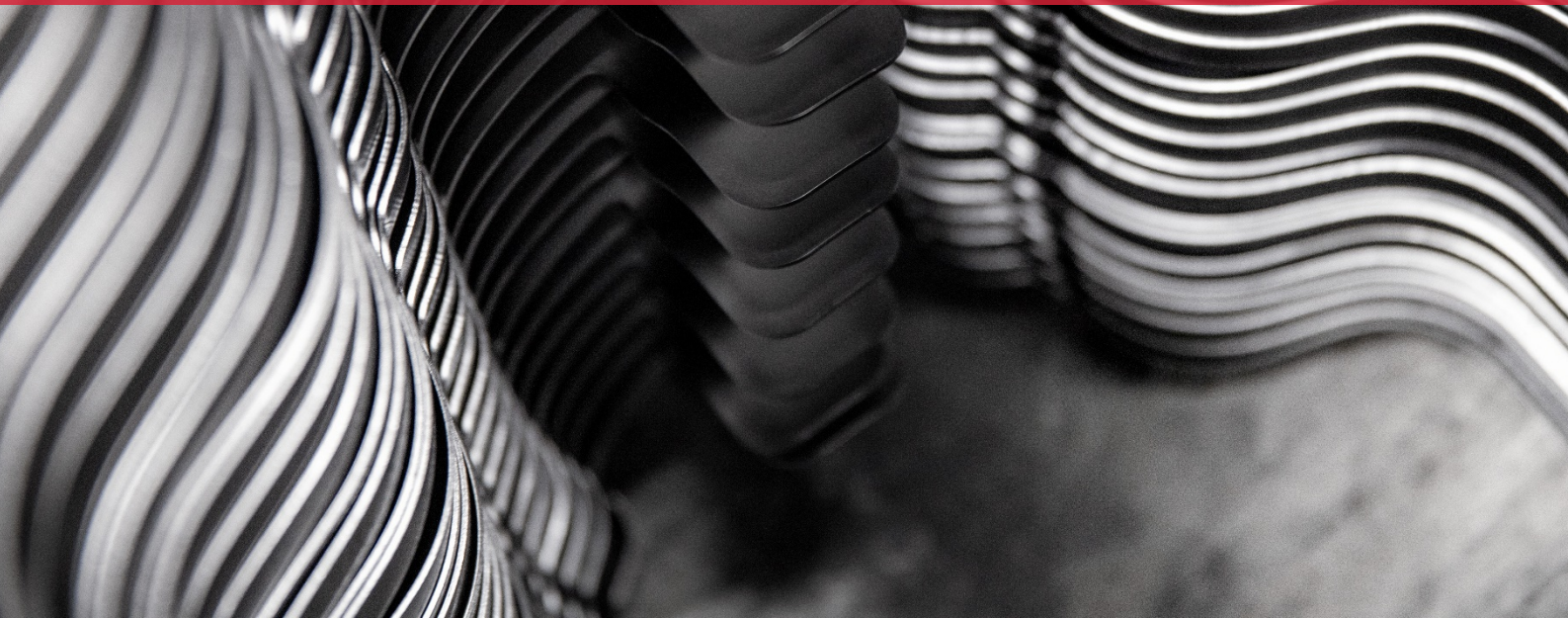


Contract for our suppliers

General Terms and Conditions for Purchase of Goods and Services

August 2020



General Terms and Conditions for Purchase of Goods and Services

1. Relevant terms and conditions

- a) The following General Terms and Conditions of Purchase (“Terms”) apply exclusively to all purchases by the German companies in the HÖRMANN Group (“HÖRMANN”). They apply to the same extent both to the purchase of production materials (for the purpose of HÖRMANN’s own serial production, comprising in particular raw materials, materials, assemblies and parts) and to the purchase of replacement parts, tools or machines, and other products of any kind (collectively the “products”), insofar as the applicability of one of the following provisions of these Terms and Conditions of Purchase is not expressly limited to individual or certain types of purchase items. By supplying its products to HÖRMANN, the supplier accepts these Terms.
- b) General terms and conditions of business or other deviating conditions of the supplier do not apply unless they have been expressly recognised by HÖRMANN in writing. These Terms also apply in all cases in which HÖRMANN accepts the supplier’s deliveries without objecting to its conditions which deviate from these Terms (whether or not HÖRMANN is aware of them). HÖRMANN hereby expressly objects to all references by the supplier to the application of the latter’s general terms and conditions of business.
- c) These Terms also apply to all future transactions with the supplier.
- d) The provisions of these Terms apply alongside all other agreements which the parties may conclude in addition, e.g. framework delivery contract, quality agreement.

2. Quotations, quotation documents

- a) Enquiries from HÖRMANN to the supplier about the latter’s products and the conditions for delivering these, or requests from HÖRMANN for a quotation to be issued, do not bind HÖRMANN in any way.
- b) Purchase orders from HÖRMANN are only valid and binding when they are in writing. Up to a value limit of EUR 1,000.00, no signature by HÖRMANN is required for individual purchase orders to be effective. The requirement for the written form has been met if purchase orders are sent by fax, email or any other electronic data transmission system.
- c) Estimates from the supplier are binding and will not be remunerated unless anything has expressly been agreed otherwise between the contracting parties.
- d) A valid and binding contract between HÖRMANN and the supplier including the Terms comes about through (i) the written purchase order from HÖRMANN sent to the supplier, and (ii) the express written acceptance of this by the supplier (purchase order confirmation), which must be received by HÖRMANN within 2 days of the date of the purchase order, or (iii) the commencement of the delivery of the ordered products by the supplier. Any order confirmation by the supplier which deviates from the purchase order from HÖRMANN represents a new purchase offer and must be accepted by HÖRMANN in writing.
- e) HÖRMANN can also ask the supplier to make changes to the products at any time after the confirmation of the purchase order (including, in particular, changes to the design and implementation of the products). In this case the supplier shall inform HÖRMANN immediately of the effects of this wish for changes, in particular with regard to higher or lower costs and the delivery date, and the parties shall agree an appropriate adjustment to the contract where necessary.
- f) If the contract or purchase order provides for the products to be ordered by call-off, these call-offs shall be binding 2 days after being sent to the supplier if the supplier has not by then objected to them in writing.

3. Prices, most-favoured status, payment terms

- a) The price shown on a purchase order is binding. In the absence of any agreement otherwise, the price is stated “DAP” to the named delivery location in accordance with Incoterms 2020, including packaging, for intra-community deliveries. Import of NON EU member states are individually agreed separately.

- b) If delivery terms in accordance with Incoterms 2020 are agreed under which HÖRMANN pays for the transport, the transport must be undertaken by a haulage company approved by HÖRMANN. However, the supplier shall notify the haulage company of the shipment, unless anything is agreed otherwise. If the haulage company does not collect the goods as confirmed in the notification, the supplier must inform HÖRMANN of this immediately. If, during the term of a contract for the supply of products, the supplier supplies the products that form the subject of the contract or similar products in comparable quantities to a third party on more favourable terms, in particular in respect of the price, rebates, technology, quality, payment terms, delivery periods or other conditions (hereinafter “the conditions”), the supplier shall inform HÖRMANN of this immediately and automatically grant HÖRMANN these more favourable terms. The new terms shall apply retrospectively from the date on which the supplier granted these favourable terms to the third party.
- c) The invoice must immediately be sent separately in three copies to HÖRMANN’s postal address. It must include the date, purchase order number and supplier number. If these requirements are not met, HÖRMANN shall not be responsible for any resultant delays in processing and settling the invoice.
- d) At the request of HÖRMANN, the supplier shall be required to send its invoices and other invoicing documents electronically in accordance with the stipulations of the HÖRMANN Group so that they can be settled electronically.
- e) Payment of the invoice will take place within 14 days after delivery and receipt of invoice with a 3% discount, at the latest within 60 days after delivery and receipt of invoice purely net.
- f) HÖRMANN makes payments by electronic transfer. Other payment methods and credit/invoicing procedures must be agreed separately between the parties before they can be used.
- g) Irrespective of Section 354a HGB [*Commercial Code*], without the written consent of HÖRMANN the supplier is not authorised to cede claims to which it is entitled from its business relationship with HÖRMANN or collect them from third parties.
- h) The acceptance of the delivered goods and/or payment for them by HÖRMANN does not constitute any renunciation of the later assertion of claims due to defects, claims for compensation or other claims against the supplier.

4. Delivery dates, delay in delivery

- a) The delivery dates agreed with the supplier are binding. Depending on the agreed delivery conditions, the delivery period shall have been complied with either when the products are received at the destination stated by HÖRMANN, or when the products are ready in good time for collection from HÖRMANN’s supplier’s factory.
- b) If the supplier is late in making a delivery, it shall incur a contractual penalty in the amount of 0.2% of the net purchase price of the delayed products per working day of the delay in delivery, but at most 5% of the net purchase price for the delayed product.
The right to assert further claims for compensation remains unaffected.
In such a case the supplier must reimburse the following costs among others:
Special travelling costs (both by the supplier to HÖRMANN and by HÖRMANN to its customers), additional tooling costs in production, additional costs due to special shifts, costs of lost production, replacement costs/conversion costs, additional testing costs and lost profits. However, any contractual penalty due shall be credited against any compensation claim asserted.
- c) Premature deliveries are only accepted by HÖRMANN after written agreement. If the supplier delivers the products earlier than the agreed delivery date, HÖRMANN reserves the right to return the products at the supplier’s expense and risk. If HÖRMANN does not return the products in the event of premature delivery, they shall be stored at the supplier’s expense and risk until the agreed delivery date. In the event of premature delivery, HÖRMANN is entitled to use the agreed delivery date as the basis for calculating the payment date.
- d) If, irrespective of points a) – b), the supplier realises that a delivery date agreed with HÖRMANN or a delivery quantity cannot be complied with, it must inform HÖRMANN of this immediately in writing, stating the reasons, the probable duration of the delay and the effects, with the appropriate measures to avert these.

- e) Whenever the supplier decides to make a special journey, it must put together the details/information about the purchase order and journey, the registration number of the vehicle being used, a mobile phone number for the driver being used so that they can be contacted during the special journey, the reasons for the special journey and the measures to correct these reasons, and notify the logistics department at HÖRMANN of these in text before the special journey commences. The supplier must initiate the corrective measures immediately.
- f) For every case of culpable (i) deviation from delivery and packaging instructions, (ii) premature delivery or (iii) over-delivery, HÖRMANN is entitled to assert its additional costs for the logistics as a flat-rate compensation in the amount of EUR 100.00 (without prejudice to the right in the individual case to prove greater damages; however, in this case the flat-rate compensation shall be credited against this claim). In any event the supplier shall be entitled in this case to prove that HÖRMANN has incurred no damages, or lower damages than this flat-rate amount.

5. Force majeure

- a) Disruptions of the delivery relationship due to events that are unforeseeable and unavoidable, and which lie beyond the control of the supplier, and for which the supplier is not responsible, such as force majeure, war or natural disasters, shall release the supplier from its delivery obligations for the duration of this disruption and to the extent of its effect.
- b) Agreed periods of time shall be extended by the duration of such a disruption; HÖRMANN must be informed immediately in text of the occurrence of such a disruption.
- c) If the end of such a disruption is not foreseeable, or if the disruption lasts for more than two months, HÖRMANN shall have the right to withdraw from the contract concerned or declare its termination without notice.

6. Dispatch, transfer of risk

- a) Delivery (including the transfer of risk) shall be to the place of receipt/use or place of collection stated by HÖRMANN in the purchase order in accordance with the trade terms that are usual in the automotive industry and are specified in the purchase order (in particular Incoterms 2020). In the absence of such a provision, delivery must take place DAP (Incoterms 2020) to the place of receipt or place of use stated in the purchase order. In this case the risk shall be transferred at the time of the delivery to the agreed place of receipt/place of use.
- b) The supplier is obliged to enclose the associated delivery notes in the deliveries. The delivery notes must state all the contents in accordance with the standard VDA 4987, in particular HÖRMANN's purchase order number and the supplier number. If these requirements are not met, HÖRMANN shall not be responsible for the resultant processing delays.

7. Quality and documentation

- a) For its deliveries, the supplier must comply with the current state of the art and the respective safety regulations in force, as well as the specifications in the Quality Assurance Agreement (QAA) of the HÖRMANN Group. Insofar as the supplier has received drawings, samples or other specifications or documents from HÖRMANN, it shall comply with these as far as the implementation and characteristics of the delivery item are concerned. Changes to the delivery item or a production process that has already been approved, or its relocation to a different site, require written notification by the supplier in good time and the prior express consent of HÖRMANN in writing.
- b) If the supplier delivers production material to HÖRMANN, the provisions below also apply unless anything has been requested otherwise in writing by HÖRMANN in the individual case, or been agreed with the supplier.
- c) The supplier shall maintain or develop a quality management system on the basis of the stipulations in the Quality Assurance Agreement (QAA) of the HÖRMANN Group and on the basis of IATF 16949 as amended from time to time. Certificates from an accredited body or second-party certifications, and equivalent QM systems such as VDA Volume 6 Part 1 and ISO 9001 with a specific automotive focus, can be approved by HÖRMANN after prior testing by HÖRMANN. The suppliers shall provide HÖRMANN with a copy of the respective current certificate, and after the expiry of the validity date of the certificate shall send HÖRMANN a renewed certificate unasked. In the event of derecognition, HÖRMANN must be informed of this immediately.

- d) For every case of the supplier's culpable non-compliance with a requirement from the quality management system that is valid in accordance with point c), a contractual penalty to be determined by HÖRMANN shall be payable; in the event of dispute, the appropriateness of this shall be reviewed by the competent regional court. In standard cases, the contractual penalty shall be appropriate if it does not exceed 15% of the value of the goods delivered by the supplier in the entire calendar year. The contractual penalty shall be credited against any claim for compensation due to non-compliance with a requirement in point c). The initial sampling shall take place in accordance with the text of VDA Volume 2 "Quality Assurance for Supplies" or in accordance with the most recent version of PPAP (AIAG). In addition to the initial sampling, the supplier must enter all the material data into the IMDS material database (International Material Data System; www.mdssystem.com); the approved and accepted IMDS entry of all the relevant material data is an integral element and prerequisite for the approval of the initial samples.
- e) Irrespective of successful sampling in accordance with point e), the supplier must constantly check the quality of the delivery items. In addition the contracting parties shall inform each other of opportunities for further quality improvement.
- f) If the form and scope of the tests, and the test materials and test methods, have not been firmly agreed between the supplier and HÖRMANN then, at the request of the supplier, HÖRMANN is willing to discuss the tests with the supplier within the limits of HÖRMANN's knowledge, experience and capabilities, in order to ascertain the respective necessary state of the testing technology.
- g) In addition, for the products specially identified in the technical documents or by separate agreement, the supplier must state in specific records when, in what way and by whom the delivery items have been tested with regard to the characteristics requiring documentation, and what results the required quality tests have yielded. The test documents must be retained for 15 years and presented to HÖRMANN if required. The supplier must oblige its sub-suppliers to the same extent within the framework of what is legally permissible. Reference is made to the text of the most recent version of VDA Volume 1 "Documented Information and Retention" for guidance.
- h) Insofar as authorities or customers of HÖRMANN request insight into HÖRMANN's production process and testing documents for the verification of particular requirements, the supplier declares its willingness to grant them the same rights in its plant and at the same time to give them any reasonable support, provided this does not infringe the supplier's existing duties of confidentiality in respect of third parties. The supplier must oblige its sub-suppliers to the same extent within the framework of what is legally permissible.
- i) Furthermore, HÖRMANN can undertake appropriate inspections and quality audits of the facilities in which the supplier manufactures its products at any time after giving appropriate notice and during normal working hours, at the intervals at which HÖRMANN considers it necessary. HÖRMANN has the right to terminate this contract by means of a written notification to the supplier if the supplier fails to meet the agreed quality standards for a period of three months.
- j) The supplier shall oblige its sub-suppliers in accordance with the above provisions of this Section 7.

8. Hazardous materials and preparations

- a) The supplier must without fail fulfil the statutory requirements of the country of manufacture and also of the country of distribution for goods, materials and processes which, on the basis of laws, ordinances, other provisions, or due to their composition and impact on the environment, have to undergo special treatment in respect of transport, packaging, labelling, storage, handling, manufacture and disposal, among other things.
- b) In this case the supplier shall supply HÖRMANN with the necessary paperwork and documents before confirmation of the purchase order. In particular, all hazardous materials and substances hazardous to water must only be delivered after the presentation of an EC safety data sheet and approval by HÖRMANN. If the requirements in accordance with point a) change during the course of the delivery relationship, the suppliers shall immediately send HÖRMANN the paperwork and documents corresponding to the changed requirements.
- c) HÖRMANN is entitled to return hazardous materials and substances hazardous to water to the supplier at no charge when these were provided for test purposes.
- d) The supplier shall be liable to HÖRMANN for all damage occurring from culpable non-compliance with the statutory provisions that exist in this respect.
- e) Purely for information purposes and with the exclusion of any other responsibility for its correctness and completeness, HÖRMANN shall as applicable provide a "list of banned substances/declaratory substances" on the HÖRMANN website (www.Hoermann.com).

- f) The supplier shall ensure that the requirements of the EU Chemicals Regulation REACH (Regulation (EC) No. 1907/2006, OJ of 30.12.2006) – referred to below as “REACH” – are complied with,
- g) in particular that the pre-registration and registration both take place within the prescribed period. On no account is HÖRMANN obliged to undertake the (pre-) registration. The supplier is aware that the products cannot be used if the REACH requirements are not met completely and properly.
- h) The supplier must enter the elements (heavy metals) that are relevant in accordance with the requirements of the EU Directive on end-of-life vehicles (ELVs) in the IMDS data system at its own expense, and they shall thus be deemed to have been declared.
- i) On the basis of the EU ELV Directive, the supplier is obliged to ensure the following: (i) preparation and transmission of a component-based concept for drainage and depollution; (ii) compliance with the VDA 260 standard for the marking of materials and components; (iii) provision of a disposal concept for selected supplied parts by agreement with HÖRMANN; (iiii) highest possible proportion of recycling and use of renewable materials by agreement with HÖRMANN.
- j) In all other respects, when fulfilling its contractual obligations, the supplier must comply with all the statutory and official regulations in respect of environmental protection.
- k) In addition, the supplier undertakes to comply with the guidelines of the Code of Conduct of the HÖRMANN Group within the context of the fulfilment of the supply contract.
- l) On first request, the supplier shall fully indemnify HÖRMANN against all consequences, in particular damages sustained by HÖRMANN and claims by third parties against HÖRMANN, which result from the supplier culpably not complying with or fulfilling the above provisions in points f) – i.), not doing so fully, or not doing so in good time.

9. Packaging

- a) The supplier must comply with the requirements from the respective valid Packaging Ordinance.
- b) The supplier must take back used, empty packaging at no charge. If this is not possible, the supplier shall bear the corresponding appropriate disposal costs incurred by HÖRMANN.

10. Material defects and recourse

- a) In the event of defective delivery, the statutory provisions apply unless anything results otherwise from the provisions below (in particular for production material).
- b) HÖRMANN shall check the products supplied by the supplier for production purposes (production material) on receipt for consistency between the goods ordered and those delivered, for any quantity disparities and for externally identifiable damage, insofar and as soon as this is feasible in accordance with proper business practice. HÖRMANN shall inform the supplier immediately of any defects established during this check. The supplier furthermore waives any further incoming goods inspection by HÖRMANN. HÖRMANN shall notify the supplier of other defects that are only identified during the processing of the delivered goods or their use for their intended purpose by HÖRMANN immediately such defects have been identified. In this respect, the supplier shall waive the objection of belated notification of defects.
- c) In the event of defective delivery, the supplier shall first be given the opportunity of supplementary performance, i.e. at the choice of HÖRMANN either rectification of defects or delivery of a new item (replacement parts). In both cases the supplier shall bear all the costs incurred by the supplier or by HÖRMANN, e.g. transport costs, road costs, costs of labour and materials, or costs of an incoming goods inspection in excess of the usual extent. The same applies for any dismantling and installation costs. In the case of subsequent delivery, the supplier must take the defective goods back at its own expense.
- d) If the supplementary performance fails or is unreasonable for HÖRMANN, or if the supplier does not commence this immediately, HÖRMANN can withdraw from the contract or the purchase order without further notice, and send the products back at the supplier’s risk and expense. In these and other, urgent, cases, in particular to prevent acute dangers or to avoid greater damage, if it is no longer possible to notify the supplier of the defects and allow it even a short period for remedial action, HÖRMANN can undertake the rectification of defects itself or have this undertaken by a third party at the expense of the supplier.

- e) Unless anything is regulated otherwise below, claims relating to material defects expire 36 months after the date on which the goods were delivered to HÖRMANN. In the case of material defects in delivery items which, in accordance with their usual use, are used for construction, or in the case of defects of title, the statutory provisions apply. In the case of the delivery of replacement parts (cf. point c)) the limitation period shall recommence when they are handed over to HÖRMANN.
- f) Further claims, in particular compensation or on account of warranties from the supplier remain unaffected.
- g) For every case of a warranty claim being processed by HÖRMANN, if the supplier is responsible for the defect it shall be obliged to pay flat-rate compensation of EUR 250 (without prejudice to HÖRMANN's right to assert higher damages in the individual case, but the flat-rate compensation shall be credited against this). In any event the supplier is entitled to prove that HÖRMANN has incurred no or lesser damages.
- h) If, in its capacity as an automotive supplier, HÖRMANN commits to a longer-lasting or further-reaching liability for defects for a customer, then, insofar as the supplier supplies production material, after prior written notification the supplier shall be obliged to allow this provision also to apply in respect of itself with future effect.
- i) Insofar as customers of HÖRMANN – customarily automotive manufacturers – use a reference market procedure or a similar procedure that is usual in the automotive industry to identify and settle warranty claims, and assert claims against HÖRMANN for defects in HÖRMANN products which result from defects in the supplier's products, this procedure shall also be applied to the supplier's supply relationship with HÖRMANN.

11. Product liability and recall

- a) Insofar as the supplier has caused and/or is responsible for a product defect (depending on the underlying basis for the claim), the supplier shall be obliged on first request from HÖRMANN to pay compensation or indemnify HÖRMANN against all claims from third parties, assuming the cause of the claim lies within the control and organisation of the supplier and the supplier would itself be liable to third parties. If HÖRMANN has contributed to causing the defect, or in the event of contributory negligence by HÖRMANN, the supplier can lodge a claim against HÖRMANN regarding this contribution to causing the defect or contributory negligence. The proportional share of the compensation payments by HÖRMANN and the supplier shall be in accordance with their respective share in the contributory negligence (Section 254 BGB [*German Civil Code*]) and/or their contribution to causing the defect.
- b) The supplier's obligations in accordance with point a) also include the costs incurred by HÖRMANN through using the assistance of an attorney or other costs in connection with the defence against product liability claims. If HÖRMANN is subject to particular rules on the burden of proof in relation to the damaged party, these rules on the burden of proof shall also apply in the relationship between HÖRMANN and the supplier insofar as the facts to be proven are not ascribable to HÖRMANN's sphere of responsibility.
- c) In product liability cases in accordance with point a), the supplier shall give HÖRMANN all the information necessary within the framework of what is reasonable and provide any support to fend off the claims.
- d) Insofar as a recall action or an owner notification programme is necessary for fulfilling a law, an ordinance, an order or any other government requirement, or as a safety measure to prevent personal injury or death, or in the event of other non-code actions or service campaigns, the costs including labour, transport and verifiability costs, among others, shall be apportioned on the basis of the contributory negligence (Section 254 BGB) and/or the contribution to the cause respectively ascribable to HÖRMANN and the supplier. Where possible and appropriate, HÖRMANN shall inform the supplier of the content and extent of the recall actions to be implemented or other non-code actions or service campaigns, and shall give the supplier the opportunity of commenting on these. All other statutory claims shall remain unaffected by this.
- e) The supplier is obliged to take out and maintain appropriate product liability insurance including the risk of recall to cover the product liability risks. At HÖRMANN's request the supplier must immediately prove that it has taken out such insurance. If the supplier is unable to provide proof of the insurance policies within two weeks, HÖRMANN shall have the right to take out such insurance at the supplier's expense.

12. Industrial property rights

- a) The supplier shall ensure that by acquiring, owning, offering, using, processing or reselling the products, HÖRMANN or customers of HÖRMANN do not infringe any rights of ownership of third parties, in particular trademark rights, rights to the use of a trading name, rights to bear a name, patent rights, rights to utility models, rights to design patents, rights to features, designs or copyrights of third parties (including corresponding applications for industrial property rights) (“industrial property rights”) in the supplier’s country of origin or within the Federal Republic of Germany, the European Union, the USA, Canada, Brazil, Argentina, Australia, China, Korea, Thailand, Japan or India. If the supplier culpably breaches this obligation, on first request from HÖRMANN the supplier shall indemnify HÖRMANN and the latter’s customers against any claims from third parties from such actual or asserted infringements of industrial property rights, and shall bear all costs and expenses incurred by HÖRMANN in connection with this, in particular the costs of legal proceedings and defence on the one hand and costs resulting from the observance of a possible duty of cessation on the other hand.
- b) Point a) does not apply if the delivery item has been manufactured in accordance with drawings, models or other detailed specifications from HÖRMANN and the supplier was neither aware, nor should it have been aware, that industrial property rights of third parties were infringed in this way.
- c) The parties are obliged to inform each other immediately of risks of infringement and alleged cases of infringement of which they become aware, and shall amicably counteract corresponding infringement claims within the limits of what is reasonable.
- d) The limitation period is 3 years from the conclusion of the corresponding contract.

13. Retention of title, means of production

- a) The products pass into the ownership of HÖRMANN when the purchase price is paid in full. Any extended or expanded retention of title for the delivered products by the supplier is excluded.
- b) All parts, raw materials, tools, materials or other devices or items that are provided by HÖRMANN or acquired by the supplier at HÖRMANN’s expense (and the acquisition costs of which have been reimbursed by HÖRMANN or included in the prices payable for the products and paid for in full) and which are associated with or used for the manufacture of the products (“means of production”), shall remain or become the sole property of HÖRMANN (“HÖRMANN property”). All rights to all the designs, samples, drawings, data, models, or other information and documents released by HÖRMANN (“HÖRMANN documents”) also remain with HÖRMANN. The supplier expressly agrees that HÖRMANN property or HÖRMANN documents cannot be used for the manufacture or design of products for third-party customers without the prior written consent of HÖRMANN.
- c) Insofar as the supplier is in possession of HÖRMANN property and HÖRMANN documents as the borrower of these, it must store them separately and apart from any property of other persons, and shall clearly mark HÖRMANN property and HÖRMANN documents as belonging to HÖRMANN. HÖRMANN property and HÖRMANN documents shall not be removed from the supplier’s company premises without written instructions from HÖRMANN, except for the purpose of fulfilment of the contract.
- d) The supplier is obliged to insure HÖRMANN property at its replacement value at least against fire, water and theft at the supplier’s own expense, and to maintain these insurance policies. On request the supplier shall prove the existence of corresponding insurance policies to HÖRMANN. The supplier shall undertake any necessary maintenance work at its own expense at the usual intervals, and must notify HÖRMANN immediately in writing of damage or faults.
- e) Insofar as HÖRMANN provides the supplier with products, raw materials or other materials (“goods”) for its manufacture of products, HÖRMANN shall retain ownership of these goods. The processing, treatment, modification, installation or remodelling of such goods by the supplier shall take place for HÖRMANN. Insofar as the goods that are subject to retention of title are processed together with other items that are not owned by HÖRMANN, HÖRMANN shall acquire joint ownership of the new product proportionally based on the ratio between the value of the HÖRMANN goods (purchase price plus VAT) and the other processed items at the time of processing.

- f) Insofar as the goods provided by HÖRMANN have been inseparably combined or mixed with other items that are not owned by HÖRMANN, HÖRMANN shall acquire joint ownership of the new product proportionally based on the ratio between the value of its goods that are subject to retention of title (purchase price plus VAT) and the other combined or mixed items at the time of combining or mixing. Insofar as the combining or mixing takes place in such a way that the supplier's items are to be regarded as the main item, it is agreed that the supplier shall transfer the joint ownership to HÖRMANN proportionately; the suppliers shall store and keep the sole property of HÖRMANN or the jointly owned property of HÖRMANN on behalf of HÖRMANN.

14. Confidentiality

- a) The supplier undertakes to treat as confidential all confidential information it receives directly or indirectly from the respective other contracting party. Purchase orders and all the associated commercial and technical details must also be treated as confidential information. In particular, all illustrations, drawings, calculations, quality guidelines, samples and similar items received must be kept secret. Duplication and disclosure of confidential information is only permitted within the framework of operational requirements. It may only be disclosed to third parties in writing after the prior consent of HÖRMANN.
- b) The above obligations do not apply to any confidential information for which the supplier can prove that it (i) was generally accessible at the time at which it was communicated, or became generally accessible thereafter without the supplier being at fault; (ii) was already in the supplier's possession at the time at which it was communicated; (iii) was made accessible to the supplier by third parties without the obligation of secrecy and non-use, provided that these third parties did not receive the information directly or indirectly from the supplier; (iiii) must be communicated to the authorities on the basis of legal provisions.
- c) The supplier undertakes to bind sub-suppliers to confidentiality to the same extent. The supplier may only use the secret information which has become known to it from HÖRMANN for its intended purpose.
- d) The duty of confidentiality shall last for a period of 5 years beyond the termination of the supply relationship. The supplier undertakes after the termination of the supply relationship to release to HÖRMANN all the confidential information it has received, insofar as it is represented or stored on electronic storage media. On request, the supplier must confirm the fulfilment of the obligations in the last two sentences to HÖRMANN.

15. Contracted development

- a) Insofar as the supplier undertakes development work for HÖRMANN for production material or means of production (in particular tools), the costs of which are reimbursed by HÖRMANN either separately and/or via the prices payable for the products (contracted development), the following applies:
- b) The supplier shall achieve a development result that is free from third-party property rights; Section 12 applies mutatis mutandi.
- c) The legal ownership of all the development results (including all inventions, expertise, test and development reports, suggestions, ideas, designs, constructions, proposals, samples, models etc.) which the supplier achieves within the framework of the cooperation ("work results") shall pass to HÖRMANN at the time at which they originate.
- d) Insofar as the work results are patentable, HÖRMANN is in particular entitled at its own discretion to register property rights for them at home and abroad in its own name, follow these up and also allow them to lapse at any time.
- e) The supplier must make unrestricted use of patentable inventions made by its employees during the implementation of this contract by means of a declaration from the inventor; the right to the invention must be transferred immediately to HÖRMANN.

- f) Insofar as the work results are protected by copyrights belonging to the supplier, the supplier shall grant HÖRMANN and companies affiliated with HÖRMANN the exclusive, gratuitous, irrevocable, sub licensable, transferrable right, without restrictions in terms of time, place and content, to use and exploit these work results in any manner, free of charge and at will. Insofar as work results are developed in the form of software, the rights of use and exploitation shall not be limited to the object code. HÖRMANN shall, in particular, have a claim to the handover of the source code and documentation. HÖRMANN can request such handover at any time, including during the implementation of the development project. The supplier (and the companies affiliated with it) is and shall remain the owner of inventions made before the commencement of the cooperation, and the property rights registered or granted for these, as well as copyrights, registered design rights and expertise that existed before the commencement of the cooperation (“pre-existing property rights”). Insofar as pre-existing property rights are necessary for the exploitation or further development of the development results, HÖRMANN shall receive a gratuitous, non-exclusive, sub licensable, transferrable and irrevocable right to the use of these, which is unrestricted in terms of time and place.
- g) Insofar as the supplier brings in sub-suppliers within the framework of the services to be provided by it, it shall be obliged to ensure by means of suitable contractual agreements that HÖRMANN receives rights of ownership and use in accordance with the provision in this Section 15.

16. Supply of replacement parts

- a) The supplier undertakes to guarantee a supply of replacement parts for the intended lifetime of the end products for which the products are to be used. The minimum period is 15 years after the end of the serial production of the products. In good time before the expiry of the minimum period, the supplier shall grant HÖRMANN the opportunity of placing a final purchase order for its long-term requirements.

17. Cancellation/revocation of purchase orders/contracts

- a) If the supplier ceases its payments without cause, or if an application is made for the opening of insolvency proceedings over the supplier’s assets, the other party shall be entitled to withdraw from the contract on account of the parts of the contract that have not yet been fulfilled.
- b) In the case of long-term contracts for the supply of goods, the provisions in points c) – e) shall apply in respect of the term and termination.
- c) HÖRMANN has the right to terminate these contracts in writing giving 6 months’ notice, and the supplier can do so in writing giving 9 months’ notice.
- d) In the cases in which HÖRMANN’s customer cancels its purchase order without cause or extraordinarily, in full or in part, HÖRMANN shall be entitled to terminate the contract with the supplier in full or in part irrespective of its right in accordance with point 17 c), insofar as HÖRMANN is unable to use the products ordered from the supplier for customer purchase orders which fall due within the next four weeks. HÖRMANN can provide corresponding proof by presenting purchase order confirmations and estimates (redacted if necessary to protect business secrets and personal data).
- e) HÖRMANN has the right to terminate the contract without notice at any time for cause. Such cause shall exist in particular in the following cases: (i) the opening of insolvency proceedings over the assets of a party or the rejection of such proceedings due to the lack of assets or the liquidation of one of the parties; (ii) a breach of material contractual obligations; however, in the case of a breach which can be rectified, this applies only after HÖRMANN has asked the other party in writing to rectify the breach, warned it of the imminent termination for cause, and set an appropriate grace period which has expired without success; (iii) the supplier comes under the dominant control of a competitor of HÖRMANN due to a change in its stakeholders or shareholders.
- f) In the event of a cancellation or other termination of a contract, the supplier must hand back the HÖRMANN property and HÖRMANN documents (cf. Section 13 b)) and all other articles provided by HÖRMANN, including all drawings and other documents, devices and tools.

18. Data protection

- a) For the implementation of the supply contracts, the supplier shall oblige its employees and vicarious agents to observe the data protection provisions, or has already done so. The supplier vouches that all the persons it shall entrust with the processing of deliveries observe the relevant data protection provisions as amended from time to time. Within the framework of implementing the supply contract, HÖRMANN shall process at least the following categories of personal data: the supplier's contact details (e.g. name, address, email address, phone number), invoicing data (e.g. bank account details), data on payment practices and quality of the service provision. The disclosure or transmission of these personal data by HÖRMANN to its subsidiaries within the group or to third parties instructed to undertake implementation and testing shall only take place insofar as this is necessary. Further information on data processing in accordance with Art. 13 GDPR can be found in the data protection information sheet attached to this supply contract.
- b) The supplier must provide the aforementioned data to HÖRMANN within the framework of the conclusion and implementation of the supply contract. This is necessary for the conclusion of the supply contract and the fulfilment of the associated contractual duties, or there are legal obligations for HÖRMANN or the supplier to undertake the corresponding data processing. Without these data the contract cannot be concluded or fulfilled.
- c) The supplier is obliged to provide information about the data processing by HÖRMANN in connection with the supply contract to its own employees, vicarious agents and service providers (data subjects), and is obliged to provide the respective data subjects with information about the respective data processing in connection with this contractual relationship by means of the data protection information sheet from HÖRMANN.
- d) The contracting parties shall support each other within the limits of their capabilities in implementing the rights asserted by the data subjects in accordance with Art. 15 et seq DSGVO.

19. Other provisions

- a) If one of the above provisions should be or become ineffective or unenforceable, this shall not affect the legal effectiveness of the remaining provisions. Instead of the provision that is invalid or unenforceable, a provision shall apply which comes closest within the framework of what is legally possible to what the parties intended according to the original meaning and purpose of the ineffective or unenforceable provision. The same applies to any contractual gaps.
- b) The supplier must not cede or transfer any purchase order or the contract, either in full or in part, without the prior written consent of HÖRMANN.
- c) The supplier must not use one or more subcontractors for the fulfilment of a purchase order or part of a purchase order without the prior written consent of HÖRMANN.

20. Place of performance, applicable law, legal venue

- a) The place of performance for the supplier's obligations to supply is the respective place of receipt or use named by HÖRMANN. The place of performance for HÖRMANN's payment obligations is the company's registered office.
- b) Exclusively the law of the Federal Republic of Germany applies. The UN Convention on Contracts for the International Sale of Goods (CISG) does not apply.
- c) The legal venue for all disputes arising from the business relationship in commercial legal relations between the parties is Darmstadt. The aforementioned legal venue does not apply to reminder procedures. In addition, HÖRMANN also has the right if it so chooses to claim against the supplier at its general legal venue.