expenses to be incurred for the execution of the installation and assembly work ready for operation. Any deviations, including, but not limited to, any particular difficulties or any delivery / provision of services on Sundays and public holidays as a result of which any higher remuneration has to be paid shall be separately agreed upon before the order is accepted.
- The statutory value added tax shall not be included in the price.
- Any invoices shall be drawn up in a proper manner and in accordance with the respective currently applicable requirements under value added tax law and shall contain, for ex., the tax number or value added tax identification number of the contractor. Apart from that, particular attention shall be paid to the correct indication of the company name and, amongst other things, to the order number specified in the EFAFLEX purchase order. Any agreed value added tax shall be specified separately. To the extent that the invoice does not meet these requirements, EFAFLEX shall not be obliged to effect any payment. Section 6 para. 2 sentence 3 of the present GTCP shall apply mutatis mutandis. In the event that EFAFLEX nevertheless effects such payment, the contractor shall be responsible for any damage suffered by EFAFLEX, where applicable, due to the incorrect invoice.
- In case of any delivery that is not in compliance with the agreement, in particular in the event of any faulty delivery, EFAFLEX shall be entitled to retain payment until such delivery has been properly performed.
- To the extent that no special agreement has been made, any payments to be made by EFAFLEX shall be effected either within a period of 14 days minus 3% cash discount or within 30 days net. The term of payment shall start at the earliest upon receipt of the invoice, but not before the date of receipt of the goods and/or the date on which the performance is rendered. Any payment shall be effected subject to the verification of the invoice.
- In order to assign any claims as well as to transfer any right to collect any claims vis-à-vis EFAFLEX, the contractor shall be required to obtain the prior written approval of EFAFLEX. Section 354 a German Commercial Code (*Handelsgesetzbuch, HGB*) shall remain unaffected.

#### **Section 8 Claims for Defects and Recourse**

- The contractor shall warrant that the subject-matter of the agreement will be in compliance with the state of the art at the date of delivery of the goods in question, with the relevant legal provisions and with the regulations and guidelines of public authorities, professional associations and trade associations. If the subject-matter of the agreement does not meet these requirements, the contractor shall notify EFAFLEX thereof in each individual case before delivery to EFAFLEX is started, specifying the reasons. In this case, EFAFLEX shall be entitled to reject the delivery, also after receipt, within a time limit of ten working days from the date of notification by the contractor and to assert the statutory claims for defects.
- The contractor shall warrant that the deliveries and performances will be in compliance with the specifications agreed upon and will not be afflicted with any errors which cancel out or reduce their value or their fitness for normal usage or for the use assumed according to the agreement.
- Any incoming goods inspection shall take place at EFAFLEX only with regard to obvious defects, transport damage, completeness and the identity of the goods. Any such defects shall be notified by EFAFLEX within a reasonable time limit. EFAFLEX reserves the right to carry out any further incoming goods inspection. In addition, EFAFLEX shall notify any defects as soon as they are detected according to the circumstances of the normal course of business. In this context, the contractor shall waive the claim of any late notification of defects.
- The contractor shall be obliged to perform quality checks accompanying production and to carry out an outgoing goods inspection and shall therefore comprehensively check the contractor's deliveries for their quality.

5. In the event of any deviations of the goods from the contractually agreed condition, for ex. with regard to dimension, chemical and/or mechanical values, the values of a neutral expert to be appointed by mutual agreement shall apply in any case of dispute. If it is not possible to appoint any such expert by mutual agreement, the chamber of industry and commerce responsible for EFAFLEX shall appoint the expert upon request of one of the parties. The costs for the involvement of the expert shall be borne by the party whose values had been incorrect.
6. EFAFLEX shall be entitled to the statutory claims for defects without limitation. In any case, EFAFLEX shall be entitled, at its own discretion, to request remedy of the defects or delivery of a new item by the contractor. The right to claim compensation for damages, especially the right to claim compensation for damages instead of performance, shall exclusively remain reserved.
7. To the extent that the contractor does not perform subsequent improvement immediately after having been requested by EFAFLEX to do so, EFAFLEX shall have the right to remedy the defects itself at the contractor's expense or to have them remedied by third parties in urgent cases, especially to prevent any acute hazards or to avoid any major damage.
8. Any claims, to which EFAFLEX is entitled in case of defects, shall become time-barred 36 months after the date of delivery and/or acceptance. Any longer statutory or contractual periods of limitation shall remain unaffected in this respect.
9. For any such parts of the delivery that are serviced or repaired within the period of limitation, the period of limitation shall commence to run anew as of the point in time in which the contractor has fully met the claims of EFAFLEX for subsequent improvement, unless the contractor has expressly and appropriately reserved the right upon subsequent improvement to carry out the replacement delivery only as a gesture of goodwill.
10. If EFAFLEX incurs any costs as a consequence of the faulty delivery of the subject-matter of the agreement, in particular any transport, road, labour, material costs or any costs for any incoming good inspection that goes beyond the usual scope, such costs shall be borne by the contractor.

#### **Section 9 Liability; Product Liability**

1. To the extent that the contractor is responsible for any product damage, the contractor shall be obliged, upon first request, to indemnify against any claims for compensation for damages of third parties in this respect, provided that the origin falls within the contractor's domain and organisation and the contractor is personally liable vis-à-vis third parties.
2. Within the framework of the contractor's liability for any events of damage within the meaning of the foregoing sentence, the contractor shall also be obliged to reimburse any expenses resulting from or in connection with any recall campaign carried out by EFAFLEX. As far as this is possible and reasonable, the contractor shall be informed about the subject and scope of the recall actions to be implemented and shall be provided with the opportunity to make a statement. Any other statutory claims shall remain unaffected.
3. The contractor shall be obligated to maintain product liability insurance with an appropriate level of cover of at least € 5 million per personal injury / material damage on a lump-sum basis at least for the duration of the period of limitation for any claims from product liability, where applicable, as well as for any claims for defects and to provide EFAFLEX with evidence of such insurance upon request, in particular by presentation of a duplicate of the valid insurance contract. Any further claims for compensation for damages on the part of EFAFLEX shall remain unaffected.

#### **Section 10 Property Rights**

1. Neither the delivered goods nor their exploitation by EFAFLEX (such as any further delivery, processing or use) must violate any property rights of third parties.
2. The contractor shall indemnify EFAFLEX from any claims of third parties from any violations of property rights, where applicable, from the use of any such rights and shall bear any costs incurred by EFAFLEX in this context, provided that they are attributable to the contractor.
3. In case of any conflicting property rights of third parties, the contractor shall, at the contractor's own expense, obtain from the beneficiary the consent or approval, which shall also inure to the benefit of EFAFLEX, for any such further delivery, processing and use, or shall modify or exchange the relevant parts of the delivery in such a way that the exploitation will no longer be precluded by any property rights of third parties, ensuring that such exploitation will be in compliance with the contractual arrangements.

#### **Section 11 Retention of Title, Provision, Tools**

1. EFAFLEX retains title to any components provided to the contractor. They may only be used in accordance with their intended use. Any processing or transformation at the contractor's shall be carried out for EFAFLEX. In the event that the goods subject to retention of title are processed with any other items not belonging to EFAFLEX, EFAFLEX shall acquire joint ownership in the new item at the ratio between the value of the goods subject to retention of title and the other processed items at the time of processing.
2. The contractor shall be obliged to carefully inspect and store the materials provided. Any deviations (for ex. quantity, quality, etc.) shall be reported to EFAFLEX without undue delay. The contractor shall be liable for any loss and damage caused by negligence.
3. EFAFLEX retains title to any tools paid or made available by EFAFLEX. The contractor shall be obliged to exclusively use the tools to manufacture the goods ordered by EFAFLEX. The contractor shall be obliged to take out insurance at the contractors' own expense against any damage by fire, water and theft for the tools belonging to EFAFLEX at their replacement value.

### **Section 12 Packaging, Waste**

1. The packaging as well as any other waste (consumables and auxiliary materials) shall be reusable or recyclable free of charge for EFAFLEX in accordance with the respective applicable regulations of the German Packaging Ordinance (*Verpackungsverordnung*) as well as any other regulations.

### **Section 13 Hazardous Substances and Substances Requiring Declaration**

1. If the goods to be delivered are hazardous substances within the meaning of the German Chemicals Act (*Chemikaliengesetz*), the shipment shall, as a general rule, be accompanied by the statutory safety data sheets in accordance with Directive 91/155/EEC. Immediately after any audit of such data, the contractor shall send the amended version to EFAFLEX without request.

### **Section 14 Sub-Suppliers**

1. The contractor must not subcontract the execution of the agreement to any third parties either in whole or in part without having obtained the prior written consent to do so. Even if such consent is granted, the contractor shall remain fully responsible for the fulfilment of the agreement. Any engagement of sub-suppliers by the contractor shall likewise only take place with the relevant prior written consent.

### **Section 15 Insolvency**

1. EFAFLEX shall be entitled to terminate the agreement without previous notice if any application for the initiation of insolvency proceedings with respect to the contractor's assets has been filed, if such insolvency proceedings are initiated or if they are rejected for lack of assets.

### **Section 16 Confidentiality / Data Protection**

1. The contracting partners shall be obligated to keep strictly confidential any and all information from their cooperation, unless such information is a matter of common knowledge, has been regularly acquired by any third parties or has been independently developed by any third parties, and shall exclusively use it for the purposes of the agreement. Proprietary information shall include, in particular, any technical data, purchased quantities, prices as well as information on products and product developments, on current and future research and development projects and any and all corporate data of the other contracting partner.
2. Apart from that, the contractor shall be obliged to keep strictly confidential any illustrations, drawings, computations and other documents received and to disclose them to third parties only with the prior written consent of EFAFLEX, unless the information contained therein is a matter of common knowledge.
3. Any sub-suppliers shall be obliged accordingly by the contractor, where applicable.
4. Upon any possible request of EFAFLEX at any time, at the latest, however, upon termination of the agreement, any information originating from EFAFLEX (including any copies or records produced, as the case may be) and any objects abandoned by way of loan shall be returned to EFAFLEX both immediately and completely, unless the contractor still needs them to fulfil the contractor's contractual obligations to perform. EFAFLEX reserves all rights to any such confidential information, including any copyrights, industrial property rights, patents, utility models, etc.
5. Any products manufactured according to any drafts, documents, models or equivalent elements originating from EFAFLEX or in accordance with any information marked as confidential may be used by the contractor only for the purposes defined in the agreement; in particular, they must be neither offered nor delivered to any third parties.
6. The contractor shall observe data secrecy in accordance with Section 5 German Federal Data Protection Act (*Bundesdatenschutzgesetz, BDSG*) as well as any business and trade secrets of EFAFLEX and shall only use those auxiliary agents or subcontractors for the execution of the order who had been obliged to observe data secrecy and to maintain silence within the meaning of said regulation. This commitment shall be entered into for an unlimited period of time.

### **Section 17 Place of Jurisdiction and Applicable Law; Partial Ineffectiveness**

1. The place of jurisdiction shall be the registered office of the respective contracting company of EFAFLEX. EFAFLEX reserves the right to also file a suite at any other permissible place of jurisdiction.
2. The contractual relationships shall be exclusively governed by the laws of the Federal Republic of Germany to the exclusion of any conflict-of-law rules and the United Nations Convention on Contracts for the International Sale of Goods (CISG, UN Agreement on Purchasing Rights).
3. In the event that individual parts of the present GTCP are legally ineffective, this shall not affect the effectiveness of the remaining provisions.