

General Terms and Conditions of Purchase of Boll & Kirch Filterbau GmbH

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1 Scope of application

- 1.1** The General Terms and Conditions of Purchase ("GPC") of Boll & Kirch Filterbau GmbH (hereinafter referred to as "Boll & Kirch") apply to all orders and formally concluded contracts with the contract partner (hereinafter referred to as "supplier") for all goods and services. The GPCs shall also apply to contracts concluded with the supplier in future,

provided the supplier has accepted them following receipt thereof.

- 1.2** Boll & Kirch shall not recognise conflicting, deviating or supplementary general terms and conditions of business, unless Boll & Kirch has expressly accepted them in writing on an individual case basis. They shall also have no effect even if Boll & Kirch has not objected to them in a particular case. The acceptance of goods or services or making payment for them shall not be deemed as acceptance of the supplier's general terms and conditions of business.

2 Quotations, orders, conclusion of contract

- 2.1** The issue of quotations or preparation of cost estimates for Boll & Kirch shall be free of charge. Furthermore, Boll & Kirch shall not bear the cost of planning or other preliminary work undertaken by the supplier that is associated with the submission of quotations and shall pay no charges, unless expressly agreed in writing for the particular case.

- 2.2** In his quotation the supplier undertakes to strictly adhere to the requested specifications and any other requests contained in the enquiry and to explicitly refer to any deviations that may become apparent. Should the supplier identify any obvious errors or omissions in the enquiry documents when preparing a quotation he shall notify Boll & Kirch as quickly as possible thereof.

- 2.3** Where Boll & Kirch informs the supplier of the particular country for which the goods or services are intended, the supplier shall take this into consideration when submitting his quotation and shall ensure the quoted goods or services meet the technical requirements and statutory provisions that are applicable there.

- 2.4** Orders and their amendments or supplements, together with other agreements concluded in connection with the conclusion of a contract shall be stated or confirmed in writing by Boll & Kirch. Each

order shall be confirmed in writing by the supplier.

2.5 During order processing the supplier shall, for all processes and in all documentation associated with the order, provide an order number, order date and corresponding delivery destination.

2.6 Where the order involves the acceptance of a binding quotation with materially identical content and a contract has been concluded on this basis, any amendments or supplements subsequently confirmed by the supplier shall only become effective in law once they have been confirmed by Boll & Kirch in writing.

2.7 Any necessary amendments or supplements to the agreed scope of goods/services to be supplied, and that prove necessary during execution of the order, shall be immediately notified to Boll & Kirch by the supplier. The supplier shall then only execute the order provided written confirmation is received from Boll & Kirch or if a change is made to the purchase order.

3 Sub-contracting of orders to third parties, engaging subcontractors

3.1 Should the supplier plan to engage subcontractors to execute the order he shall notify Boll & Kirch upon submitting the quotation and name the respective subcontractor(s).

3.2 The supplier may not subsequently subcontract third parties to provide ordered goods and services, or substantial elements of them, without obtaining prior written agreement from Boll & Kirch. Written agreement shall also be obtained when replacing an approved third party supplier with another third party supplier.

4 Contractor's property, Industrial Property Rights, Copyright

4.1 Drawings, samples and other documents or resources that Boll & Kirch makes available to the supplier shall remain the property of their rightful owners. They may only be used for their intended

purpose and shall be returned to Boll & Kirch immediately upon request.

4.2 In particular, the supplier shall respect industrial property rights and copyrights to which Boll & Kirch possesses rights of use and exploitation. Their use or exploitation shall only be permitted for the contractually agreed purposes. The supplier may not use or exploit goods produced from documents, drawings, models or other additional items drafted by Boll & Kirch or on behalf of Boll & Kirch for his own purposes or for the purposes of third parties. The supplier may neither offer nor supply them to third parties.

5 Delivery dates and deadlines, default

5.1 Agreed delivery dates and deadlines shall be binding. Delivery dates and deadlines shall be deemed to be met upon receipt of goods and/or service(s) that are free of defects and complete at the specified point of delivery or upon acceptance, if this has been contractually agreed or is required by law. If delivery has been agreed with assembly but without acceptance, the delivery dates and deadlines shall be based upon the time of handing over the assembled product in a state that is free of defects.

5.2 Should the supplier identify that he will be unable to meet his contractual obligations on time – in full or in part – he shall notify Boll & Kirch immediately thereof, stating the reasons and, where appropriate, the expected duration of the delay. Corresponding notifications made by the supplier shall not affect the statutory rights and claims to which Boll & Kirch is entitled in the event of non-performance or delay.

5.3 The supplier shall request in good time any information and documentation required in order to complete the contract on time, in order to ensure that delivery dates and deadlines can be met.

5.4 If a contractual penalty clause has been agreed and is invoked in the event of default, then Boll & Kirch shall be entitled to assert this clause until payment of the

invoice for the delayed goods or services has been received, without Boll & Kirch having to expressly reserve the right to do so during acceptance. Early delivery of goods/services shall require prior approval in writing from Boll & Kirch. Agreed payment dates shall remain unaffected by this, even if Boll & Kirch has approved the early delivery of goods/services.

6 Performance, safety regulations, origin of goods, conformity

6.1 The supplier shall conform to accepted engineering standards and the correspondingly applicable statutory and official requirements.

6.2 Where the supplier carries out work at the factory, buildings and site of Boll & Kirch, the supplier undertakes to comply with all applicable laws, rules and regulations relating to the health and safety of employees, environmental protection, the transportation of hazardous goods and protection against fire, including the data sheets issued by the employers' liability insurance associations and the Association of Property Insurers, where these are applicable to the provision of the goods and/or services.

6.3 Machinery and technical work equipment must be manufactured in conformance with the corresponding regulations of the German Product Safety Act (ProdSG), be accompanied by operating instructions in German that meet the requirements of the current Machinery Directive and must bear the CE mark. As part of the conformity procedures, incomplete machinery must be supported by a declaration.

6.4 The supplier shall also comply with mandatory marking requirements, similar to the CE mark, in other cases relating to the corresponding product to be supplied.

6.5 The supplier is obligated to state the net weight and statistical goods number or HS code ("harmonised system") for each product to be supplied, pursuant to the relevant regulations of the European Union.

6.6 The supplier is obliged to certify the origin of goods in the form of a supplier's declaration whether or not the goods are non-preferential or preferential. This document has to conform to the current regulations in form and accuracy.

6.7 Where a product that is to be supplied is subject to export restrictions in the country of final destination and Boll & Kirch has notified the supplier of this destination country, then the supplier undertakes to notify Boll & Kirch hereof in good time. This shall apply in particular to so-called dual use products pursuant to the relevant European regulations or to products for which export or re-export is prohibited or are subject to approval pursuant to mandatory national, European or international regulations.

6.8 The supplier shall apply a material mark to all goods that, in connection with the supplied goods or services, have enclosed or separately forwarded manufacturer's certificates, other certificates and/or inspection documents that contain information about the materials from which the goods are made and the manufacturer of the goods.

7 REACH, RoHs and conflict minerals

7.1 The supplier warrant that the items delivered to Boll & Kirch comply with the requirements of all relevant national and international laws (e.g. US Dodd-Frank-Act or EU-regulations). The supplier is obliged to comply with the requirements of the EU Chemicals Regulation (EC) No. 1907/2006 "REACH", as amended. For further details see www.bollfilter.com/en/general-standard-terms-and-conditions.

8 Delivery, transfer of risk

8.1 Unless otherwise agreed, deliveries shall be made inclusive of packaging "DAP place of destination, Incoterms® 2020". If acceptance by Boll & Kirch is a legal requirement, or if it has been contractually agreed, the supplier shall bear the risk until acceptance by Boll & Kirch.

- 8.2** Cases of force majeure together with other unforeseeable or uncontrollable external circumstances, for example industrial action, shall entitle Boll & Kirch to correspondingly postpone acceptance of goods and/or services and/or official acceptance.
- 8.3** Boll & Kirch shall only be obliged to accept deliveries of goods and/or services if they exhibit the agreed quality characteristics.
- 8.4** The supplier shall provide the required documentation in good time, without any request being necessary, and at the latest upon delivery of the goods. For all deliveries of goods that are subject to documentation procedures the supplier shall enclose a material certificate pursuant to DIN EN 10204 and send it in advance in the form of a PDF document and stating the purchase order number as a reference to the e-mail address Zeugnis@bollfilter.com. Each material certificate shall be sent as a separate e-mail.
- 9 Shipping and packaging**
- 9.1** If delivery is to be performed by a haulage contractor, the supplier shall transfer the goods to the haulage contractor along with the proper shipping documents which must show the order information.
- 9.2** Boll & Kirch shall only bear the shipping and packaging costs following explicit prior written agreement. If the price is “EXW place of destination, Incoterms® 2020”, the supplier undertakes to select the method of transportation that is most economical and suitable for Boll & Kirch, in the event that the supplier organises the transportation pursuant to the agreement and then charges the cost on to Boll & Kirch.
- 9.3** The supplier shall mark, package and ship hazardous products in accordance with the corresponding relevant national, European and international regulations applicable at the agreed destination and in the country of final destination of the goods, provided he is aware of this.
- 10 Statutory minimum wage, German law on the posting of workers abroad, prohibition of illegal employment**
- 10.1** The supplier shall ensure that the staff he employs or that are employed by subcontractors to perform the contracts with Boll & Kirch receive the statutory minimum wage (pursuant to the German minimum wage law – MiLoG) or, if remuneration is to be paid pursuant to the provisions of the German law on the posting of workers abroad (Arbeitnehmerentsendegesetz – AEntG), that the corresponding statutory minimum remuneration is paid. The supplier shall also meet his responsibilities to pay contributions to social security funds, employers' liability insurance associations, health insurance funds and other institutions.
- 10.2** When selecting subcontractors the supplier shall check that the conditions set forth in para. 9.1 above are met and obtain written confirmation of this from the respective subcontractor. The same shall apply to temporary employment agencies that conclude temporary employment contracts with Boll & Kirch and to suppliers that engage temporary staff to perform contracts for Boll & Kirch.
- 10.3** The supplier shall refrain from illegal employment of any type.
- 11 Prices, invoice and terms of payment**
- 11.1** The agreed prices are fixed prices. They shall include all discounts and surcharges and shall be subject to the addition of statutory value-added tax. These prices shall include all goods and services which the Client has to provide in order to fulfil his contractual obligations.
- 11.2** Invoices shall be verifiable and shall, following complete delivery of the goods or acceptance of the services, which shall be free of defects, either be sent as an original paper invoice to the business address of Boll & Kirch or forwarded in electronic form to finance@bollfilter.de. Separate invoices must be issued for each individual order and must show the

respective order number. Invoices must not accompany a delivery. The amount of statutory value added tax shall be shown separately on the invoice.

11.3 Payment of correctly submitted and verifiable invoices shall be made within 30 calendar days without deduction or within 25 calendar days with a discount of 2%, provided the requirements for proper accounting have been met. If it is only possible to make a delayed payment because of the lack of proper delivery documentation or the submission of unverifiable invoices, then the discount period shall only commence once clarification has been received.

11.4 Payments made by Boll & Kirch shall not constitute any acknowledgement that the goods and/or services are in compliance with the contract or of the correctness of the amount invoiced.

12 Quality Management System, Audit

12.1 The supplier has to plan, to organize and to realise the production process and quality assurance at his own responsibility in a way, that a comprehensive quality monitoring and control is guaranteed and all quality and safety requirements are complied with.

12.2 This applies to all products, regardless of whether the Supplier manufactures or refines them itself or sources them from third parties, or has them processed or refined by third parties. It remains necessary to ensure that in the production of products bearing pressure/requiring proof, all applicable laws and required rules of manufacture are respected, including the associated regulations of marine classification societies.

12.3 The Supplier undertakes to maintain a quality management system according to ISO 9001, as amended. The contractually stipulated requirements are to be produced in accordance with this quality management system and to be inspected subject to the obligation to achieve a zero-defect goal; this shall take place in

order to continuously improve its performance. Under special circumstances, a certified quality management system can be dispensed with, provided that the Supplier maintains its own quality management system. Evidence of this system must be provided by the Supplier and can be inspected by a Boll & Kirch supplier audit at the latter's manufacturing facility upon prior agreement. Any use of a non-certified quality management system requires the prior consent of Boll & Kirch.

12.4 The Supplier undertakes to comply with all environmental laws and regulations and maintains, at best, a certified environmental management system according to ISO 14001, as amended. The goal is the responsible use of resources and the protection of the environment.

13 Notification of defects, claims on account of defects

13.1 Where the commercial obligation to inspect and report defects applies pursuant to § 377 HGB (German Commercial Code), Boll & Kirch's obligation shall be limited to checking the quantity and identity of the goods, outward signs of transport or packaging damage and random inspection of the goods in terms of their material characteristics, to the extent that this is reasonable. Boll & Kirch shall notify the supplier of any identifiable defects within eight (8) calendar days of delivery. In the event of unidentifiable defects that become apparent at a later date, Boll & Kirch shall notify the supplier within eight (8) calendar days of identifying the defect.

13.2 The supplier shall be responsible for the perfect condition of the goods delivered and the services provided. These must exhibit the agreed quality characteristics and conform to the guaranteed values and properties and shall be fit for the intended purpose. The supplier shall also ensure that the goods and services correspond with the current state of the art and generally recognised technical standards and that qualified personnel are deployed

to provide services. Goods shall be equipped with the stipulated safety devices. The applicable environmental, hazardous materials, hazardous goods and accident prevention regulations shall be observed, as must regulations relating to occupational safety. Specific safety regulations applicable at the place of performance of the service at Boll & Kirch, and that are brought to the attention of the supplier, must be complied with.

- 13.3** Approval by Boll & Kirch of submitted drawings, shall not affect the responsibility of the supplier with regard to proper and defect free performance of the contract.
- 13.4** In the case of defects and in the event of a warranty claim, Boll & Kirch shall be entitled to assert its statutory right to claim for defects. In the event that warranty claims go beyond the statutory claims for defects, then the statutory claims for defects shall remain unaffected. The period of limitation regarding claims for defects shall run for a period of 24 months which shall commence upon delivery of the goods and/or performance and/or acceptance of the service, provided acceptance is either agreed or required by law. Should a longer period of limitation be required by law then this shall apply. The period and course of the normal statutory period of limitation shall remain unaffected by this.
- 13.5** Should a defect become apparent within the period of limitation, then Boll & Kirch shall be entitled to demand subsequent performance by way of improvements, reworking or the supply of new goods and/or remanufacture within a reasonable period of time. The place of subsequent performance shall be the intended place of destination. The place of acceptance, insofar as the supplier was aware of this, shall be final place of performance.
- 13.6** The period of limitation shall be suspended if the parties to the contract enter into negotiations regarding claims for defects or if the supplier investigates or

resolves a notified defect. If parts are replaced in connection with subsequent performance, the period of limitation shall recommence for these parts.

- 13.7** In urgent cases, when the contractor is unavailable and there is a risk of incurring disproportionately greater damages, Boll & Kirch shall be entitled to rectify the respective defects itself or to have such defects rectified by third parties at the expense and risk of the supplier. Boll & Kirch shall immediately inform the supplier of such measures.
- 13.8** If subsequent performance by the supplier is not effected within the specified reasonable deadline extension period, if it has failed or said period has expired fruitlessly or was unnecessary for other reasons provided for by law, then Boll & Kirch shall be entitled in accordance with statutory provisions to withdraw from the contract and demand payment of damages in place of performance, compensation for any unnecessary expenditures or a reduction in price.
- 14 Granting of rights, third party proprietary rights**
- 14.1** Where the supplier manufactures goods or provides services according to requirements and/or specifications issued by Boll & Kirch and in so doing acquires his own proprietary rights to the delivered goods or to the extent that he employs third party proprietary rights therefor, he shall grant Boll & Kirch the right to use and exploit these for the contractually agreed purposes.
- 14.2** The supplier shall ensure that all of the services he provides and goods he delivers are free from any third-party rights and that Boll & Kirch will not infringe the proprietary rights of any third parties through the use and exploitation of such goods and/or services for the contractually agreed purposes. If and to the extent that the goods and/or services are subject to third party proprietary rights, the supplier undertakes to inform Boll & Kirch

thereof and to ensure that he receives the necessary authorisations from the right holder to allow the rights to be granted.

- 14.3** Should an infringement of rights take place nonetheless, the supplier shall indemnify Boll & Kirch against all claims by third parties that may be asserted against Boll & Kirch due to or in connection with the infringement of third party rights resulting from the use of the goods and/or services in accordance with the contract. The supplier shall furthermore bear the cost of safeguarding the rights if such claims result from a breach of contract on the part of the supplier. Boll & Kirch shall inform the supplier immediately in the event of a claim.

15 Other contractual liability, non-contractual product liability, insurance

- 15.1** The supplier shall be liable in the event of a breach of all types of contractual obligations in accordance with the relevant statutory provisions.
- 15.2** The supplier shall indemnify Boll & Kirch against any and all claims arising from product liability claims where such claims are due to a defect in the goods and/or services provided by the supplier. Under the same conditions the supplier shall also be liable for damages suffered in such cases by Boll & Kirch as a result of the type and scope of legally required and appropriate precautionary measures, e.g. public warnings or product recalls. The right of Boll & Kirch to assert its own claims for damages against the supplier shall remain unaffected by this.
- 15.3** The supplier undertakes to take out appropriate insurance against the corresponding risks and provide evidence of such to Boll & Kirch by submitting the corresponding insurance policy on request.

16 Confidentiality, data protection, advertising

- 16.1** The supplier shall maintain strict confidentiality in respect of all documents, information about supplied items and any

other know-how of Boll & Kirch or customers of Boll & Kirch to which he has gained access during the business relationship. The supplier shall also not be entitled to transfer or make these accessible to third parties without the express written consent of Boll & Kirch. The supplier shall furthermore maintain strict confidentiality in respect of all knowledge and results gained through his involvement; however, this provision shall not apply insofar as such knowledge and results are already in the public domain or have entered the public domain or become generally known without the supplier's involvement.

- 16.2** Boll & Kirch shall be entitled to store and process data provided by the supplier while observing the applicable data protection regulations, provided such data is required for performing the contractual obligations. This shall also apply in the case of personal data. The supplier undertakes to comply with the legal provisions governing data protection.
- 16.3** Any exploitation or announcement of business relationships with Boll & Kirch in publications or for advertising purposes shall only be permitted if written consent is obtained from Boll & Kirch in advance.

17 Assignment, retention of title

- 17.1** The supplier may only assign his claims against Boll & Kirch or have them collected by a third party with our prior written approval. This shall not apply to claims against Boll & Kirch that are undisputed, legally established or have been recognised by Boll & Kirch.
- 17.2** Boll & Kirch shall not recognise the supplier's provisions governing retention of title which go beyond simple legal retention of title. This shall be subject to prior written agreement on an individual case basis. In the event that the supplier's subcontractors nevertheless exercise their rights vis-à-vis Boll & Kirch under the retention of title clause or assert co-ownership rights or rights of lien or initiate enforcement measures, then Boll & Kirch

shall assert claims against the supplier for any and all damages incurred as a result thereof.

18 Place of performance, place of jurisdiction, applicable law

- 18.1** The place of performance shall be the place of destination of the goods or the place of acceptance, if this has been contractually agreed or is required by law.
- 18.2** The laws of the Federal Republic of Germany shall apply with the exception of the United Nations Convention on Contracts for the International Sale of Goods (CISG) of 11.04.1980.
- 18.3** The place of jurisdiction shall be Cologne. Boll & Kirch shall furthermore be entitled to bring legal action at its general place of jurisdiction.

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